



### CHAPTER xi.

An Act to confer further powers upon the London Passenger Transport Board with respect to the creation and issue of transport stock and for other purposes.

[29th July 1942.]

**W**HEREAS by the London Passenger Transport Act 1933 (hereinafter referred to as "the Act of 1933") the London Passenger Transport Board (hereinafter referred to as "the Board") were established and there were transferred to the Board the transport undertakings or parts of transport undertakings of certain local authorities companies and persons: 23 & 24 Geo. 5.  
c. 14.

And whereas by the Act of 1933 the Board were empowered (subject to regulations to be made by the Minister of Transport with the approval of the Treasury) to borrow money for various purposes including (inter alia) the redemption of any transport stock in so far as borrowing for that purpose should be authorised by the regulations relating to the issue and redemption of stock and to create stock to be called London Transport stock (in the Act of 1933 and hereinafter referred to as "transport stock") for the purpose of enabling the Board—

- (a) to satisfy the consideration to be given by them for the transfer to them of undertakings and parts of undertakings in so far as such consideration was required to be satisfied by the issue of stock;
- (b) to raise money which they were empowered as aforesaid to borrow; and
- (c) to carry into effect any arrangements for the issue of new stock for the redemption of stock previously issued by the Board:

And whereas it was provided by the Act of 1933 that transport stock should consist of the following classes viz. :—

- London Transport "A" stock;
- London Transport "T.F.A." stock;
- London Transport "L.A." stock;
- London Transport "B" stock; and
- London Transport "C" stock;

and that the said stocks together with the interest thereon (in the case of London Transport "C" stock up to a specified standard rate) should be charged on the undertaking of and on all the revenues of the Board and that for that purpose the different classes of stocks should rank in the order of priority in which they are named as aforesaid:

And whereas the Board have created and issued and there is outstanding at the date of the passing of this Act transport stock of all the said classes:

And whereas pursuant to the provisions of the Act of 1933 the London Transport "T.F.A." stock bears interest at the rate of four and one-half per centum per annum and was issued in substitution for the four and one-half per centum debenture stocks of certain railway companies whose undertakings were transferred to the Board (being stocks of which the principal and interest were guaranteed by the Treasury under the Trade Facilities Acts 1921 to 1926) and on the footing that the London Transport "T.F.A." stock should be subject to the same provisions with respect to the date of redemption as the said debenture stocks and the guarantee given by the Treasury in respect of the principal and interest of the said debenture stocks was transferred to the transport stock issued in substitution therefor:

And whereas in accordance with the said provisions of the Act of 1933 the London Transport "T.F.A." stock (the outstanding amount of which is twelve million five hundred and eighty-three thousand pounds) is compulsorily redeemable at par on the thirtieth day of June one thousand nine hundred and seventy-two but (subject to three months' notice) is redeemable at the option of the Board at par in whole or in part on the first day of July one thousand nine hundred and forty-two or any subsequent first day of January or first day of July up to and including the first day of January one thousand nine hundred and seventy-two:

And whereas by the said regulations the Board are empowered on and after the earliest date upon which they may redeem stock issued by them as consideration for the transfer to the Board of undertakings or parts of undertakings under

the Act of 1933 to borrow money for the purpose of redeeming so much of such stock as is intended to be forthwith redeemed and it is provided that any money borrowed for that purpose (other than money borrowed for the purpose of redeeming "C" stock so issued) shall be repaid within ninety years from the date of the issue of the stock so redeemed:

And whereas under the provisions of the Act of 1933 it is not competent for the Board to create new transport stock of any class other than London Transport "A" stock London Transport "B" stock or London Transport "C" stock and it is inexpedient that stock of any of those classes should be created for the purpose of the redemption of the London Transport "T.F.A." stock:

And whereas the Board desire to redeem the whole of the London Transport "T.F.A." stock at an early date with a view to the replacement thereof by transport stock bearing interest at a lower rate and it is expedient in the interest of the Treasury as well as of the Board that the Board should be authorised to create and issue for the purpose of such redemption stock of a new class ranking in the same order of priority as the London Transport "T.F.A." stock in relation to transport stock of the other classes:

And whereas the Treasury have agreed to guarantee under the power conferred by section 25 of the Finance Act 1934 the principal and interest of stock of the said new class:

24 & 25  
Geo. 5. c. 32.

And whereas the objects of this Act 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 (that is to say):—

1. This Act may be cited as the London Passenger Transport Act 1942. Short title.

2. In this Act unless there is something in the subject or context repugnant to such construction— Interpre-  
tation.

"The Board" means the London Passenger Transport Board;

"The Act of 1933" means the London Passenger Transport Act 1933;

"The existing Acts" means the Act of 1933 and all subsequent Acts of the Board passed before the passing of this Act and for the time being in force;

“ ‘T.F.A.’ stock ” means London Transport “ ‘T.F.A.’ stock; ”

“ The new stock ” means stock of the new class which the Board are empowered by this Act to create and issue:

Power to create and issue new class of transport stock.

3.—(1) The Board may for the purpose of redeeming the “ ‘T.F.A.’ ” stock or of raising money for such redemption create and issue London Transport stock of a class different from the classes of stock named in subsection (2) of section 39 (Issue of transport stock) of the Act of 1933:

Provided that the amount of money raised by the Board by the creation and issue of the new stock (when added to the amount of any other money borrowed by them and for the time being outstanding) shall not exceed the amount of money which the Board are for the time being authorised to borrow except during any necessary interval between the issue of the new stock and the completion of the redemption of the “ ‘T.F.A.’ ” stock.

(2) The new stock—

(a) shall be designated “ London Transport guaranteed stock ” or such other name as the Board with the approval of the Treasury may determine before the creation thereof;

(b) shall together with the interest thereon be charged upon the undertaking of and on all revenues of the Board and for that purpose shall in relation to other classes of London Transport stock rank in the same order of priority as the “ ‘T.F.A.’ ” stock which it replaces;

(c) shall bear interest at such rate (being less than four and one-half per centum per annum) as the Board with the approval of the Treasury may determine;

(d) shall be redeemed at par not later than the thirtieth day of June one thousand nine hundred and seventy-two and may be redeemed at par in whole or in part at the option of the Board on such earlier date or dates as the Board with the approval of the Treasury may by the resolution creating the new stock determine.

(3) Interest on the new stock shall be paid by equal half-yearly payments.

(4) Subject to the provisions of this Act the provisions of the existing Acts relating to London Transport stock shall apply to the new stock and in the case of any default by the Board in respect of the new stock whereby any liability falls

on the Treasury under any guarantee of the new stock given by the Treasury the Treasury shall have the same remedies against the Board as they would have had in the case of a like default in respect of "T.F.A." stock if that stock had not been redeemed.

4. The provisions of this Act shall have effect notwithstanding anything in the existing Acts or in the London Transport Stock Regulations 1933 or any regulations amending or extending the same or made in lieu thereof under subsection (14) of section 39 (Issue of transport stock) of the Act of 1933 and any provisions of the existing Acts and of the said regulations which are inconsistent with the provisions of this Act shall be read as being subject to the provisions of this Act and construed accordingly.

Super-session of enactments and regulations inconsistent with this Act.

5. All costs charges and expenses of and incident to the preparing applying for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Board and may in whole or in part be defrayed out of revenue.

Costs of Act.

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