



## CHAPTER cv.

An Act to confer additional borrowing powers upon the Gas Light and Coke Company and for other purposes. [4th August 1926.] A.D. 1926.

**W**HEREAS the Gas Light and Coke Company (hereinafter referred to as "the Company") were originally incorporated by Royal Charter in the year one thousand eight hundred and twelve and were re-incorporated by the Act 59 George III. cap. 20 (Local):

And whereas by the Gas Light and Coke Company's Act 1868 all the prior Acts of the Company were repealed and the Company were continued and the provisions of all such prior Acts were consolidated and amended:

And whereas by the Gas Light and Coke Company's Act 1925 (hereinafter referred to as "the Act of 1925") the undertaking of the Brentford Gas Company (hereinafter referred to as "the Brentford Company") was transferred to the Company as from the first day of January one thousand nine hundred and twenty-six in consideration of the issue to the holders of ordinary stock preference stock and debenture stock of the Brentford Company of ordinary stock preference stock or debenture stock of the Company and certain mortgage bonds of the Brentford Company were made mortgage bonds of the Company:

And whereas by the Act of 1925 the unexercised powers of the Brentford Company of raising money by the creation and issue of additional capital or by borrowing on mortgage or by the creation and issue of debenture

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stock were transferred to the Company as from the said first day of January one thousand nine hundred and twenty-six and the Company were authorised to exercise those powers with the option of raising by borrowing on mortgage or by the creation and issue of debenture stock or debentures all or any of the money which the Brentford Company were empowered to raise by the creation and issue of additional capital :

And whereas the Company were empowered—

- (a) by section 13 of the Act of 1925 to provide any moneys required for the redemption of the said mortgage bonds of the Brentford Company or of certain redeemable debenture stock to be issued by the Company to holders of redeemable debenture stock of the Brentford Company; and
- (b) by section 23 of the Act of 1925 to raise any moneys which if that Act had not been passed the Brentford Company could have raised by the creation and issue of ordinary stock or preference stock

by borrowing on mortgage of their undertaking or by the creation and issue of debentures or debenture stock or by the creation and issue of ordinary stock or preference stock or partly by any one or more of those modes and partly by any other or others of them :

And whereas the Company have determined not to exercise the powers of raising money by the creation and issue of ordinary stock or preference stock so conferred by the Act of 1925 as last aforesaid and it is expedient that the powers contained in the said sections 13 and 23 for the raising of money by either of those modes should be repealed :

And whereas the capital of the Company issued under the powers or provisions of the Act of 1925 and the prior Acts relating to the Company and the outstanding debenture stock and mortgage bonds of the Company were on the thirtieth day of June one thousand nine hundred and twenty-six as follows (that is to say):—

		£
4 per centum consolidated preference		
stock	- - - - -	4,157,020
Ordinary Stock	- - - - -	18,788,960

	£	A.D. 1926.
3½ per centum maximum stock -	2,600,000	—
3 per centum consolidated debenture stock - - - - -	5,602,620	
7½ per centum Ilford redeemable debenture stock (1931) - -	42,000	
6 per centum Brentford redeemable debenture stock - - - -	181,315	
7½ per centum mortgage bonds -	300,000	
6 per centum mortgage bonds -	112,800	

And whereas under the provisions of the Gas Light and Coke Company's Act 1903 as amended by the Gas Light and Coke Company's Act 1918 and by the Act of 1925 the Company were empowered to create and issue three per centum debenture stock to the nominal amount of seven hundred and fifty thousand pounds or alternatively to create and issue redeemable debenture stock to the like nominal amount to bear such rate of interest as the Company or the directors might in their discretion determine or to borrow on mortgage of their undertaking or raise by the creation and issue of debentures any sum or sums not exceeding in the whole seven hundred and fifty thousand pounds but the Company have not exercised those powers :

And whereas the unexercised powers of the Company of raising money were on the said thirtieth day of June one thousand nine hundred and twenty-six as follows :—

	£
By any of the modes authorised by the said Gas Light and Coke Company's Act 1903 as amended by the said Gas Light and Coke Company's Act 1918 a sum not exceeding - - - - -	750,000
By the creation and issue of ordinary stock or preference stock or by borrowing on mortgage or by the creation and issue of debenture stock or debentures in respect of the unexercised powers of the Brentford Company of raising money by the creation and issue of ordinary stock or preference stock - - - - -	1,074,578

