CHAP. vii.

An Act to consolidate into one ordinary Stock the separate ordinary Stocks and Shares in the North-eastern Railway Company, and to make other provisions consequent thereon, and in reference to the Share Capital of the Company; and for other purposes. [12th May 1870.]

A.D. 1870.

WHEREAS the North-eastern Railway Company (herein-after called "the Company") consists of six several sections of shareholders, representing respectively the shareholders in six companies which have been united into one company under the name of the North-eastern Railway Company, and also of several classes of preference stockholders, and of shareholders, with special rights and interests, which have been created by or added to the Company:

And whereas joint and separate revenue accounts are kept by the Company, and the six sections are entitled to the joint net revenues of the Company in certain fixed proportions, and the following are the names and proportions of joint net revenue of each of the six sections, viz.:—

The Berwick section - - - -	44·10
The York section - - - -	25·41
The Leeds section - - - -	7·72
The Malton section - - - -	·29
The Carlisle section - - - -	8·58
The Darlington section - - -	13·90
	100

And whereas the six sections are entitled to be credited in their respective separate revenue accounts with the income from any shares or other property which, according to the terms of amalgamation of the several companies represented by them respectively were to be treated as belonging to them separately, and they are also entitled to be credited in account with certain property and effects which, in accordance with those terms, were to be treated as the separate properties and effects of the sections respectively:

A.D. 1870.

And whereas there are separate capital and capital expenditure accounts of each section, and also a joint capital and capital expenditure account of the Company, and there are also preference as well as ordinary shareholders in all the six sections, except the Malton section, and after payment of the interest on the debts and liabilities of each respective section, and its proportion of the interest or dividend on joint capital expenditure account, and its preference dividends and special debits, the net half-yearly balance of the separate revenue account of each section is applicable to the payment of a dividend to the ordinary shareholders of that section.

And whereas the nominal amount of the authorised capital of the Company (exclusive of debentures and debenture stock) is thirty-four million five hundred and sixteen thousand eight hundred and four pounds ten shillings, which, on the thirty-first day of December one thousand eight hundred and sixty-nine, was thus made up, viz., of—

	£	s.	d.	£	s.	d.
Berwick capital stock - -	9,546,745	0	0			
York capital stock - -	4,745,050	0	0			
Leeds capital stock - -	1,939,765	0	0			
Malton capital stock - -	160,000	0	0			
Carlisle capital stock - -	1,460,000	0	0			
Darlington capital stock -	4,035,000	0	0			
				21,886,560	0	0
North-eastern preferential stocks, viz.:						
North-eastern consolidated preferential four per cent. stock - - - -	600,465	0	0			
North-eastern four and a half ditto - - -	2,000,000	0	0			
North-eastern four and a half ditto, 1865 - -	1,869,000	0	0			
West Hartlepool preference stock - - - -	2,787,518	0	0			
Cleveland preference stock -	4,500	0	0			
North-eastern five per cent. preference stock, 1866 -	2,643,000	0	0			
				9,904,483	0	0
Hull and Hornsea stock and shares - - -				62,760	0	0
Amount for which further stock or shares could be created or issued on the above-mentioned day - - - - - - - -				2,663,001	10	0
				£34,516,804	10	0

And whereas the six several above-mentioned capital stocks are made up of the following separate amounts and particulars of preference and ordinary stocks and shares, viz.:

In the Berwick Capital Stock:	£	s.	d.
Hartlepool capital stock, guaranteed eight per cent., with right to an increase therein to equal any greater dividend on Berwick ordinary stock, until 1st July 1879, and then to become Berwick ordinary stock - - - - - -	440,570	0	0
Great North of England Railway purchase shares (four per cent. relinquished) to become Berwick ordinary stock when paid up, and meanwhile taking dividend at same rate as on it, on the amount paid up - - - - - -	130,492	6	8
Great North of England Railway purchase stock and shares, guaranteed four per cent., with option to relinquish that, and take same dividend as on Berwick ordinary stock, and then, or when paid up, to become Berwick ordinary stock - - - - - - - - -	778,132	11	0
Thirsk and Malton stock, taking dividend out of half of net earnings of Thirsk and Malton Railway - - - - - - - -	50,000	0	0
Berwick ordinary stock - - - - - -	8,147,550	2	4
	£9,546,745	0	0

In the York Capital Stock:			
Hull and Selby purchase, &c., shares, redeemable at par, on six months' notice, and meanwhile guaranteed four and a half per cent. on 10*l.* per share paid up, and five per cent. on the remaining 15*l.* per share when paid up, with the right to an increase therein respectively, to equal any greater dividend on York ordinary stock - - - - - - - - -	1,516,625	0	0
York guaranteed preference four per cent. stock or shares - - - - - - - -	8,300	0	0
York ordinary stock - - - - - - -	3,220,125	0	0
	£4,745,050	0	0

A.D. 1870.

