

**CHAPTER xlviii.**

An Act to confirm a Provisional Order under the Private Legislation Procedure (Scotland) Act 1899 relating to the Clyde Valley Electrical Power Company. A.D. 1918.

[21st November 1918.]

**W**HEREAS His Majesty's Secretary for Scotland has made the Provisional Order set forth in the schedule hereunto annexed under the provisions of the Private Legislation Procedure (Scotland) Act 1899 and it is requisite that the said Order should be confirmed by Parliament: 62 & 63 Vict.  
c. 47.

Be it therefore 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:—

1. The Provisional Order contained in the schedule hereunto annexed shall be and the same is hereby confirmed. Confirmation  
of Order in  
schedule.

2. This Act may be cited as the Clyde Valley Electrical Power Order Confirmation Act 1918. Short title.

A.D. 1918.

SCHEDULE.

CLYDE VALLEY ELECTRICAL POWER.

*Provisional Order to authorise the Clyde Valley Electrical Power Company to raise additional capital and for other purposes.*

WHEREAS the Clyde Valley Electrical Power Company (in this Order called "the Company") were incorporated by the Clyde Valley Electrical Power Act 1901 (hereinafter called "the Act of 1901") :

And whereas by the Act of 1901 the Company were authorised to raise capital to the amount of nine hundred thousand pounds and by the Clyde Valley Electrical Power Order 1912 they were authorised to raise not exceeding one-half thereof by preference shares and by that Order they were empowered to borrow three hundred thousand pounds subject to the restrictions imposed by section 79 (c) of the Act of 1901 and section 5 of the Lands Clauses Consolidation Acts Amendment Act 1860 :

And whereas the Company have raised the whole of their capital of nine hundred thousand pounds by the creation and issue of thirty thousand preference shares of ten pounds each and sixty thousand ordinary shares of ten pounds each the whole of which are fully paid up and under section 79 (c) of the Act of 1901 and section 5 of the Lands Clauses Consolidation Acts Amendment Act 1860 in respect of interest paid to shareholders during construction and the capitalised value of feu duties their borrowing powers have been reduced by (firstly) the sum of five thousand and fifty-one pounds fifteen shillings and eightpence being one-third of the interest so paid and (secondly) the sum of nineteen thousand six hundred and thirteen pounds one shilling and eightpence being the capitalised value of feu duties for which the Company is liable leaving unexercised borrowing powers to the amount of two hundred and seventy-five thousand three hundred and thirty-five pounds two shillings and eightpence :

And whereas the Company have expended the whole of their capital in the erection and equipment of generating stations at Motherwell and Clyde's Mill in the county of Lanark and at

Yoker in the county of Renfrew and in the laying down of distributing cables sub-stations and other plant: A.D. 1918.

And whereas the demand for electrical energy in the Company's area of supply is rapidly increasing and extensions of their generating stations and other works are required immediately and it is expedient that the Company should be authorised to raise additional capital and to borrow further moneys as in this Order provided:

And whereas owing to circumstances consequent on the present war the Company are unable to raise money by the issue of ordinary or preference shares except on disadvantageous terms and it is expedient that the Company should be authorised to exercise the powers of borrowing money as in this Order provided:

And whereas it is expedient that other powers should be conferred on the Company as in this Order provided:

And whereas the purposes aforesaid cannot be effected without an Order of the Secretary for Scotland confirmed by Parliament under the provisions of the Private Legislation Procedure (Scotland) Act 1899:

Now therefore in pursuance of the powers contained in the last-mentioned Act the Secretary for Scotland orders as follows:—

1. This Order may be cited as the Clyde Valley Electrical Power Order 1918. Short title.

2. This Order and the Clyde Valley Electrical Power Acts 1901 to 1912 may be cited as the Clyde Valley Electrical Power Acts 1901 to 1918. Citation of Acts.

3. The following Act and Parts of an Act are (except where expressly varied by this Order) incorporated with and form part of this Order and this Order shall be deemed to be a special Act within the meaning of those Acts (that is to say):— Incorporation of Acts.

The Companies Clauses Consolidation (Scotland) Act 1845;  
Parts I II and III of the Companies Clauses Act 1863 (as amended by subsequent Acts) relating respectively to cancellation and surrender of shares to additional capital and to debenture stock.

[Ch. xlviii.] *Clyde Valley Electrical* [8 & 9 GEO. 5.]  
*Power Order Confirmation Act, 1918.*

A.D. 1918.  
Interpretation.

