CHAPTER cxx.

A.D. 1877.

An Act to enable the Severn and Wye Railway and Canal Company to raise further Money; and for other purposes.

[23d July 1877.]

WHEREAS the Severn and Wye Railway and Canal Company (who are herein-after referred to as "the Company") were originally incorporated in the year 1809 by the name of "The Lydney and Lydbrook Railway Company," and their name was changed by an Act passed in the following session to that which they now bear, and they were by the said Acts authorised to construct a main railway or tramroad from the Forest of Dean to Lydney Pill on the Severn, and to construct a basin at Lydney; and the powers of the Company were varied and increased by the following Acts; namely,

49 G. 3. c. clix.

50 G. 3. c. ccxv.

51 Geo. III. cap. 193. (1811);
54 Geo. III. cap. 42. (1814);
3 Geo. IV. cap. 75. (1822);
16 & 17 Vict. cap. 196. (1853);

and by the last-mentioned Act the Company were authorised to improve their tramways in the Forest of Dean and their harbour at Lydney:

And whereas by an Act passed in the year 1869, after reciting that the introduction of broad gauge railways into the Forest of Dean had rendered it necessary for the Company to lay down a broad gauge railway, and otherwise to improve their undertaking, the Company were authorised to lay down a broad gauge railway over part of their system, and at their discretion to abandon parts of their existing tramway where the same was rendered superfluous by the construction of the railway; and by an Act passed in the year 1870 the Company were authorised to extend their railway to join the Ross and Monmouth Railway, and by an Act passed in 1872 they were authorised to make certain branches, and to carry passengers and animals upon their railways:

32 & 33 Vict. c. cxxxvii.

33 & 34 Vict. c. xvi.

35 & 36 Vict. c. cxxiv.

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And whereas by "The Severn and Wye Railway and Canal (Additional Capital) Certificate, 1876," the Company were authorised to raise the sum of £30,000 by the creation and issue of new shares or stock, either ordinary or preference, and to borrow a sum of £10,000 upon the usual condition that the said capital of £30,000 shall have been subscribed for and one half thereof paid up; and by virtue of a resolution at a meeting of the Company, on the first day of May 1876 three thousand shares of £10 each were created, and a preferential dividend of 5 per centum was attached thereto, with option of conversion into ordinary shares or stock in 1881, but with the exception of 191 shares the Company have been unable to issue the said new capital:

And whereas upon the credit of the said additional capital and of the increasing traffic and revenue of the Company, which until the year 1874 had progressively and steadily increased, the Company contracted engagements for the improvement of their undertaking in pursuance of the powers conferred upon them, and they now owe considerable sums of money, for the greater portion of which the directors of the Company have incurred personal liability, and certain of the works of the Company are nevertheless still incomplete, and additional funds are required for the increase of the rolling stock and the improvement of certain of the stations and works of the Company; but, inasmuch as the Company have found it impracticable to raise money by the creation of shares, it is expedient that the powers herein-after contained of raising additional capital should be conferred upon the Company:

And whereas more than three fourths in value of the preference and more than three fourths in value of the guaranteed shareholders of the Company have assented in writing to the Bill for this Act:

And whereas the purposes 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:

Short title.

1. This Act may be cited for all purposes as "The Severn and Wye Railway and Canal Act, 1877."

Extending certain provisions of 18 & 19 Vict. c. 16. and 26 & 27 Vict. c. 118.

2. Subject to the provisions of this Act, the provisions of "The Companies Clauses Consolidation Act, 1845," with respect to the following matters; (that is to say,)

The distribution of the capital of the Company into shares;

The transfer or transmission of shares;

The payment of subscriptions and the means of enforcing the payment of calls;
The forfeiture of shares for nonpayment of calls;
The remedies of creditors of the Company against the shareholders;
The borrowing of money by the Company on mortgage or bond;
The conversion of borrowed money into capital;
The consolidation of shares into stock;
The giving of notices;
The general meetings of the Company, and the exercise of the right of voting by the shareholders;
The making of dividends;
The provisions to be made for affording access to the special Act by all parties interested; and
Part I. (relating to cancellation and surrender of shares) and Part II. (relating to additional capital) of "The Companies Clauses Act, 1863;"

shall be applicable to the Company and to the capital and moneys which they are by this Act authorised to raise by shares or mortgage, and to the proprietors thereof.