	£	s.	d.
In the Leeds Capital Stock:			
Leeds quarter preference six per cent. shares, not fully paid up	125,625	0	0
Leeds preference extensions, Nos. 1, 2, and 3, six per cent. shares, not fully paid up	382,300	0	0
Leeds preference fifths, five per cent. shares, paid up in full	33,540	0	0
Leeds ordinary stock	1,398,300	0	0
	£1,939,765	0	0
In the Malton Capital Stock:			
Malton ordinary shares	160,000	0	0
In the Carlisle Capital Stock:			
Carlisle four per cent. preferential stock, guaranteed four per cent. dividend, with right to an increase therein to equal any greater dividend on Carlisle ordinary stock	150,000	0	0
Carlisle four and a half per cent. preferential stock	155,000	0	0
Carlisle ordinary stock	1,155,000	0	0
	£1,460,000	0	0
In the Darlington Capital Stock:			
Darlington preference A. five per cent. stock	450,000	0	0
Darlington preference B. and C. six per cent. stock	1,050,000	0	0
Darlington preference D. five and a half per cent. stock	535,000	0	0
Darlington ordinary stock	2,000,000	0	0
	£4,035,000	0	0

And whereas the stocks and shares in the six sections of the Company taking ordinary dividend on the thirty-first day of December one thousand eight hundred and sixty-nine were as follows:

	£	s.	d.	£	s.	d.
Berwick ordinary stock - -	8,147,550	2	4			
Great North of England railway purchase shares, four per cent. relinquished - -	130,492	6	8			
				8,278,042	9	0
York ordinary stock - - - - -				3,220,125	0	0
Leeds ordinary stock - - - - -				1,398,300	0	0
Malton ordinary shares - - - - -				160,000	0	0
Carlisle ordinary stock - - - - -				1,155,000	0	0
Darlington ordinary stock - - - -				2,000,000	0	0
Total -				£16,211,467	9	0
And whereas the before-mentioned total of— will on the 1st day of July 1879, be increased by the addition to the Berwick ordinary stock of the amount of the Hartlepool capital stock, being - - - - - - - -				16,211,467	9	0
				440,570	0	0
And in case the holders of the Great North of England Railway purchase shares at present taking four per cent. exercise their option of relinquishment, the Berwick ordinary stock will be further increased to the extent of - -				778,132	11	0
And the total amount of stocks and shares of the Company taking ordinary dividend will then amount to - - - - - - - -				17,430,170	0	0
which sum may be further increased in case ordinary stock be issued for the amount for which further stock or shares could be created or issued as aforesaid of - - - - -				2,663,001	10	0
And the total of ordinary stock or shares would then be - - - - - - - -				£20,093,171	10	0

And whereas owing to the large amount of interest and other primary charges which have to be paid out of the separate revenue of some of the six sections before arriving at the sums available for their ordinary dividend as compared with the like sums primarily payable out of the separate revenue of others of those sections, and the great difference between the amounts of ordinary stocks or shares in each section, and of their respective proportions of joint net

1870. A.D. 1870.

revenue, and other special circumstances affecting them respectively, the half-yearly dividend payable to the holders of the ordinary stocks in each section varies materially, and is liable to unequal fluctuations; and the relative market value of the ordinary stock in each section is therefore continually varying in unequal degrees, and whilst some of the said stocks are considerably above others of them are much below par value, which circumstance is prejudicial to the Company and its shareholders in several respects:

And whereas owing to the division of the capital of the Company amongst different sections with varying incomes, and the different proportions of ordinary stock in each section, and other circumstances, the Company are unable to raise any of their unraised capital of two million six hundred and sixty-three thousand and one pounds ten shillings by means of ordinary stock or shares, and if a remedy be not provided will be compelled to raise the same by the issue of preference stock, and the amount of preference stock in the Company is already disproportionate to that of the ordinary stocks of the Company:

And whereas considerable inconvenience is caused by the necessity for keeping many distinct capital, revenue, and other accounts for the Company and its different sections, and also by the division of the capital of the Company into separate sections of capital, for the remedying whereof it is expedient to consolidate the separate ordinary stocks of the six sections, and to dispense, so far as may be, with the obligation on the Company to keep those separate accounts:

And whereas the expediency of consolidating the ordinary stocks of the six sections into one common stock has been under the consideration of the shareholders and directors of the Company for several years past, and in accordance with the expressed desire of the shareholders a scheme for such consolidation was prepared by the directors and submitted to the shareholders at an extraordinary general meeting of the Company specially convened for the purpose of considering that subject, and held on the twelfth day of November one thousand eight hundred and sixty-nine, which meeting was fully attended, and after hearing the proposed scheme was adjourned to the third day of December following for the purpose of further considering the terms of consolidation: And whereas a printed report of the proceedings at the said meeting on the twelfth day of November, containing a statement of the terms of consolidation as proposed to it, was transmitted to the shareholders on the twenty-second and twenty-third days of that month, in order to give time for their consideration of the subject prior to the holding of the adjourned meeting on the third day of December then next, and at

that adjourned meeting (of which due notice was also given) the shareholders approved of the scheme for consolidation proposed by the directors, and that scheme is embodied in and provided for by this Act: And whereas the bill for this Act was submitted to and considered by the shareholders of the Company at a meeting for that purpose specially convened, and held on the eighteenth day of February one thousand eight hundred and seventy, of the objects of which meeting special notice was given by advertisement, and also by circular addressed to each of the shareholders, with a form of proxy, in case they wished to vote by proxy at the meeting, and at that meeting (which was also fully attended) the said bill was unanimously approved:

And whereas the Company are holders in right of the York section of shareholders under the powers of thirteen and fourteen Victoria, chapter thirty-eight, section seventeen, of shares representing thirty-seven thousand two hundred pounds of Malton capital stock, and the Company are also holders in right of the Malton section of shareholders under the powers of fifteen Victoria, chapter thirty-seven, section three, of stock representing thirty-three thousand one hundred pounds of the Thirsk and Malton stock in the Company, the residue of that stock, namely, sixteen thousand nine hundred pounds being held by other shareholders, and it is expedient that the shares and stock so held by the Company should be cancelled:

And whereas by the "North-eastern and Stockton and Darlington Railways Amalgamation Act, 1863," three persons, called "the three Darlington directors," were added to the board of directors of the Company, and provisions were made for the retirement annually of one of those three directors, and for the supply of his place by the election by the Darlington section of another duly qualified Darlington shareholder until the year one thousand eight hundred and seventy-four; and a committee of twelve persons, called "the Darlington committee," was constituted for the management and working of the Stockton and Darlington Railway, and the branches, docks, and other works of the Stockton and Darlington Railway Company, therein referred to as "the Darlington system," with certain defined powers; and provisions were made for the continuance of the Darlington committee until the thirty-first day of December one thousand eight hundred and seventy-three, inclusive, and, if so thought fit by the Company, of a committee for the Darlington system subsequently:

And whereas the consolidation of the separate ordinary stocks of the Company into one ordinary stock will render necessary further provisions in reference to the continuance in office of the three

A.D. 1870.

Darlington directors and of the Darlington committee and its members, and other provisions will be requisite as to matters provided for by the said Amalgamation Act:

And whereas it is expedient that other provisions should be made in reference to the capital and capital stocks and shares in the Company and its shareholders, and that such further provisions as by this Act are made be made with respect to the Company and its undertaking:

And whereas the objects of this Act cannot be attained without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted; and be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows; (that is to say,)

Short title.

1. This Act may for all purposes be cited as "The North-eastern Railway Company's (Consolidation of Stocks) Act, 1870."

Interpretation of "the Company."

2. In this Act the expression "the Company" means the North-eastern Railway Company.

Cancellation of 37,200*l.* of Malton stock, and 33,100*l.* of Thirsk and Malton stock.

3. On the passing of this Act, the shares in the Malton capital stock, representing thirty-seven thousand two hundred pounds of that stock held by the Company in right of the York section of shareholders, and the thirty-three thousand one hundred pounds of Thirsk and Malton stock in the Berwick capital stock held by the Company in right of the Malton section of shareholders, are cancelled, and the nominal capital of the Company is reduced by those amounts; and the subsequent provisions of this Act shall be read as if the said shares and stock had been cancelled and the Company had ceased to be registered as the holders thereof, and the nominal capital of the Company reduced accordingly immediately before the passing of this Act.

Consolidation of ordinary stocks and shares of the six sections into one stock, to be called "North-eastern consols."

4. On the passing of this Act, the ordinary stocks and shares in the several capital stocks of the Company called "the Berwick capital stock," "the York capital stock," "the Leeds capital stock," "the Malton capital stock," "the Carlisle capital stock," and "the Darlington capital stock" shall be consolidated into and shall thereafter be represented by one common ordinary joint capital stock of the Company, of the aggregate nominal amount of sixteen million four hundred and eighty thousand five hundred and ninety-seven pounds twelve shillings and fourpence, and such further amount as will equal in nominal value the amount of Great North of England Railway purchase shares, or stock converted into Berwick stock, between the thirty-first day of December one thousand eight

hundred and sixty-nine and the passing of this Act, which stock and all future additions thereto shall be called "North-eastern consols," and shall take ordinary dividend only out of the joint net revenue of the Company after all the guaranteed and other preference charges, interest, rents, and other liabilities of the Company and of its several sections on revenue account are paid.

