CHAPTER xlix.

An Act to give powers to the Railway Passengers Assurance Company with respect to the application of Profits and declaration of Dividend; and for other purposes. A.D. 1875.

[14th June 1875.]

WHEREAS the Railway Passengers Assurance Company (in this Act called "the Company") was incorporated in or before the year one thousand eight hundred and forty-nine, pursuant to the provisions of the Acts then in force for the registration, incorporation, and regulation of joint stock companies, and is also registered under the provisions of "The Companies Act, 1862":

And whereas the Act passed in the session of Parliament held in the twelfth and thirteenth years of the reign of Her present Majesty, intituled "An Act to confer certain powers on the Railway Passen- "gers Assurance Company," "The Railway Passengers Assurance Company's Act, 1852," and "The Railway Passengers Assurance Company's Act, 1864," relate to the Company:

And whereas the capital of the Company is one million pounds divided into twenty thousand shares of fifty pounds each:

And whereas by the Company's deed of settlement it was provided that the directors should form two several funds, to be called "The Shareholders Fund" and "The Assurance Fund," and should keep separate and distinct accounts of such funds and of the additions and disbursements to and out of the same funds respectively, and that the shareholders fund should be composed of the sums paid by the shareholders as instalments upon or in respect of the shares taken or held by them in the Company, and of the accumulations thereof and the additions made thereto, as therein-after mentioned, and that the assurance fund should be composed of premiums and other sums received in respect of the assurances

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effected with the Company, and all other moneys to be received by the Company and not included in the shareholders fund, and of the increase of the same moneys respectively by accumulations or otherwise; and after providing for the payment of interest upon the paid-up capital of the Company at the rate of four pounds per centum per annum, or at such lower rate as the funds of the Company would admit of, it was provided that previously to the ordinary general meeting, to be held in the month of March in every year, the directors should cause a calculation to be made by some duly qualified person of the amount of profits which have during the half year preceding, by accumulation or otherwise, accrued to the assurance fund, and which can be taken out of the fund without prejudice to the existing claims and demands thereon, and may declare a dividend out of such profits; provided always, that the aggregate sum of such dividend should never exceed one moiety of such profits, and should transfer the residue of such profits to the account of the shareholders fund, and apportion the same amongst the shareholders as part of their capital in proportion to their respective shares in the Company; and that such additions to the shareholders fund should continue to be made from time to time until the full sum of fifty pounds should have been paid upon each share in the Company, and that after the full sum of fifty pounds should have been paid up on each of the shares in the Company, then the directors should distribute the whole of the profits of the Company by way of bonus among the shareholders in proportion to their respective shares in the Company: And it was further provided that as and when any such apportionment of profits should be carried to the shareholders fund, the directors should cause the amount of profit allotted to each shareholder to be added to the paid-up capital standing in his name in the share register of the Company:

And whereas by a supplemental deed dated the twenty-first day of July 1866 that clause of the original deed of settlement which provided for the payment of interest upon the paid-up capital of the Company at the rate of four pounds per centum per annum was altered, and the rate of such interest increased to a maximum of ten pounds per centum per annum:

And whereas the shareholders fund will amount in the month of March one thousand eight hundred and seventy-five to not less than one hundred thousand pounds, representing a sum of five pounds paid upon each share of fifty pounds, and consisting of accumulated profits carried to the fund from the assurance fund, pursuant to the recited provisions in the deed of settlement:

And whereas in addition to the profits carried to the shareholders fund the Company have accumulated and formed out of their profits a reserve fund of sixty thousand pounds, which forms part of the assurance fund, and is liable for payment of claims for assurance upon the Company before resort is had to the shareholders fund:

And whereas the assurance fund, irrespective of the reserve fund, has for many years past been found amply sufficient to meet all the claims upon the Company, and the business and profits of the Company are annually increasing, and it is found inconvenient and expensive to provide for the investment of the annual accumulations to the shareholders fund, and it is expedient that the Company should be empowered to transfer twenty-five thousand pounds from the funds in their hands to the shareholders fund, and should be released from the obligation further to increase the shareholders fund, except in the manner and to the extent provided by this Act, and that the profits should be divisible half yearly:

And whereas it is expedient that the capital of the Company should be divided into shares of ten pounds each:

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 the present Parliament assembled, and by the authority of the same, as follows:

Short title.

1. This Act may for all purposes be cited as "The Railway Passengers Assurance Act, 1875."

Company may transfer 25,000*l.* to shareholders fund.

