CHAP. xvii.

An Act to continue and incorporate the Shotts Iron Company, and to enable them to raise additional money; and for other purposes. [25th May 1871.]

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WHEREAS by and under the provisions of a contract of copartnership dated the seventeenth day of January one thousand eight hundred and twenty-five, and subsequent dates, a joint stock company was constituted and established in Scotland under the name of the Shotts Iron Company, for the period of twenty-five years from the fifteenth day of December one thousand eight hundred and twenty-four, with power to the shareholders, at any general meeting called for the purpose, to extend the endurance of the copartnership for any number of years beyond that period not exceeding an additional period of twenty-five years; and at a general meeting of the shareholders so called, and held on the twelfth day of September one thousand eight hundred and forty-nine it was unanimously agreed to extend the endurance of the copartnership for twenty-five years beyond the original term of duration thereof:

And whereas the said Company have since their establishment carried on and are now carrying on the business of working, manufacturing, and trading in iron and other minerals, and have purchased, acquired in feu, and taken leases of various lands and mineral fields, and erected ironworks and other works, machinery, and buildings of great extent and value, for those purposes, and expended large sums thereon:

And whereas various of the said leases have been granted for periods which will not expire until long after the extended term of duration aforesaid, and the shareholders of the said Company would be deprived of the full advantage of the property thus acquired and the expenditure thus incurred if the copartnership were to terminate at the expiration of the said contract:

And whereas by the said contract of copartnership the directors of the said Company were authorised to apply for a Royal Charter

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or Act of Parliament for incorporating such Company at any period if they should deem it needful, and it is expedient that the said Company should be continued in perpetuity and incorporated, subject to all liabilities at present existing:

And whereas the said Company are advised that in consequence of the endurance of the copartnership being limited by the said contract as aforesaid they cannot obtain incorporation in perpetuity by registration under the provisions of "The Companies Acts, 1862 and 1867:"

And whereas the share capital of the said Company at present consists of—

2,989$\frac{1}{5}$ shares of £50 each	- -	£149,460
and 1,071$\frac{4}{5}$ shares of £25 each	- -	26,795
amounting in all to	- - -	£176,255

and the said Company have, for the purposes of their business, expended the whole of the said share capital and also a large amount of borrowed money, and it is expedient that their share capital should be increased and their borrowing powers defined, and that the existing share capital should be converted into stock:

And whereas it is expedient to enlarge in other respects the powers of the said Company, and to provide for the administration of their affairs in the manner prescribed by the Companies Clauses Acts, subject to certain modifications, instead of under the provisions of the said contract of copartnership:

And whereas the draft of the Bill for this Act was unanimously approved of at a meeting of the shareholders of the said Company called for the purpose, and held on the twelfth day of December one thousand eight hundred and seventy:

But 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:

Short title.

1. This Act may be cited for all purposes as "The Shotts Iron Company's Act, 1871."

Provisions of general Acts herein named incorporated.

2. "The Companies Clauses Consolidation (Scotland) Act, 1845," and Part I. (relating to cancellation and surrender of shares) and Part II. (relating to additional capital) of "The Companies Clauses Act, 1863," are (except where expressly varied by this Act) incor-

porated with and form part of this Act, and all the provisions of "The Companies Clauses Consolidation (Scotland) Act, 1845," so incorporated with this Act, which relate to stock into which shares in the capital of the Company have been converted or consolidated, shall apply to the stock which the Company are by this Act authorised to issue and to the holders thereof.

Interpretation of terms.

3. In this Act the several words and expressions to which meanings are assigned by the Acts wholly or partially incorporated herewith have the same respective meanings; and the expression "the existing Company" means the Shotts Iron Company as existing before the passing of this Act; and in this Act and those Acts as applied to this Act the expression "the Company" means the Shotts Iron Company as incorporated by this Act; and the expression "the undertaking" means the undertaking of the Company, including the undertaking vested in them by this Act; and in those Acts as applied to this Act the expression "the special Act" means this Act, unless in any case there be something in the subject or context repugnant to such construction.

Company incorporated.

