CHAPTER clviii.

An Act for authorising the sale of the undertaking of the Potteries, Shrewsbury, and North Wales Railway Company. [18th July 1881.]

A.D. 1881.

WHEREAS by the West Shropshire Mineral Railway Act, 1862, in this Act called "the Act of 1862," the West Shropshire Mineral Railway Company were incorporated, and were thereby authorised to construct a railway from the Oswestry and Newtown Railway at Llanymynech, to the Shrewsbury and Welshpool Railway, in the parish of Westbury, and to raise a capital of ninety thousand pounds, in nine thousand shares of ten pounds each, and to borrow on mortgage thirty thousand pounds:

25 & 26 Vict. c. clxxxv.

And whereas by the West Shropshire Mineral Railway Act, 1863, in this Act called "the Act of 1863," the West Shropshire Mineral Railway Company were authorised to make a deviation in the line of their railway, so as to join the Shrewsbury and Welshpool Railway at a place known as Redhill, in the parish of Meole Brace, nearer to Shrewsbury than the junction with that railway authorised by the Act of 1862, and also a new line of railway from the Shrewsbury and Welshpool Railway, near the junction, authorised by that Act, to Moat Hall, and to raise additional ordinary share capital to the amount of sixty thousand pounds and to borrow twenty thousand pounds on mortgage:

26 & 27 Vict. c. cxlv.

And whereas by the West Shropshire Mineral Railway (New Lines) Act, 1864, in this Act called "the New Lines Act, of 1864," the West Shropshire Mineral Company were authorised to make several new lines of railway, consisting of a railway from Llanymynech to Llangynog in the county of Montgomery and several branches to connect that railway with certain lime rocks, and also with the Shropshire Union Canal, all of which were near to Llanymynech, and to raise additional ordinary share capital to the amount of two hundred thousand pounds, and to borrow sixty-six thousand pounds on mortgage:

27 & 28 Vict. c. cxxviii.

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27 & 28 Vict. c. clvi.

And whereas by the Shrewsbury and North Wales Railway Act, 1864, in this Act called "the Branches Act of 1864," the name of the West Shropshire Mineral Railway Company was changed into the Shrewsbury and North Wales Railway Company, and they were authorised to make two other branch railways commencing out of their original railway at Kinnerly and terminating the one at the Breidden Hill, and the other at Nesscliff, and to raise additional ordinary share capital to the amount of one hundred thousand pounds, and to borrow thirty three thousand pounds on mortgage:

28 & 29 Vict. c. xxix.

And whereas by the Shrewsbury and North Wales Railway Act, 1865, in this Act called "the North Wales Act of 1865," the Shrewsbury and North Wales Railway Company were authorised to make certain alterations in their authorised lines, and to raise additional capital by preference or ordinary shares to the amount of one hundred thousand pounds, and to borrow thirty-three thousand pounds on mortgage, and also to divide any shares in their capital into half-shares, to be called preferred shares and deferred half shares:

28 & 29 Vict. c. cccxli.

And whereas by the Shrewsbury and Potteries Junction Railway Act, 1865, in this Act called "the Potteries Act of 1865," the Shrewsbury and Potteries Junction Railway Company were incorporated and were authorised to construct several lines of railway extending from Market Drayton through Shrewsbury to a junction with the Shrewsbury and North Wales Railway at Redhill, aforesaid, and also three short branches thereout to join the Shrewsbury and Hereford and Severn Valley Railways at Shrewsbury, and to raise a capital of four hundred thousand pounds in forty thousand shares of ten pounds each, and to borrow one hundred and thirty-three thousand three hundred pounds on mortgage:

29 & 30 Vict. c. ccxx.

And whereas by the Shrewsbury and North Wales Railway (Deviations &c.) Act, 1866, the Shrewsbury and North Wales Railway Company were authorised to make further deviations in certain of their authorised railways and to raise additional ordinary share capital to the amount of eighty thousand pounds, and to borrow twenty-six thousand pounds on mortgage:

29 & 30 Vict. c. ccxi.

And whereas by the Shrewsbury and Potteries Junction Railway (Deviations) Act, 1866, in this Act called "the Potteries Act of 1866," the Shrewsbury and Potteries Junction Railway Company were authorised to make certain deviations and alterations on their authorised lines and three new short lines of railway and to raise additional ordinary share capital to the amount of eighty thousand pounds, and to borrow twenty-six thousand pounds on mortgage,

and also to divide any share in their capital into half shares, to be called "preferred half share" and "deferred half share:" A.D. 1881.