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£

By borrowing on mortgage or by the creation and issue of debenture stock or debentures in respect of the unexercised powers of the Brentford Company of raising money by any of those modes - 479,463

And whereas it is expedient that the Company should be empowered to raise further moneys by borrowing on mortgage or by the creation and issue of debenture stock and that such debenture stock should be authorised to be issued as redeemable debenture stock :

And whereas it is expedient that the provisions contained in this Act with respect to the rate at which dividends may be paid on the ordinary stock of the Company should be enacted :

And whereas it is expedient that the other provisions contained in this Act should be enacted :

And whereas the objects aforesaid cannot be attained without the authority of Parliament :

May it therefore please Your Majesty that it may be enacted and be it enacted by the King'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 as the Gas Light and Coke Company's Act 1926.

Incorporation of Acts.

2. The Companies Clauses Consolidation Act 1845 and Part III. (Debenture stock) of the Companies Clauses Act 1863 as amended by subsequent Acts (so far as the same are applicable for the purposes of and are not inconsistent with or varied by this Act) are hereby incorporated with and form part of this Act.

Interpretation.

3. In this Act unless the subject or context otherwise requires :—

“The Company” means the Gas Light and Coke Company ;

“The directors” means the directors of the Company ;

“ The Act of 1903 ” and “ the Act of 1909 ” mean  
respectively the Gas Light and Coke Company's  
Act 1903 and the Gas Light and Coke Company's  
Act 1909. A.D. 1926.  
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4. The Company may subject to the provisions of this Act but without the certificate of a justice of the peace at any time after the date of the passing of this Act and from time to time borrow on mortgage of their undertaking or raise by the creation and issue of debentures in respect of their capital issued at the said date any sum or sums (in addition to the mortgages debentures and debenture stock of the Company outstanding at the date or respective dates on which the Company exercise the powers of this section) not exceeding in the whole (when added to the aggregate amount of (a) the moneys secured by such of the mortgages and debentures so outstanding as were granted or issued under the powers of this Act or any previous Act and (b) the nominal amount of such of the debenture stock so outstanding as was issued under the powers of this Act or any previous Act) one-half of the nominal amount of such issued capital. Additional powers of borrowing.

5. The Company may create and issue debenture stock subject to the provisions of this Act and of Part III. of the Companies Clauses Act 1863 but notwithstanding anything contained in the said Part III. the interest of all debenture stock and of all mortgages at any time created and issued or granted by the Company under any previous Act or this Act or any subsequent Act shall subject to the provisions of any subsequent Act rank pari passu (without respect to the dates of the securities or of the Acts of Parliament or resolutions by which the stock and mortgages were authorised) and shall have priority over all principal moneys secured by such mortgages. Notice of the effect of this enactment shall be endorsed on all mortgages and certificates of debenture stock. Debenture stock.

6.—(1) The directors may if they think fit issue any debenture stock created under the powers of this Act so as to be redeemable on such terms and conditions as may be specified in the resolution of the directors to issue the same. Power to issue redeemable debenture stock.



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(2) If it is so provided in the resolution of the directors to issue any redeemable debenture stock issued under the powers of this section and notice to the effect of any such provision is contained in or endorsed on the certificates of such debenture stock the Company may—

- (a) call in and pay off the debenture stock or any part thereof at any time before the fixed date of redemption; and
- (b) redeem the debenture stock or any part thereof either by paying off the same or by issuing to any holder thereof (subject to his consent) other debenture stock in substitution therefor.

(3) For the purpose of providing money for paying off the debenture stock or of providing substituted debenture stock the Company may create and the directors may issue new debenture stock (either redeemable or irredeemable) or reissue debenture stock originally created and issued under this section so however that the creation and issue for that purpose of new debenture stock does not make the total nominal amount of such stock exceed the amount which the Company are for the time being authorised to create except during the necessary interval between the creation and issue of the new debenture stock and the redemption of the old debenture stock.

Priority of principal moneys secured by existing mortgages.

7. The principal moneys secured by all mortgages granted by the Company in pursuance of the powers of any Act of Parliament before the passing of this Act and subsisting at the passing hereof shall during the continuance of such mortgages have priority over the principal moneys secured by any mortgages granted by virtue of this Act.

Stocks and debenture stocks of Company to be transferable in amounts of one pound and multiples thereof.