4. On and after the passing of this Act the existing Company shall become and be a body corporate, under the name and style of "The Shotts Iron Company," for the purpose of carrying on the iron trade in its various branches at such places as may be found expedient and advisable, and for exercising the other powers by this Act conferred on them, with perpetual succession and a common seal, and power to sue and be sued, and all other powers vested by law in corporations: Provided always, that neither such incorporation nor any other provision of this Act shall release any shareholder or director or trustee of the existing Company from any liability in respect of any debt or responsibility incurred, or of any lease or other contract or obligation entered into, before the passing of this Act.

Undertaking of existing Company vested in incorporated Company.

5. On the passing of this Act, all lands, buildings, works, minerals, leases, and other property, effects, and debts, heritable and movable, now belonging and owing to the existing Company or held by trustees for their behoof, and all the undertaking and powers, rights, interests, and privileges of the existing Company, shall, subject to the provisions of this Act, and to the contracts, obligations, debts, and liabilities of the existing Company, be and the same are hereby vested in the Company, and may be held, used, disposed of, enjoyed, and exercised by the Company as fully and freely in all respects as the same respectively might have been held, used, disposed of, enjoyed, and exercised by the existing Company if this Act had not been passed.

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Saving debts and claims.

6. All debts and money due from or to the existing Company or any persons on their behalf shall be payable and paid by or to the Company.

Saving conveyances, contracts, &c.

7. All deeds, conveyances, grants, assignments, leases, purchases, sales, mortgages, bonds, covenants, agreements, contracts, and securities which before the passing of this Act have been executed, made, or entered into by, with, to, or in relation to the existing Company or the directors or trustees thereof, and which are in force at the passing of this Act, and all obligations and liabilities which before the passing of this Act have been incurred by or to, or which but for the passing of this Act might or would have arisen in relation to the existing Company or the directors or trustees thereof, shall be as valid and of as full force and effect in favour of, against, or in relation to the Company as if the same had been executed, made, or entered into by, with, to, or in relation to, or had been incurred by, or to, or had arisen in relation to the Company.

Causes and rights of action reserved.

8. All causes and rights of action or suit accrued before the passing of this Act, and then in any manner enforceable by, for, or against the existing Company, shall be and remain as good, valid, and effectual for or against the Company as they would or might have been for or against the existing Company if this Act had not been passed.

Actions not to abate.

9. Nothing in this Act shall cause the abatement, discontinuance, or determination of or shall in anywise prejudicially affect any action, suit, or other proceeding at law or in equity commenced by or against the existing Company either solely or jointly with any other company or with any person before the passing of this Act, and then pending; but the same may be continued, prosecuted, or enforced by or against the Company, either solely or, as the case may require, jointly with such other company or with such person.

Saving submissions and awards.

10. No submission to arbitration of any matter in dispute between the existing Company and any other company or any person, under which any reference is pending and incomplete at the passing of this Act, and no award theretofore made and then remaining in force, shall be revoked or prejudicially affected by anything in this Act contained, but every such submission and award shall be as valid and effectual for or against the Company as it would have been for or against the existing Company.

Officers of existing Company to be accountable for books, &c.

11. All officers and persons who at the passing of this Act have in their possession or under their control any books, documents, papers, or effects belonging to the existing Company, or to which the existing Company would but for the passing of this Act have been

entitled, shall be liable to account for and deliver up the same to the Company, or to such persons as the Company may appoint to receive the same, in the same manner, and subject to the same consequences on refusal or neglect, as if such officers and persons had been appointed by and become possessed of such books, documents, papers, or effects for the Company.

Officers of existing Company to be officers of Company.

12. All clerks, officers, and servants who at the passing of this Act are in the employment of the existing Company shall thereupon become clerks, officers, or servants, as the case may be, of the Company, with the same rights and subject to the same obligations and incidents in respect of such employment as they would have had or been subject to as the clerks, officers, or servants of the existing Company, and shall so continue unless and until they respectively are duly removed from such employment by the Company, or until the terms of their employment are duly altered by the Company.

Books, &c. to be evidence.

13. All books and documents which would have been evidence in respect of any matter for or against the existing Company shall be admitted as evidence in respect of the same or the like matter for or against the Company.

Resolutions to remain in force.