And whereas by the Potteries, Shrewsbury, and North Wales Act, 1866, in this Act called "the North Wales Act of 1866," the Shrewsbury and North Wales Railway Company and the Shrewsbury and Potteries Junction Railway Company were dissolved, and the several persons and corporations who, immediately before the passing of that Act, were shareholders in the Shrewsbury and North Wales Railway Company, or in the Shrewsbury and Potteries Junction Railway Company, were amalgamated and incorporated under the name of "the Potteries, Shrewsbury, and North Wales Railway Company," and their undertakings united into one undertaking: 29 & 30 Vict. c. cci.

And whereas by a scheme of arrangement between the Company and their creditors, confirmed by his Honour the Vice-Chancellor Sir Richard Malins on the ninth day of May, one thousand eight hundred and sixty-eight, and enrolled in Her Majesty's High Court of Chancery on the thirteenth day of July then next, after reciting the herein-before recited Acts, all the Company's unexercised powers of borrowing or raising fresh capital, conferred by the said Acts, were withdrawn, and eighteen thousand nine hundred and seventy-five ordinary shares, upon which two pounds only had been paid, were forfeited and cancelled, the Company's undertaking was divided into a first section and a second section for the purposes of the said scheme, the Company were authorised to issue debenture stock, called debenture stock A, bearing five per cent. interest, of the amount of seventy thousand pounds, as a first charge on the first section, for the purpose of putting the constructed part of the said first section and its appurtenances into working order, to complete the same, pay for the lands taken, discharge the costs of management and the expenses incurred and to be incurred for rolling stock, and the costs and expenses of obtaining the enrolment of the said scheme:

And whereas by the said scheme of arrangement it was further provided that the mortgage debt of the Company should be exchanged for an equal sum of five per cent. debenture stock B to be created thereunder as a second charge on the said first section, the priorities of such mortgage debts, inter se, being retained, and that six thousand fully paid ordinary shares of the Company of ten pounds each, and nineteen thousand eight hundred pounds debenture stock B should be issued in lieu of, and in return for, these existing acknowledgments of debt for sixty thousand pounds, which should thereupon be cancelled, and that the Company should then

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create a five per cent. debenture stock C, as a third charge on the said first section, in discharge of all debts and liabilities of the Company not otherwise provided for:

And whereas by the said scheme of arrangement the Company were authorised to raise for the purposes of the said second section the sum of one hundred thousand pounds by the issue of ordinary shares to the amount of fifty thousand pounds, and five per cent. preference shares to the amount of fifty thousand pounds, and one hundred thousand pounds by the creation of debenture stock D as a first charge on the said second section, and that only, and the dividends on the said ordinary and preference shares being payable out of the profits of such second section only, separate revenue accounts being kept as to the said two sections, and regulations made for the voting of the shareholders interested in the respective sections:

37 & 38 Vict. c. vi.

And whereas by the Potteries, Shrewsbury, and North Wales Railway Act, 1874, the Company were authorised to extend their railway to Trefonen, and to form the said extension railway as an undertaking separate and distinct from the Company's undertaking with power to raise a separate capital of fifty thousand pounds in five thousand shares of ten pounds each, and to borrow sixteen thousand six hundred pounds, which powers remain unexercised:

And whereas the following is a statement of the debenture stocks and share capital of the Company at the present time:

—	Mortgages.	Preference Shares.	Ordinary Shares.	Total.
	£ s.	£	£	£ s.
Under the Act of 1862 - -	30,000 0	—	90,000	120,000 0
„ „ 1863 - -	19,990 0	—	60,000	79,990 0
„ New Lines Act of 1864 -	66,000 0	—	200,000	266,000 0
„ Branches Act of 1864 -	33,000 0	—	100,000	133,000 0
„ North Wales Act of 1865	33,000 0	100,000	—	133,000 0
„ Potteries Act of 1865 -	133,000 0	—	248,200	381,200 0
„ Potteries Act of 1866 -				
„ The Scheme of Arrangement between the Company and their creditors, enrolled in Her Majesty's High Court of Chancery the 13th day of July, 1868	214,536 10	—	60,000	274,536 10
	£529,526 10	100,000	758,200	1,387,726 10