Power to borrow on mortgage.

3. The Company may from time to time borrow on mortgage of their undertaking additional sums, not exceeding in the whole sixty thousand pounds, provided that such mortgages be not of longer duration than five years from the date of the issue thereof respectively, and that the annual interest thereon do not exceed five per cent.

Former mortgages and bonds to have priority.

4. The mortgages and bonds granted by the Company in pursuance of the powers of any Act of Parliament before the passing of this Act, and subsisting at the time of the passing of this Act, shall, during the continuance of such mortgages and bonds, but subject to the provisions of the Acts under which such mortgages and bonds were respectively granted, have priority over any mortgages granted by virtue of this Act; and nothing in this section contained shall affect any priority of the interest of any debenture stock at any time created and issued by the Company.

Powers of certificate of 1876 restricted.

5. The powers of borrowing money conferred on the Company by the said certificate of 1876 are hereby extinguished, and any moneys which the Company may have raised or may raise by shares by virtue of the said certificate shall, to the extent of the sums so raised, restrict and diminish the amount which the Company are hereby authorised to raise by means of mortgage.

Application of additional capital.

6. All moneys raised under the powers of this Act shall be applied to the following purposes and in the following order:

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First, in paying the costs and expenses of applying for and passing this Act and incidental thereto;

Secondly, in discharging the debts of the Company;

Thirdly, in completing the works of the Company already commenced or contracted for; and

Fourthly, in improving and enlarging the stations and works of the Company and in providing additional rolling stock.

Arrears may be enforced by appointment of receiver.

7. The mortgagees of the Company may enforce payment of arrears of interest or principal, or principal and interest, due on their mortgages by the appointment of a receiver. In order to authorise the appointment of a receiver in respect of arrears of principal, the amount owing to the mortgagees by whom the application for a receiver is made shall not be less than five thousand pounds in the whole.

Providing for redemption of mortgages.

8. At a reasonable time before the mortgages granted under the powers of this Act become due, the Company may, for the purpose of redeeming the said mortgages to the extent of forty-five thousand pounds, raise additional capital, not exceeding forty-five thousand pounds, by the issue of new shares of ten pounds each, which shall form part of the capital of the Company, and may attach to the said shares a preferential dividend not exceeding five per centum per annum; and the Company shall apply all moneys derived from the issue of the said shares in redemption of the mortgages issued by them under the powers of this Act, and to the extent of the amount so redeemed the powers of the Company to borrow money, or to have money outstanding on mortgage of their undertaking, shall be extinguished.

Shares not to be issued until one-fifth part thereof paid.

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

New shares to be subject to the same incidents as other shares.

10. Except as by or under the provisions of this Act otherwise provided, the capital in new shares created by the Company under this Act, and the new shares therein, and the holders thereof respectively, shall be subject and entitled to the same powers, provisions, liabilities, rights, privileges, and incidents whatsoever, in all respects as if that capital were part of the now existing capital of the Company, and the new shares were shares in that capital.

Dividends on new shares.

11. Every holder of new shares created under the powers of this Act shall in respect of the same be entitled to a dividend with the other holders of shares of the same class or description, proportioned to the whole amount from time to time paid on such new shares.

Mortgages unredeemed may be renewed.

12. If the Company are unable to raise the said additional capital by the issue of the said preference shares, or to the extent to which they shall be so unable, the Company may renew, for terms not exceeding five years, the mortgages issued under the powers of this Act, or may grant fresh mortgages for such terms as aforesaid.

Interest not to be paid on calls paid up.

13. The Company shall not, out of any money by this Act authorised to be raised, pay interest or dividend to any shareholder on the amount of the calls made in respect of the shares held by him; but nothing in this Act shall 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."

Deposit for future Bills not to be paid out of capital.

14. The Company shall not, out of any money by this Act authorised to be raised, 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.

Company not exempt from provisions of present and future general Acts.

15. Nothing in this Act contained shall exempt 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.

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