CHAP. xlii.

An Act to authorise the Ross and Monmouth Railway Company to attach a preferential dividend to a portion of their share capital. [16th June 1871.] A.D. 1871.

WHEREAS the Ross and Monmouth Railway Company (in this Act called "the Company") were incorporated by "The Ross and Monmouth Railway Act, 1865," and authorised to make and maintain a railway from Ross in the county of Hereford to Monmouth in the county of Monmouth, and to raise the sum of one hundred and twenty thousand pounds by means of ordinary shares, and the sum of forty thousand pounds by borrowing on mortgage: 28 & 29 Vict. c. cccxii.

And whereas the Company were authorised by "The Ross and Monmouth Railway Act, 1867," to divert a portion of their railway, and to raise the further sums of forty thousand pounds by means of ordinary shares and thirteen thousand pounds by borrowing on mortgage: 30 & 31 Vict. c. lxvii.

And whereas the Company have raised by means of ordinary shares the sum of fifty-eight thousand three hundred and sixty pounds, and have expended the same for purposes authorised by their Acts of 1865 and 1867, and a considerable portion of their railway has been constructed, but they are unable to get any more ordinary shares subscribed for or taken, and are not yet in a position to borrow money on mortgage:

And whereas at a general meeting of the shareholders specially called with notice of the purpose, and held on the ninth day of January one thousand eight hundred and seventy-one, it was unanimously resolved by those present in person or by proxy to convert, if so authorised by Parliament, a portion of the unissued ordinary share capital not exceeding eighty thousand pounds into preference shares, and to attach thereto a preferential dividend not exceeding six pounds per centum per annum, for the purpose of

A.D. 1871.

raising the funds required to complete and open the railway for public traffic:

And whereas the shareholders, with few exceptions, have assented in writing to the resolutions passed at the specia general meeting before referred to, and to the conversion of ordinary into preference shares, and it is expedient that such conversion should be authorised; but the same 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 for all purposes as "The Ross and Monmouth Railway Act, 1871."

Directors may issue preference shares.

2. The directors, in name of the Company, may on the passing of this Act issue preference shares of one class with a fixed preferential perpetual dividend of six pounds per centum per annum to an amount not exceeding eighty thousand pounds, and such shares shall be subject to the payment of calls of such amounts and at such periods as the directors appoint at the time of the issue thereof.

Corresponding amount of ordinary shares to be extinguished.

3. Upon the issue of such preference shares, or of any part thereof, an equal nominal amount of the unissued ordinary share capital of the Company shall be extinguished.

Shares not to vest until one-fifth paid up.

4. The directors shall not issue any such preference share, nor shall any such share vest in the person accepting the same, unless and until a sum not being less than one fifth part of the amount of such share shall have been paid in respect thereof.

Preference shareholders not to vote.

5. No person shall be entitled to vote in respect of any of the shares to which a fixed preferential dividend or other special advantage shall be assigned.

Preference dividends limited to profits of year.

6. The preference shares so issued shall be entitled to the preferential dividend out of the profits of each year in priority to the ordinary shares of the Company; but if in any year ending on the thirty-first day of December there are not profits available for the payment of the full amount of preferential dividend for that year, no part of the deficiency shall be made good out of the profits of any subsequent year, or out of any other funds of the Company.

Terms to be stated on certificates.

7. The terms and conditions to which the preference shares are subject shall be clearly stated on the certificates thereof.

8. The Company shall not pay interest or dividend to any shareholder on the amount of the calls made in respect of the preference shares held by him: Provided always, that this Act shall not prevent the Company from paying to any shareholder such interest on money advanced by him beyond the amount of the calls actually made as is in conformity with "The Companies Clauses Consolidation Act, 1845." Interest not to be paid on calls paid up.

9. The Company shall not 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. Deposit for future Bills not to be paid out of capital.

10. Nothing herein contained shall be deemed or construed to exempt the Company from the provisions of any general Act relating to railways, or to 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 and alteration, under the authority of Parliament, of the maximum rates of fares and charges authorised to be taken by the Company, or of the rates for small parcels. Railway not exempt from provisions of present and future general Acts.

11. 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. Expenses of Act.

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