And whereas a receiver has, up to the present time, remained in receipt of the tolls of the undertaking of the Company, but no

interest has ever been paid on any of the debenture stocks created by virtue of the aforesaid recited Acts or by the said scheme of arrangement:—

And whereas for some years the said receiver has been enabled to keep up a small but inefficient service of trains only by devoting the whole of the said tolls and receipts of the Company's undertaking to the mere running expenses, and by neglecting the maintenance and repair of the permanent way and bridges, but having no funds to execute certain repairs deemed necessary by the Board of Trade for the safety of the public the railway was, by order of the directors, closed to public traffic on the twenty-second day of June, 1880, and has since remained so:

And whereas the closing of the railway is the cause of great loss and inconvenience, not only to the neighbourhood immediately affected, but to the public generally, but the railway cannot be re-opened for public traffic unless the Company be freed from the weight of existing debts, liabilities, and incumbrances:

And whereas the shareholders of the Company have no interest whatever in facilitating the re-opening of the railway, as under no conceivable circumstances can receipts of the railway produce any dividend on their capital outlay:

And whereas it is expedient that the undertaking of the Company be sold, and that their assets be distributed among the persons legally entitled thereto, and that the affairs of the Company be wound up by the Chancery Division of the High Court of Justice, and that the Company be dissolved:

And whereas the objects aforesaid cannot be effected 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 be cited as the Potteries, Shrewsbury, and North Wales Railway Winding-up Act, 1881.

Interpretation of terms.

2. In this Act the following words and expressions have the respective meanings herein-after assigned to them respectively unless there be something in the subject or context repugnant to such construction:—

"The Company" means "the Potteries, Shrewsbury, and North Wales Railway Company."

"The Court" means the Chancery Division of the High Court of Justice.

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"The undertaking of the Company" or "the undertaking" means the undertaking railways, sidings, stations, works, approaches, and conveniences, lands, buildings, estates, plant, rolling stock, and property, whether of a real or chattel nature, and all the rights, powers, and privileges, whether over their own railways and works or over other undertakings of or to which the Company, by virtue of the recited Act or otherwise howsoever, immediately before the passing of this Act, were seized, possessed, or in anywise entitled.

Incorporation of general Acts. 30 & 31 Vict. c. 131.

3. Subject to the provisions of the Act, the several powers and provisions of Part IV. (with respect to the winding up of Companies), shall, as amended by the Companies Act, 1867, apply to the Company and to the winding up of the Company as required by this Act, and the Chancery Division shall accordingly have full jurisdiction and authority for the purposes of this Act with respect to the winding up of the Company as if the Company had been a registered Company, and had not been excepted from section 199 of the Companies Act, 1862. 25 & 26 Vict. c. 89.

Winding up of Company.

4. The Company may, immediately on the passing of this Act, pass a resolution for the winding up of, or petition the court for the winding up of the Company by the court, and all such proceedings in the winding up may be had and taken as if the Company were a company formed and registered under the Companies Acts, 1862 and 1867, with a registered office in London, and unable to pay their debts. The liquidator appointed by the Company, or the official liquidator to be appointed by the court shall, in such manner as shall be approved by the court, offer the undertaking of the Company for sale, and shall have power to sell the same to any railway company: Provided always that the bidding of any railway company incorporated by Act of Parliament, shall not be rejected on the ground that such company is not at the time legally authorised to effect the purchase, but such bidding may be accepted subject to such company obtaining in the next session of Parliament the necessary powers for carrying the said purchase into effect.

Power to liquidator to sell undertaking.

Transfer by deed of conveyance.

5. The transfer shall be effected by a proper deed of conveyance, in which the purchase or consideration money shall be fully and truly stated and set forth, and which deed shall be duly stamped with the full and proper ad valorem stamp duty on such consideration.