North-eastern consols to be apportioned amongst the holders of ordinary stocks and shares.

5. On the passing of this Act the sixteen million four hundred and eighty thousand five hundred and ninety-seven pounds twelve shillings and fourpence of North-eastern consols, and such further amount as will equal in nominal value the amount of Great North of England Railway purchase shares, or stock converted into Berwick stock, between the thirty-first day of December one thousand eight hundred and sixty-nine and the passing of this Act, shall be allotted and apportioned between the several persons or parties who on the passing of this Act are registered in the books of the Company as holders of ordinary stock or shares in the Berwick capital stock, the York capital stock, the Leeds capital stock, the Malton capital stock, the Carlisle capital stock, and the Darlington capital stock, in the several proportions following; that is to say,

For every one hundred pounds in nominal value of ordinary stock or shares in the Berwick capital stock, and so in proportion for a greater or less amount, one hundred pounds of North-eastern consols:

For every one hundred pounds in nominal value of ordinary stock or shares in the York capital stock, and so in proportion for a greater or less amount, ninety-eight pounds of North-eastern consols:

For every one hundred pounds in nominal value of ordinary stock or shares in the Leeds capital stock, and so in proportion for a greater or less amount, sixty-five pounds of North-eastern consols:

For every one hundred pounds in nominal value of ordinary shares in the Malton capital stock, as reduced by this Act, and so in proportion for a greater or less amount, ten pounds of North-eastern consols:

For every one hundred pounds in nominal value of ordinary stock or shares in the Carlisle capital stock, and so in proportion for a greater or less amount, one hundred and thirty-three pounds of North-eastern consols:

For every one hundred pounds in nominal value of ordinary stock or shares in the Darlington capital stock, and so in proportion for a greater or less amount, one hundred and thirty-six pounds of North-eastern consols:

A.D. 1870.

Provided always, that whenever the allotment of North-eastern consols to any shareholder shall result in a fraction of one pound of stock such shareholder shall not be registered for that fraction, but shall at his option either relinquish the same and be paid by the Company that amount in cash, or take and be registered for a full pound of the stock instead of such fraction, and pay to the Company the difference in cash at par value; and in order to comply with this provision the Company may register the requisite amount of the stock relinquished, if there be sufficient thereof, in the name of any shareholder electing to take a full pound of stock, and may increase the amount of their capital stock to such extent as shall be found necessary on the balance of the fractions of stock relinquished or taken being ascertained, and may sell the balance of stock relinquished, if any there be, ultimately remaining in hand, or may pay the difference between the cash received and required to be paid out of their general capital funds, as the case may be.

Hartlepool 8 per cent. stock to be entitled until 1st July 1879, to an increased dividend.

6. The holders of the Hartlepool capital stock (in lieu of their present right to such an increase in their guaranteed rate of dividend of eight per cent. as will make it equal to the dividend at any greater rate for the time being paid on the like amount of Berwick ordinary stock) shall, whenever the dividend on North-eastern consols exceeds eight per cent., be entitled from time to time, until the first day of July one thousand eight hundred and seventy-nine, to such an increase in the rate of their guaranteed dividend as will make it equal, for the respective period, to the dividend on North-eastern consols for the corresponding half year, which increased dividend shall be payable and paid at the same time as the dividend for that half year on North-eastern consols.

Hartlepool capital stock to become North-eastern consols on 1st July 1879, instead of Berwick ordinary stock.

7. On the first day of July one thousand eight hundred and seventy-nine, the Hartlepool capital stock, instead of becoming Berwick ordinary stock, as now provided, shall become and be represented by the like amount in nominal value of new stock of the Company, to be added to and rank with the North-eastern consols, and the respective holders thereof shall from thenceforth have in all respects the same rights and liabilities in respect of their respective amounts of that stock as other holders of like amounts of North-eastern consols.

Great North of England purchase shares when paid up and guarantee relinquished to become North-eastern consols.