4. In this Order unless the context otherwise requires the several words and expressions to which by the Acts wholly or partially incorporated herewith meanings are assigned shall have the same respective meanings unless there be something to the contrary contained therein And in this Order—

“The Company” means the Clyde Valley Electrical Power Company;

“The Act of 1901” means the Clyde Valley Electrical Power Act 1901;

“The Act of 1904” means the Clyde Valley Electrical Power Act 1904;

“The Order of 1912” means the Clyde Valley Electrical Power Order 1912.

Power to raise additional capital.

5. The Company may raise additional capital to the nominal value of not exceeding in the whole one million pounds by the creation and issue at their option of new ordinary shares preferred ordinary shares deferred ordinary shares or new preference shares or wholly or partially by any one or more of those modes respectively and they may attach to any such capital such rights liabilities privileges and preferences as they think fit Provided always—

(a) That no right shall thereby be conferred upon the holders of ordinary shares to convert the same into preference shares; and

(b) That any new shares issued shall not have right to participate in the special reserve fund established under section 2 (4) of the Order of 1912 for the benefit of the existing issue of thirty thousand preference shares without the consent of the holders of these preference shares in terms of a resolution passed by a majority of not less than three-fourths of the votes of the holders of these preference shares entitled to vote present personally or by proxy at a general meeting of these holders duly called for that purpose.

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

6. The new ordinary shares created by the Company under this Order (not being preferred ordinary shares or deferred ordinary shares) and the holders of such new ordinary shares respectively shall be subject and entitled to the same powers provisions liabilities rights privileges and incidents whatsoever in all respects as if the capital represented by these new ordinary

shares were part of the now existing ordinary capital of the Company of the same class or description and the new ordinary shares were shares in that capital. A.D. 1918.

7.—(1) The Company may provide that any preference shares created under the powers of this Order shall be entitled to a cumulative preferential dividend not exceeding the rate of ten pounds per centum per annum and that if the profits of any year are not sufficient to pay such dividend the deficiency shall be made good out of any funds of the Company which may be available for that purpose or out of the profits of any subsequent year. Dividends  
&c. on pre-  
ference  
shares.

(2) Such preference shares may from time to time be issued by the Company with such rights of priority and other rights in the distribution of the assets of the Company as the Company may think fit (including the right to repayment of the amount of preference capital at the time issued and paid up and of any arrears or deficiency of dividend thereon in priority to the ordinary share capital) and the Company may provide that when the holders of such preference shares shall have received repayment in full of the amounts paid up by them and of any arrears or deficiency in the dividend which should have been paid to them thereon they shall not in respect of such shares be entitled to any further participation in the assets of the Company.

(3) The Company may on such terms and conditions as they think fit form and maintain special sinking contingency or reserve funds for the purpose of securing the repayment in any distribution of the assets of the Company of any issue of preference shares of the Company and of the payment of any deficiency or arrears of dividend thereon and may provide for yearly or other payments out of profits into such funds and for the application thereof to the payment of dividends on such issue of preference shares and to the purchase of such preference shares or of other securities or otherwise and for the final distribution of such funds and they may appoint trustees to receive hold manage and apply such funds all on such terms and conditions and with such powers and immunities as the Company may prescribe.

(4) No preference shares of the Company issued in terms of this section shall rank prior to the existing preference shares of the Company as regards payment of capital or dividend.

A.D. 1918.

(5) Except as otherwise expressly provided by the resolution creating the same no person shall be entitled to vote in respect of any preference shares issued under the authority of this section.

(6) The terms and conditions on which any preference shares are issued shall be clearly stated on the certificate of such shares.

Power to  
borrow.

8. The provisions of section 4 (Power to borrow) of the Order of 1912 are hereby repealed but without prejudice to anything done thereunder prior to the passing of the Act confirming this Order and in lieu thereof the following provisions shall have effect:—

The Company notwithstanding the provisions of section 5 of the Lands Clauses Consolidation Acts Amendment Act 1860 may in respect of the capital of one million nine hundred thousand pounds which they are by the Act of 1901 and this Order authorised to raise from time to time borrow on mortgage of the undertaking any sum or sums not exceeding in the whole one-half of the nominal amount of the shares in the Company upon which not less than one-half part thereof has been paid up under deduction always from such half of the sum of seven thousand five hundred and seventy-seven pounds thirteen shillings and fivepence being one-half of the interest paid to shareholders during construction under the provisions of section 79 (Power to pay interest out of capital) of the Act of 1901 but the Company shall not borrow any such sum or sums until they 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 not less than one-half of the amount of each of the shares in respect of which the Company propose to borrow has been paid on account thereof and that such shares were issued *bonâ fide* and are held by the persons to whom the same were issued or their executors administrators or assigns and that such persons their executors administrators successors or assigns 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.