Transferred undertaking

6. From and after the payment of the purchase money, and the execution of the deed of conveyance, which conveyance the liqui-

dator is hereby empowered to execute, the undertaking shall be vested in the purchaser, subject to all the obligations and liabilities of the Company under the recited Acts with respect to the maintenance, repair, management, regulation, working, and use of the undertaking, or any part thereof, and the traffic thereon, but freed and by this Act absolutely discharged from all other contracts, agreements, debts, liabilities, and engagements of the Company, whether directly affecting the undertaking or affecting the Company in respect of the same, except such contracts, agreements, debts, liabilities, and engagements as have been entered into or incurred by the Company for land. The purchasing company shall, within three months from the date of the transfer, produce to the Commissioners of Inland Revenue such deed of conveyance duly stamped as aforesaid, and in default of such production, the ad valorem stamp duty, with interest thereon, at the rate of five pounds per centum per annum, from the date of the transfer to the day of payment, shall be recoverable from the purchasing company, with full costs of suit, and all costs and charges attending the same.

to vest purchaser.

7. All the powers and authorities, including the right to levy tolls for the use of the undertaking, which are by the recited Acts conferred upon the Company, shall, after the payment of the purchase money, be exercisable and enforceable by the purchaser.

Powers of Company to be exercised by purchaser.

8. The purchase money shall be applied by the official liquidator as follows :—

Application of purchase money.

1. In payment of the costs of this Act, and of such of the costs of the winding up of the Company as the court may order; or, in case of the voluntary winding up of the Company, of such reasonable costs as may be incurred in reference thereto.
2. In payment of the compensation and expenses for completing the purchase of all lands taken by the Company for the purposes of their undertaking.
3. In payment to every holder of debenture stock A of the Company of such a sum not exceeding sixty per cent. of the amount of the said debenture stock held by him as the holders of three-fourths in value of the said debenture stock, shall signify in writing to the Company or to the official liquidator, their willingness to accept, in full satisfaction and discharge of all claim upon the Company or their undertaking, whether for principal or interest in respect of the said stock.

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4. In payment to every holder of debenture stock B of the Company of such a sum not exceeding forty per cent. of the amount of the said debenture stock held by him as the holders of three-fourths in value of the said debenture stock shall signify in writing to the Company, or to the official liquidator, their willingness to accept in full satisfaction and discharge of all claim upon the Company or their undertaking, whether for principal or interest, in respect of the said stock.

5. In payment to every holder of debenture stock C of the Company of such a sum not exceeding twenty-five per cent. of the amount of the said debenture stock held by him as the holders of three-fourths in value of the said debenture stock, shall signify in writing to the Company, or to the official liquidator, their willingness to accept, in full satisfaction and discharge of all claim upon the Company or their undertaking, whether for principal or interest, in respect of the said stock.

6. In payment to the creditors of the Company, other than those herein-before provided for, of such a sum not exceeding twenty per cent. of the amount of their several debts as a majority in number and value of such creditors shall signify in writing to the Company, or to the official liquidator, their willingness to accept in full satisfaction and discharge of all claim upon the Company or the undertaking.

7. In payment to the proprietors of shares and stock of the Company of such a sum not exceeding seven per cent. of the amount of the said shares or stock held by them respectively, as the holders of three-fourths of the said shares or stock present in person or by proxy, at a meeting of the Company specially convened for that purpose, shall express their willingness to accept, in full, for their respective interests in the undertaking. Provided always that if the purchase money shall be found insufficient to pay all the maximum percentages herein-before mentioned, the said percentages shall be reduced rateably and in such manner that the reduced percentages shall bear the same proportion to one another as the aforesaid maximum percentages.

8. And the balance of the purchase money, if any, shall be distributed amongst the proprietors of shares or stock of the Company in proportion to the respective interests of each in the undertaking and in addition to any sums to which they may have become entitled under the preceding sub-section.

As soon as a liquidator has been chosen or an official liquidator is appointed in the winding up of the Company, the receiver of the tolls of the Company appointed by the court shall be discharged, subject to his passing his accounts, but without prejudice to the rights of the creditor at whose instance the order was obtained.

Saving agreement with R. S. France.

9. Nothing in this Act contained shall limit, alter, or in any way prejudice the agreement made the twenty-second day of January, one thousand eight hundred and seventy-two, between the Company of the one part, and Richard Samuel France of the other part, but such Agreement shall be as valid and obligatory, in all respects, upon any company working, using, or purchasing the undertaking of the Company, as if the said agreement had been made by such company instead of the Company.

Provision as to general railway Acts.

10. Nothing in this Act contained shall exempt the undertaking, or the purchasers, 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.

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