8. When and so soon as any Great North of England Railway purchase shares on which the guaranteed dividend of four per cent. has been or shall be relinquished are paid up in full, and when and so soon as that guaranteed dividend is relinquished on any Great North of England Railway purchase stock already paid up in full, the holders thereof respectively, instead of becoming holders of Berwick ordinary

stock as now entitled, shall thereupon become holders of like amounts respectively in nominal value of new stock of the Company, to be added to and rank with the North-eastern consols, and have the same rights and liabilities as other like amounts of those consols, but taking dividend thereon only from the respective times of each relinquishment; and in the meantime and until any of those shares on which the guaranteed dividend has been or shall be relinquished are paid up in full, the holders thereof respectively, instead of taking dividend as heretofore entitled at the same rate as that on Berwick ordinary stock, shall as from the thirty-first day of December last, in respect of any of those shares on which the guaranteed dividend had then been relinquished, or as from the date of each relinquishment as respects any of those shares on which the guaranteed dividend was subsequently or shall hereafter be relinquished, be entitled to dividend on the amount for the time being paid up on their respective shares at the same rate and time as the dividend for the time being paid on North-eastern consols.

Hull and Selby purchase, &c. shares to be entitled to an increased dividend.

9. The holders of the Hull and Selby purchase, &c. shares (in lieu of their present right to such an increase in their guaranteed rate of dividend of four and a half per cent. on ten pounds per share, and five pounds per cent. on the sums per share paid up above that amount as will make it equal to the dividend at any greater rate for the time being paid on the like amount of York ordinary stock) shall (whenever the amount paid by the Company for dividend in any half year on ninety-eight pounds of North-eastern consols gives a greater rate on one hundred pounds than the guaranteed rate of dividend) be entitled from time to time, until they are paid off, to such an increase in the rate of their guaranteed dividend on the sums for the time being paid on their respective shares as will make that guaranteed rate equal for the respective period to such last-mentioned greater rate of dividend for the corresponding half year, which increased dividend shall be payable and paid at the same time as the dividend for that half year on the North-eastern consols.

Carlisle 4 per cents. to be entitled to an increased dividend.

10. The holders of the Carlisle four per cent. preferential stock (in lieu of their present right to such an increase in their guaranteed rate of dividend of four per cent. as will make it equal to the dividend at any greater rate for the time being paid on the like amount of Carlisle ordinary stock) shall (whenever the amount paid by the Company for dividend on one hundred and thirty-three pounds of North-eastern consols gives a greater rate on one hundred pounds than the guaranteed rate of dividend) be entitled from time to time (until they exchange that preferential stock, as by this Act authorised) to such an increase in the rate of their

A.D. 1870.

guaranteed dividend as will make that guaranteed rate equal for the respective period to such last-mentioned greater rate of dividend for the corresponding half year, which increased dividend shall be payable and paid at the same time as the dividend for that half year on the North-eastern consols.

Carlisle 4 per cents. may be exchanged for North-eastern consols.

11. In case the holders of any Carlisle four per cent. preferential stock shall be so minded, they may exchange the whole or any part of their said stock for new stock of the Company, at the rate of one hundred and thirty-three pounds of that new stock for every one hundred pounds in nominal value of that preferential stock exchanged by them respectively, and thereupon the Carlisle preferential stock exchanged shall be cancelled, and the requisite amount of new stock shall be issued in exchange for the same, and added to, and shall from thenceforth rank with, the North-eastern consols; and the holders of the Carlisle preferential stock making such exchange shall from thenceforth have in all respects the same rights and liabilities in respect of their respective amounts of new stock as other holders of like amounts of North-eastern consols.

Leeds preference 6 per cents. may be exchanged for 6 per cent. North-eastern preference stock.

12. The holders of any of the guaranteed six per cent. preference shares in the Leeds capital stock may agree with the Company to relinquish their respective shares, and receive in exchange for the portions thereof respectively called up six per cent. guaranteed preference stock of the Company, which stock shall all rank alike, but in other respects take the place of, and have the same rights of priority over, any other stocks or shares in the Company as the relinquished shares; and on every such exchange being agreed to the Company shall issue to the holders of the shares agreed to be relinquished the requisite amount of guaranteed stock, and cancel the relinquished shares; and the Company may at any time thereafter issue, under "the North-eastern Railway Company's Capital Act, 1857," stock or shares to the amount of the uncalled portions of the relinquished shares.

Remaining 16,900*l.* of Thirsk and Malton stock may be paid off or exchanged for North-eastern consols.

13. The Company may purchase or pay off, or exchange for the like or a less amount in nominal value of new stock in the Company, the whole or any part of the remaining sixteen thousand nine hundred pounds Thirsk and Malton stock in the Berwick capital stock which the holders thereof may be willing to sell, or have paid off or exchanged as aforesaid, and thereupon the stock purchased, paid off, or exchanged shall be cancelled, and for the purpose of any such exchange the requisite amount of new stock shall be added to and thenceforth rank with the North-eastern consols, and the holders of Thirsk and Malton stock making such exchange shall from thenceforth cease to have any separate rights

or powers in respect of their Thirsk and Malton stock, and shall in all respects have the same rights and liabilities in respect of their respective amounts of new stock as other holders of like amounts of North-eastern consols.