14. All resolutions of any general meeting or board of directors of the existing Company, or of any duly constituted and authorised committee thereof, shall, so far as the same are applicable and remain in force, continue to be operative, and shall apply to the Company, and to the directors, officers, and servants of the Company, until duly revoked or altered by the Company or under their authority.

General saving of rights and claims.

15. Notwithstanding the incorporation of the Company and the passing of this Act, everything heretofore done, suffered, and confirmed respectively under or by virtue of the said contract of copartnership, or otherwise relating to the existing Company, shall be as valid as if this Act had not been passed; and the incorporation of the Company and this Act shall accordingly be subject and without prejudice to everything so done, suffered, and confirmed respectively, and to all rights, liabilities, claims, and demands, present or future, which, if such incorporation had not taken place and this Act had not been passed, would be incident to or consequent on anything so done, suffered, and confirmed respectively; and with respect to all things so done, suffered, and confirmed respectively, and to all such rights, liabilities, claims, and demands, the Company shall to all intents represent the existing Company, and the generality of this provision shall not be deemed to be restricted by any other of the provisions of this Act.

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Present share capital of Company.

Holders of shares in existing Company to have an equal amount of stock in incorporated Company.

16. The capital stock of the Company shall be one hundred and seventy-six thousand two hundred and fifty-five pounds, unless and until the same is increased in manner herein-after provided; and every person or corporation who at the passing of this Act is registered or entitled to be registered in the books of the existing Company as the holder of any share or part of a share in the capital stock of that Company shall, in lieu thereof, be entitled to an amount of stock in the Company corresponding to the amount paid up in respect of such share or part of a share, and the name of such person or corporation shall be entered in the register of shareholders of the Company accordingly as holder or holders of stock to that amount.

Stock in incorporated Company to be subject to same trusts, &c. as stock in existing Company for which it is substituted.

17. The several portions of stock in the Company to which the holders of shares or parts of shares in the capital stock of the existing Company are respectively entitled under the provision herein-before contained shall be and are hereby declared to be respectively subject to the same trusts, powers, provisoes, agreements, declarations, liens, charges, and incumbrances as the respective shares or parts of shares in the capital stock of the existing Company in lieu of which such holders are so entitled to stock in the Company; and no will or testamentary disposition of or affecting any portion of the capital stock of the existing Company shall be revoked or affected by reason of such substitution.

Company may raise additional share capital.

18. The Company may from time to time raise by the creation and issue of new ordinary shares or new ordinary stock, or of new preference shares or new preference stock, in their capital, on such terms and conditions and bearing such rate of dividend as the Company may think fit, or at the option of the Company by more than one of those modes, any additional sums of money not exceeding in the whole one hundred and twenty-three thousand seven hundred and forty-five pounds, making together with their existing capital an aggregate amount of three hundred thousand pounds; provided that if in any year ending on the thirtieth day of June there are not profits available for the payment of the full amount of preferential dividend for that year on any such new preference shares or stock, 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.

Nominal amount of each share.

19. The nominal amount of each such new share shall be ten pounds.

Shares not to issue until one fifth paid up.

20. The Company shall not issue any new share created under the authority of this Act, 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.

Calls.

21. One fifth part of the amount of a share shall be the greatest amount of a call, and two months at least shall be the interval between successive calls.

Power to borrow on mortgage.

22. The Company may from time to time, and at any time after the passing of this Act, borrow on mortgage any sums not exceeding in the whole forty-four thousand pounds; and they may also from time to time borrow on mortgage any additional sums not exceeding in the whole thirty thousand pounds in manner after mentioned, that is to say, a sum of ten thousand pounds in respect of each entire sum of forty thousand pounds of the additional capital authorised to be raised by the creation and issue of new shares or stock as herein-before provided; but no part of such sum of ten thousand pounds shall be borrowed until the whole of the additional capital of forty thousand pounds in respect of which such sum is hereby authorised to be borrowed is issued and accepted, and one half thereof is paid up, and the Company have proved to the sheriff who is to certify under the forty-second section of "The Companies Clauses Consolidation (Scotland) Act, 1845," before he so certifies, that the whole of such additional capital of forty thousand pounds has been issued and accepted, and that one half thereof has been paid up, and that not less than one fifth part of the amount of each separate share or portion of stock (forming part of such additional capital of forty thousand pounds) so issued has been paid on account thereof before or at the time of the issue or acceptance thereof, and that such additional capital of forty thousand pounds was issued bonâ fide, and is held by the persons to whom the same was issued, or their executors, administrators, or assignees, and that such persons or their executors, administrators, or assignees are legally liable for the same; and upon production to such sheriff of the books of the Company, and of such other evidence as he shall think sufficient, he shall grant a certificate that the proof aforesaid has been given, which certificate shall be sufficient evidence thereof: Provided always, that until the moneys already borrowed and now owing by the existing Company are paid off all sums which may be borrowed on mortgage by the Company under the powers of this Act shall be applied in paying off the moneys so owing.