8. Notwithstanding anything contained in any other enactment all the stocks and debenture stocks of the Company for the time being outstanding shall be transferable in amounts of one pound or multiples thereof unless and except so far as may be otherwise provided (in the case of any stock or debenture stock issued after the passing of this Act) in any resolution creating the same which may be passed after the passing of this Act.

9. Notwithstanding anything contained in section 10 of the Companies Clauses Consolidation Act 1845 the Company may demand for copies of the shareholders' address book or any part thereof supplied by them any sum not exceeding ninepence for each folio of seventy-two words copied.

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As to charge for copies of shareholders' address book.

10. Notwithstanding anything contained in section 13 of the Companies Clauses Consolidation Act 1845 or in any other enactment the Company shall not be under any obligation to issue a new debenture or mortgage bond or a new certificate of any stock or debenture stock or a new warrant for any dividend or interest in lieu of any debenture bond certificate or warrant lost or destroyed or alleged to be lost or destroyed until they have received from the person to whom such new debenture bond certificate or warrant is to be issued such indemnity as the directors may require against any and every claim or expense which may be made against the Company or which the Company may incur in respect of such lost or destroyed debenture bond certificate or warrant or the debenture mortgage stock debenture stock dividend or interest represented thereby.

Indemnity may be required before issue of substituted certificates &c.

11. If and whenever under the provisions of section 34 (Reduction of standard price and amendment of enactments relating to sliding scale) of the Act of 1909 as amended by the Gas Light and Coke Company (Charges) Orders 1921 and 1926 and of section 9 (Redemption fund) of the Act of 1903 as amended by this Act or either of those sections the rate at which the dividend actually payable to the holders of the ordinary stock of the Company in respect of any half year would be less than five per centum per annum the Company or the directors (as the case may be) may declare and pay out of any moneys available for the purpose a dividend on the said ordinary stock at any rate not exceeding five per centum per annum provided that in addition to such payment there be set aside as a contribution to the redemption fund referred to in the said section 9 such a sum (if any) as would under the provisions of that section as amended by this Act be required to be set aside in relation to the dividend so declared and paid :

As to dividends on ordinary stock.

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Provided that—

- (a) If at any time within one month after the expiration of a period of five years from the first day of March one thousand nine hundred and twenty-seven or of any succeeding period of five years any authority (being a local authority within the meaning and for the purposes of the Gas Regulation Act 1920) having jurisdiction within any part of the limits of supply for the time being of the Company shall apply to the Board of Trade for an order annulling or suspending the operation of the provisions of this section or reducing the rate of five per centum per annum referred to therein the Board of Trade may if they think fit make an order annulling or suspending for such period as they may decide the operation of the said provisions or reducing to such extent as they may determine the said rate of five per centum per annum;
- (b) If and so long as the operation of the said provisions is suspended or the said rate is reduced below five per centum per annum by virtue of any order made under the foregoing proviso (a) and for the time being in force the Company may at any time within one month after the expiration of any such period of five years as aforesaid apply to the Board of Trade for an order cancelling such suspension or increasing such reduced rate and the Board of Trade may if they think fit make an order cancelling such suspension or increasing such reduced rate to any rate not exceeding five per centum per annum;
- (c) Any order of the Board of Trade under this proviso shall be made under and in accordance with the provisions of section 10 of the Gas Regulation Act 1920 with respect to the making of special orders and—
- (i) for the purposes of this proviso the expression “the undertakers” in the schedule to that Act shall mean the applicants for the order; and



(ii) any such order shall for all purposes be deemed to be a special order within the meaning of the said Act;

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(d) Any order made under the foregoing proviso (a) or (b) shall during the continuance thereof have the same effect as if enacted in this Act.

**12.** Subsection (3) of section 34 (Reduction of standard price and amendment of enactments relating to sliding scale) of the Act of 1909 shall be read and have effect as if the paragraph commencing with the words "In any half year" and ending with the words "shall be reduced by one shilling and eightpence" were omitted from that subsection and all references to the said subsection (3) in any Act or Order passed or made after the passing of the Act of 1909 shall be construed as references to that subsection as amended by this section.

As to dividends on three and a half per cent. maximum stock.