Company may apply monies to pay off or purchase Thirsk and Malton stock.

14. The Company may, for the purpose of paying off or purchasing any Thirsk and Malton stock, apply any monies they have in hand, and which are not specially applicable to and required for other purposes.

Whilst Thirsk and Malton stock exists revenue account of Company to be credited with dividends on amount of cancelled Thirsk and Malton stock.

15. So long as any Thirsk and Malton stock exists, the Company hall from time to time, in respect of the Thirsk and Malton stock cancelled by or under this Act, be credited in their half-yearly joint revenue accounts with the sums which but for that cancelling would for the time being have been paid for dividend on that cancelled stock, and when all the Thirsk and Malton stock is cancelled the Company shall cease to keep the separate accounts of receipts and payments in respect of traffic on the Thirsk and Malton Railway which they are now obliged to keep, and shall include those receipts and payments in their joint revenue account.

Hull and Hornsea shareholders and Company may agree to exchange their shares for North-eastern consols.

16. The Company, with the consent of three fourths of the votes of the shareholders present, personally or by proxy, at any ordinary or extraordinary general meeting of the Company, and with the consent of three fourths of the votes of the holders of the Hull and Hornsea shares and stock present, personally or by proxy, at some meeting of those holders at Hull, specially convened by the Company for the purpose, and voting at such meeting as if those holders formed a separate company, may convert and exchange the Hull and Hornsea shares and stock into and for such smaller amount of new stock of the Company as may be agreed upon and sanctioned by both of those meetings, and thereupon the Hull and Hornsea shares and stock shall be cancelled, and the requisite amount of new stock shall be added to and thenceforth rank with the North-eastern consols, and shall be divided amongst the holders of the Hull and Hornsea shares and stock in proportion to their respective holdings thereof respectively, and those holders shall thenceforth cease to have any separate rights or powers in respect of their Hull and Hornsea shares and stock, and shall in all respects have the same rights and liabilities in respect of their respective amounts of new stock as other holders of like amounts of North-eastern consols, and the Hull and Hornsea revenue and capital expenditure accounts shall then cease to be kept separately, as at present required, and shall be included in the like accounts of the Company.

Company may charge the Hull

17. The Company, instead of debiting the excess of expenditure

A.D. 1870.

and Hornsea revenue account with interest on excess of capital expenditure account.

by them, above sixty-two thousand pounds on Hull and Hornsea capital account against the Hull and Hornsea revenue account, as provided and required by section 16 of "The North-eastern Hull and Hornsea Railway Amalgamation Act, 1866," may, if they think fit, charge that revenue account with interest only on such excess, at the average of the rate of interest paid by them in each half year on the total amount of their loan and debenture debt, and need not require payment of that excess before any dividend is paid to the Hull and Hornsea proprietors.

Holders of shares not fully paid up to remain liable.

18. Provided always, that as regards the holders of any shares not fully paid up in any of the capital stocks of the Company by this Act converted, or authorised to be converted, into North-eastern consols or other stock, those holders shall not, in respect of those shares, be entitled to receive or be registered as holders of their respective aliquot parts of North-eastern consols or other new stock, as the case may be, unless and until they shall respectively have paid up the full amount still unpaid on their said respective shares, and in the meantime those respective holders shall remain liable as heretofore to the payment to the Company of the sums due from them respectively on their said shares, and the rights and remedies of the Company and of those shareholders respectively shall, except as by this Act otherwise provided, in all respects continue, and may be enforced in reference to those shares and the amounts unpaid or in arrear thereon respectively as if this Act had not been passed.

North-eastern consols to be held on the same trusts, &c. as stocks and shares for which they are substituted or exchanged.

19. The respective allotments and amounts of North-eastern consols, and of other new stock to which the holders of any other now existing stock or shares in the Company shall, by or under the powers of this Act respectively, become entitled in substitution or exchange for such last-mentioned stock or shares, shall be accepted by and become vested in them accordingly, and shall be forthwith registered in their respective names in the books of the Company, and thenceforth held in the same rights, on the same trusts, and subject to the same powers, provisions, charges, and liabilities as those in, upon, or to which the stock or shares in lieu whereof those amounts of North-eastern consols or other new stock are respectively substituted or exchanged, were held or were subject to immediately before the passing of this Act, or upon such substitution or exchange taking place, as the case may be, and shall be dealt with, applied, and disposed of accordingly, and so as to give effect to and not to revoke any deed, will, or other instrument disposing of or affecting any such now existing stock or shares; and trustees, executors, or administrators, or other incapacitated parties, may accept North-eastern consols or other new stock as by this Act authorised in substitution or exchange for such other now

existing stock or shares held by them, and may retain, dispose of, or otherwise deal with the same as fully and freely in all respects as they might have retained, disposed of, or otherwise dealt with such other now existing stock or shares.