9.—(1) The Company may from time to time issue either as permanent or redeemable debentures or debenture stock any debentures or debenture stock which they are authorised to create and the resolution creating the same if redeemable shall specify the times at which and the manner in which and the terms and conditions on which the same shall be redeemed.

A.D. 1918.  
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Company  
may issue  
redeemable  
debentures  
or debenture  
stock.

(2) The Company may among the conditions for the redemption of any such redeemable debentures or debenture stock include a condition for the redemption thereof or any part or parts thereof by the substitution for the debentures or debenture stock so to be redeemed of other securities of the Company of such nominal amount and upon such terms and conditions as may be prescribed by the resolution creating any such redeemable debentures or debenture stock and for the purpose of giving effect to any such condition the Company may create and issue such substituted securities accordingly.

(3) In the event of any redeemable debentures or debenture stock being conditioned for redemption by payment in cash the directors of the Company may from time to time after providing for the payment of interest on any mortgages bonds debentures and debenture stock and any dividends on preference shares of the Company and providing for other fixed charges and obligations set apart out of revenue such sums as they may consider proper for the purpose of forming a fund for the redemption at maturity of any redeemable debentures or debenture stock and may invest such fund or any part thereof and the resulting income therefrom in any securities in which trustees are by law authorised to invest trust funds or in any securities in which they may by resolution of a general meeting be authorised to invest such fund and shall hold and apply such fund for the purpose of redeeming any redeemable debentures or debenture stock of the Company at maturity and also may pay out of revenue such sums as may be necessary for paying the premiums on any sinking fund policy which may be taken out by the Company for the purpose of redeeming any redeemable debentures or debenture stock of the Company at maturity Provided that the directors may apply any part of the redemption fund in the purchase of any redeemable debentures or debenture stock and any debentures or debenture stock so purchased shall be cancelled or if no such fund shall be formed the directors of the Company may issue new

A.D. 1918. securities of the like class or description as those to be redeemed to such an amount as may be necessary to provide the money required for redemption of such redeemable debentures or debenture stock.

(4) Upon payment to the holders thereof of the sums payable under any such condition of redemption the debentures or debenture stock so redeemed shall be cancelled and the certificates therefor delivered to the Company for cancellation.

For appointment of a judicial factor.

10. The provisions of section 5 (For appointment of a judicial factor) of the Order of 1912 are hereby repealed and in lieu thereof the following provisions shall have effect:—

The mortgagees of and the holders of debentures or debenture stock of the Company may enforce payment of arrears of interest or principal or principal and interest due on their mortgages debentures or debenture stock by the appointment of a judicial factor and in order to authorise the appointment of a judicial factor in respect of arrears of principal the amount owing to the mortgagees or the holders of such debentures or debenture stock by whom the application for a judicial factor is made shall not be less than ten thousand pounds in the whole.

Nothing in this section shall prejudice any appointment which may have been made or the continuance of any proceedings which may have been commenced prior to the passing of the Act confirming this Order.

Removal of obligation to prepare half-yearly accounts.

11.—(1) The Company shall not be under any obligation to prepare or to submit to their shareholders or auditors half-yearly statements of accounts or balance sheets or to hold ordinary general meetings more than once a year.

(2) The directors of the Company may if it appear to them that the profits of the Company are sufficient declare and pay an interim dividend for the first half of any year notwithstanding that the accounts are not audited for that half-year and that a statement of accounts and balance sheet for that half-year is not submitted to the shareholders and may close their register and books of transfer before the date on which the interim dividend is declared in the same manner and for the same time and subject to the same provisions as they may close their register and books before the date on which their



ordinary dividend is declared or before the date of their ordinary meeting. A.D. 1918.

12. The Company may apply for or towards the purposes of this Order to which capital is properly applicable any sums of money which they have already raised or are authorised to raise under the authority of the Act of 1901 the Act of 1904 and the Order of 1912. Power to apply funds.

13. Section 3 (Conversion of ordinary shares into preference shares) and section 6 (Sinking fund for mortgages) of the Order of 1912 are hereby repealed as from the date of the passing of the Act confirming this Order. Repeal of sections 3 and 6 of Order of 1912.

14. All moneys raised by the Company under this Order shall be applied to the general purposes of the Company to which capital is properly applicable. Application of moneys.

15. Notwithstanding anything contained in this Order the Company shall not under the powers of or for the purposes of this Order raise or borrow any money (except for the payment of the costs charges and expenses referred to in the section of this Order whereof the marginal note is "Costs of Order") during the continuance of the present war and twelve months thereafter unless the consent of the Treasury has been previously obtained. Consent of Treasury to raising money.

16. All costs charges and expenses of and incident to the preparing for obtaining and confirming of this Order or otherwise in relation thereto shall be paid by the Company. Costs of Order.

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