2. In addition to any sums which under the deed of settlement the Company are required to transfer to the shareholders fund from the assurance fund, they may transfer to the shareholders fund from the funds in the hands of the Company the sum of twenty-five thousand pounds.

When profits sufficient, Company may declare dividend of the whole or part.

3. Subject to the provisions of this Act, whenever in any half year after the shareholders fund shall have been raised to the amount of one hundred and twenty-five thousand pounds there shall be profits accrued to the assurance fund which, according to calculation to be made as prescribed by the one hundred and thirty-sixth article of the deed of settlement, can be taken out of the fund without prejudice to the existing claims and demands thereon, it shall be lawful for the Company to declare a dividend as herein-before

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mentioned of those profits; that is to say, after setting apart and carrying to the shareholders fund not less than two thousand five hundred pounds of those profits they may declare a dividend of the residue, or such proportion thereof as they think fit, but if out of the profits of the first half of any year ending the thirtieth day of June they shall have carried to the shareholders fund more than two thousand five hundred pounds, they shall not in the second half of the same year be required to carry to the shareholders fund more than will be sufficient, with the amount carried to the shareholders fund in the first half of the year, to make up the sum of five thousand pounds.

When the shareholders fund shall have been raised to the amount of two hundred thousand pounds, they may declare a dividend of the whole or such proportion of those profits as they think fit in each half year.

Dividend to be limited under certain circumstances.

4. Provided always, that it shall not be lawful for the Company to declare any dividend of a larger amount than they could under the said one hundred and thirty-sixth article of the deed of settlement in any of the following events; that is to say,

If after deducting the sum required for payment of the dividend the assurance fund would be reduced to less than the amount paid or payable for assurance in respect of claims accrued during the preceding half year:

If in the half year immediately preceding resort shall have been made to the reserve fund to meet claims for assurance upon the Company:

If at any time within three years prior to the time for declaring the dividend resort shall have been had to the shareholders fund for making good any deficiency of the assurance fund to meet claims for assurance upon the Company.

As to investment.

5. All moneys which after the passing of this Act shall be carried to the shareholders fund shall be invested only in real or Government securities, and no sums which may hereafter have to be paid from the shareholders fund to meet claims for assurance upon the Company shall be raised by the sale or conversion of real or Government securities so long as any part of the shareholders fund is invested in other securities; and all sums to meet claims for assurance upon the Company which shall have been so raised and paid out of the shareholders fund shall be repaid to that fund out of the profits of the Company, and be invested only in real or Government securities.

Power to divide the 50*l.* shares into 10*l.* shares.

6. The Company, with the consent of three fifths at least of the votes of the shareholders present at a general meeting convened with special notice of the purpose, may divide their capital of one million pounds into one hundred thousand shares of ten pounds each, and such shares are herein-after called ten-pound shares.

10*l.* shares to vest in holders of whole shares.

7. Every person and corporation who immediately before such division was entitled to one or more of the fifty-pound shares in the said capital of one million pounds shall in lieu of each such share be entitled to five ten-pound shares, and such ten-pound shares shall vest in such persons and corporations accordingly, subject nevertheless to the same trusts, powers, provisions, covenants, and agreements as the fifty-pound shares for which they are respectively substituted were or but for such division would have been subject to, and so as to give effect to and not revoke any will or testamentary instrument disposing of or affecting such fifty-pound shares.

10*l.* shares deemed to be paid up proportionally.

8. Each ten-pound share shall be deemed to have been paid up to the extent of one fifth part of the amount paid upon the fifty-pound share in respect of which it is created at the time of the creation thereof.

Company to call in the existing certificates and issue others.

9. When the Company have divided their capital into ten-pound shares they shall call in and cancel the certificates of the fifty-pound shares, and shall issue to the holders of the fifty-pound shares certificates of the ten-pound shares in lieu thereof.

10*l.* shares to confer same rights as 50*l.* shares, &c.

10. For all purposes the holder of a ten-pound share shall have the same rights and powers in respect thereof as the holder of a fifty-pound share had before the division of the capital into ten-pound shares, and when by the deed of settlement a certain number of shares is required to confer a qualification, or for any purpose, the concurrence of shareholders holding not less than a certain number of shares is required, that number of ten-pound shares shall be deemed sufficient to satisfy the requirement.

10*l.* shares to be subject to provisions of deed of settlement, &c.

11. Except as otherwise provided by this Act, the ten-pound shares shall in all respects be subject to the provisions of the deed of settlement and the Acts relating to the Company, as if they had been originally created under the deed of settlement, and the capital of the Company had been divided into ten-pound shares instead of into fifty-pound shares.

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Expenses of Act.

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

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