Certificates for stock or shares exchanged may be called in and others issued.

20. The Company may call in the existing certificates of the stock or shares for which North-eastern consols are or shall be substituted or exchanged by or under the powers of this Act, and shall issue in exchange for those certificates to the respective proprietors thereof, free of charge, certificates of North-eastern consols of the respective amounts to which those proprietors are by this Act respectively entitled: Provided always, that in the meantime, and until that exchange of certificates shall be made, the existing certificates shall (according to the amounts of North-eastern consols which they respectively represent under the provisions of this Act) have and possess the same rights and advantages as if they were certificates for those respective amounts of North-eastern consols issued under the provisions of this enactment.

If certificate lost or destroyed, another to be issued for the amount.

21. If the certificate for any stock or shares for which North-eastern consols are or may be substituted or exchanged be lost or destroyed, then upon proof thereof to the satisfaction of the directors of the Company, those directors shall deliver to the person entitled thereto a certificate for the amount of North-eastern consols to which he is under this Act entitled.

Register of holders of North-eastern consols to be kept.

22. The Company shall from time to time cause the names of the several parties who may be holders of North-eastern consols, with the amount of their respective holdings thereof, to be entered in a book or books to be kept for that purpose, and to be called "the register or registers of holders of North-eastern consols."

North-eastern consols and new stocks may be transferred as other railway stocks, &c.

23. The respective holders of North-eastern consols, and of any new or other stock or shares in the Company, may transfer their respective interests therein, or any parts of such interests, in the same manner and subject to the same regulations and provisions as or according to which shares or stock in the capital of a railway company may be transferred under the provisions of "The Companies Clauses Consolidation Act, 1845," and the Company shall cause an entry to be made in some book to be kept for that purpose of every such transfer: Provided always, that on every transfer of stock or shares in the Company being made, the certificate for the stock or shares transferred (if not proved to be lost or destroyed) shall be sent in to the secretary of the Company for the purpose of being exchanged for a new certificate, or new certificates, as the case may require.

A.D. 1870.

Transfers of stocks or shares, although by their present names, to be valid, and have due effect given to them.

24. All transfers or other dispositions of any of the stocks or shares which by this Act are consolidated or may be exchanged for or converted into new or other stock shall after and notwithstanding the passing of this Act be valid and have due effect given to them respectively as transfers of the respective amounts of North-eastern consols or other new stock (as the case may be) which the stock or shares thereby expressed to be transferred or disposed of respectively represent or are or may be exchanged for or converted into under the provisions of this Act, although the instrument transferring or disposing thereof respectively shall describe the same by the name or denomination which the stock or shares transferred or disposed of had before such consolidation, exchange, or conversion, and not as North-eastern consols, or by the name of the new or other stock into which the stocks or shares thereby expressed to be transferred or disposed of are or may be exchanged or converted by or under this Act.

Transfer books may be closed for 28 days.

25. The Company may close the books kept for entering memorials of transfers of stock and shares, and of North-eastern consols, for any period not exceeding twenty-eight days previous to each general meeting of the Company, whether ordinary or special, and may fix a day for closing the same, of which seven days' notice at the least shall be given by advertisement in some newspaper published in the town of Newcastle-upon-Tyne or county of Durham, and in the city or county of York respectively; and during the time when the transfer books are so closed the Company shall not be bound to take notice of any transfer which shall not have been delivered for registration previously to the day so fixed, and any transfer delivered for registration during such time shall, as between the Company and the party claiming under the same, but not otherwise, be considered as made subsequently to such meeting.

Registers of transfers of debenture stock may be closed for 28 days.

26. The Company may close the registers of the holders of their debenture stock or shares for any period not exceeding twenty-eight days previous to the thirtieth day of June and the thirty-first day of December in each year, or other the half-yearly days whereon the interest on their debenture stocks or shares is made payable, and may fix a day for closing the same, of which seven days' notice at the least shall be given in the manner prescribed in the last preceding enactment; and during the time when those registers are so closed the Company shall not be bound to take notice of any transfer which shall not have been delivered for registration previously to the day so fixed, and any transfer delivered for registration during such time shall as oetween the company and the party claiming under the same, but not otherwise, be considered as made

subsequently to the thirtieth day of June or the thirty-first day of December, or other the half-yearly day for payment of interest as aforesaid in the particular year, as the case may be.