Arrears may be enforced by appointment of a judicial factor.

23. 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 judicial factor; and in order to authorise the appointment of a judicial factor in respect of

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principal, or principal and interest, the amount owing to the mortgagees by whom the application for a judicial factor is made shall not be less than five thousand pounds in the whole.

Application of moneys.

24. All moneys raised under this Act, whether by shares or stock or borrowing, shall be applied for the purposes of this Act only.

First and subsequent ordinary meetings.

25. The first ordinary meeting of the Company shall be held at Edinburgh on the second Wednesday in the month of September next after the passing of this Act, and only one ordinary meeting of the Company shall be held in the year one thousand eight hundred and seventy-two and in each subsequent year; and such meetings shall be held upon the second Wednesday in the month of September in each year, at such place as shall from time to time be appointed by the directors.

Quorum of shareholders for general meetings.

26. In order to constitute a meeting of the Company (whether ordinary or extraordinary) it shall be sufficient if there be present personally or by proxy any number of shareholders holding in the aggregate not less than one twentieth part of the then existing capital of the Company.

Voting at general meetings.

27. For the purpose of computing the votes of the shareholders at any general meeting of the Company each sum of ten pounds of stock shall be held to be one share.

Number of directors.

28. The number of directors shall be nine, but the Company may from time to time alter the number, provided that the number be not at any time less than five nor more than nine.

Qualification of directors.

29. The qualification of a director shall be the possession in his own right of not less than five hundred pounds in nominal amount of stock or shares in the Company.

First directors.

30. The persons who immediately before the passing of this Act are the chairman and directors of the existing Company shall be the first directors of the Company, and shall continue in office until the first ordinary meeting held after the passing of this Act; at that meeting the shareholders present in person or by proxy may either continue in office the directors appointed by this Act, or any of them, or may elect a new body of directors, or directors to supply the places of those not continued in office, the directors appointed by this Act being, if qualified, eligible for re-election; and at the

Election of directors.

ordinary meeting to be held in every year after the first ordinary meeting the shareholders present in person or by proxy shall (subject to the power herein-before contained for reducing the number of directors) elect persons to supply the places of the directors then retiring from office, agreeably to the provisions in "The Companies

…lidation (Scotland) Act, 1845," contained; and the …elected at any such meeting, being neither removed …r having resigned, shall continue to be directors …ected in their stead in manner provided by the …

Auditor.

…be only one auditor of the Company, and he shall …ch ordinary meeting of the Company for the then …, but shall be re-eligible; it shall not be necessary for …old any share in the Company.

Balance of books.

32. The books of the Company shall be balanced on the thirtieth …y of June in each year.

Powers of Company.

33. The Company may by agreement purchase, acquire in feu, and take on lease such lands and mineral fields, in addition to those by this Act vested in them, as they may consider proper for the purposes of the undertaking; and they may work and manufacture iron ore, ironstone, shale, coal, coke, limestone, fireclay, and other minerals, and may trade in the same, manufactured or unmanufactured, and may for the purposes of working, manufacturing, and transporting the same erect new works and conveniences, and alter and enlarge the works and conveniences by this Act vested in them, and maintain and use such several works and conveniences, and appoint and remove managers, clerks, officers, and servants; and they may also let on lease such portions of their lands, mineral fields, and works and conveniences as they may consider expedient.

Affairs of Company to be regulated by this Act.

34. The affairs of the Company shall be regulated by the provisions of this Act instead of by those of the said contract of copartnership.

Expenses of Act.

35. All the 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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