**13.—**(1) So much of section 13 (Raising of money required for redemption of mortgage bonds and six per centum Brentford redeemable debenture stock) of the Gas Light and Coke Company's Act 1925 as empowers the Company to create and issue additional amounts of ordinary stock or preference stock is hereby repealed.

Repeal of certain powers of creating and issuing ordinary and preference stock under Gas Light and Coke Company's Act 1925.

(2) So much of section 23 (As to unexercised powers of Brentford Company of raising capital and borrowing) of the Gas Light and Coke Company's Act 1925 as empowers the Company to raise by the creation and issue of ordinary stock or preference stock any money which if that Act had not been passed the Brentford Gas Company could have raised by either of those modes is hereby repealed and for the purpose of raising such money the Company shall only exercise the powers conferred by the proviso to subsection (2) of that section of borrowing on mortgage or creating and issuing debenture stock (redeemable or irredeemable) or debentures for that purpose.

**14.—**(1) Section 36 (As to redemption fund) of the Act of 1909 is hereby repealed and section 9 (Redemption fund) of the Act of 1903 shall be read and have effect as if the following provisions were inserted therein in lieu of subsections (1) (2) and (3) of that section (that is to say) :—

Amendment of section 9 of Act of 1903.

"(1) Before the Company or the directors shall be entitled to or shall in respect of the half-year

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—

ending on the thirtieth day of June one thousand nine hundred and twenty-six or any subsequent half-year distribute—

“(a) a dividend on the ordinary stock of the Company at any rate per centum per annum in excess of the standard rate of dividend the Company shall out of the divisible profits in excess of the amount needed to provide a dividend for the half-year at the standard rate of dividend and before distributing a dividend at any such greater rate per centum per annum set aside a sum up to and not exceeding five thousand pounds and after setting aside the said sum of five thousand pounds may distribute a dividend on the said ordinary stock at a rate per centum per annum exceeding the standard rate of dividend by any amount not exceeding six shillings and eightpence per centum per annum; or

“(b) a dividend on the said ordinary stock at a rate per centum per annum in excess of the rate of four pounds six shillings and eightpence per centum per annum the Company shall out of the said divisible profits and before distributing a dividend at any rate in excess of the last-named rate per centum per annum set aside a sum up to and not exceeding ten thousand pounds and after setting aside the said sum of ten thousand pounds may distribute a dividend on the said ordinary stock at a rate per centum per annum exceeding the standard rate of dividend by any amount not exceeding thirteen shillings and fourpence per centum per annum; or

“(c) a dividend on the said ordinary stock at a rate per centum per annum in excess of the rate of four pounds thirteen shillings and fourpence per centum per annum the Company shall out of the said divisible profits and before distributing a dividend at any rate in excess of the last-named rate per centum per

annum set aside a sum up to and not exceeding fifteen thousand pounds and after setting aside the said sum of fifteen thousand pounds may distribute a dividend on the said ordinary stock at a rate per centum per annum exceeding the standard rate of dividend by any amount not exceeding one pound per centum per annum; or

“(d) a dividend on the said ordinary stock at a rate per centum per annum in excess of the rate of five pounds per centum per annum the Company shall out of the said divisible profits and before distributing a dividend at any rate in excess of the last-named rate per centum per annum set aside a sum of twenty thousand pounds;

and the several sums so from time to time set aside as aforesaid shall be and form a redemption fund:

Provided always that nothing in this section shall authorise the Company at any time to distribute any dividend in excess of the authorised rate of dividend and that for the purpose only of calculating the amount distributable in accordance with this proviso the amount set aside as redemption fund shall be assumed to have been distributed by way of dividend;

“(2) “Divisible profits” in this section means the whole amount of the Company’s clear profits (inclusive of profits carried to the credit of divisible profits from any preceding half-year) available for distribution in dividends to the Company’s capital stockholders in respect of any half year;

“(3) The Company or the directors shall not in respect of any one half-year distribute to the holders of ordinary stock of the Company dividends at any rate exceeding four pounds per centum per annum without making such provision for the redemption of ordinary stock as is by this Act provided for.”

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(2) Neither the amendment of the said section 9 effected by this section nor anything contained in the said section 9 as so amended shall alter or interfere with the operation of the section of this Act of which the marginal note is "As to dividends on ordinary stock."

Costs of Act.

**15.** All the costs charges and expenses preliminary to and of and incidental to the preparing applying for obtaining and passing of this Act shall be paid by the Company.

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