The separate accounts of the six sections to be discontinued, and in future combined with the like accounts of the Company.

27. On the passing of this Act the several separate capital, revenue, and other accounts of the six sections of shareholders in the Company (except those required to be kept as to the Thirsk and Malton and Hull and Hornsea railways, and except when necessary for the purpose of ascertaining the funds out of which the dividends to the preference shareholders in the six sections are to be paid, and for payment thereof) shall be discontinued, and shall thereafter be respectively combined and included in the like general accounts of the Company, as the case may require, and the debit or credit balance of each separate account shall be debited or credited accordingly to the like general account of the Company; and the separate properties, assets, or liabilities of those different sections, except as aforesaid, shall thereupon become the property, assets, and liabilities of the Company, instead of the particular section previously entitled or liable thereto.

Certain provisions to take effect as to the Darlington section, &c.

28. The following provisions with reference to "the Darlington section," "the three Darlington directors," and "the Darlington committee," as respectively defined in the "North-eastern and Stockton and Darlington Railways Amalgamation Act, 1863," shall take effect from and after the passing of this Act:

No further ordinary or other meetings of the Darlington section shall be convened or held:

The Darlington committee, as constituted and existing at the passing of this Act, shall continue until the thirty-first day of December one thousand eight hundred and seventy-three, inclusive, and any vacancy howsoever occurring in or amongst the three Darlington directors, or the seven Darlington shareholders, members of the committee heretofore elected by the meetings of the Darlington section, or by the Darlington committee, shall instead thereof from time to time be filled up by the election or nomination by the remaining members for the time being of the committee of a duly qualified person:

The qualification for each of the three Darlington directors, and seven Darlington shareholders, and their successors, or other members of the Darlington committee, and of the members of any committee appointed by the Company for the Darlington system, or any part thereof, after the thirty-first day of December one thousand eight hundred and seventy-three, as authorised by the said Amalgamation Act, shall be the possession in his own

A.D. 1870.

right of an amount of stock or capital represented by shares of the Company of any denomination, other than debenture stock or shares, sufficient to qualify him to be a director of the Company:

The stock and share accounts relating to the Darlington ordinary stock of the Darlington section, with the transfer books for the same, and the transfers of that stock, or of any shares therein, or of the North-eastern Consols which shall represent the same, shall in future be kept and undertaken by the secretary of the Company, under the superintendence of the directors of the Company, instead of the Darlington committee, and those books need no longer be kept separate and distinct from the transfer books for the other stocks or shares of the Company:

The warrants for the payments of dividends to the holders of Darlington ordinary stock and shares, and of the North-eastern consols representing the same, shall in future be prepared and issued by the secretary or other appointed officer of the Company, under the superintendence of the directors of the Company, and not by the secretary or other officer of the Darlington committee, and shall be payable at such places and times as the directors of the Company from time to time appoint.

Rights of preference shareholders preserved.

29. Except as by this Act otherwise expressly provided the rights of preference and priority or other rights attached to any of the various classes of preference stocks or shares of the Company, existing at the time of the passing of this Act, and all provisions in any of the existing Acts of the Company in relation thereto, shall not in any respect be altered, prejudiced, or affected by the passing of this Act, but the holders of those preference stocks or shares shall respectively have all those and the same rights and the benefit of all those provisions which they respectively now have or are entitled to in every respect as they would have had or been entitled to if this Act had not been passed, and may enforce the same accordingly.

Deposits for future bills not to be paid out of Company's capital.

30. The Company shall not, out of any money by any Act relating to the Company authorised to be raised for the purposes of such Act, pay or deposit any sum which, by any standing order of either House of Parliament now or hereafter in force, may be required to be deposited in respect of any application to Parliament for the purpose of obtaining an Act authorising the Company to construct any other railway, or to execute any other work or undertaking.

Railway to be subject to general Acts.

31. Nothing herein contained shall be deemed or construed to exempt the railway of the Company from the provisions of any general Act relating to railways, or the better and more impartial

audit of the accounts of railway companies, now in force or which may hereafter pass during this or any future session of Parliament, or from any future revision or alteration, under the authority of Parliament, of the maximum rates of fares and charges, or of the rates for small parcels, authorised by any Act relating to the Company. A.D. 1870.

Expenses of Act.

32. All costs, charges, and expenses of and incident to the preparing for, obtaining, and passing of this Act, or otherwise in relation thereto, shall be paid by the Company.

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