



CHAPTER cx.

An Act to incorporate a Company for the purpose of taking over and exercising by agreement with the Mersey Docks and Harbour Board the powers conferred on that Board by the Mersey Docks and Harbour Board (Overhead Railways) Acts 1882 and 1887 or some of them and for other purposes. A.D. 1888.
[24th July 1888.]

WHEREAS by the Mersey Docks and Harbour Board (Overhead Railways) Act 1882 the Mersey Docks and Harbour Board (herein-after called "the board") were empowered to construct and maintain as double lines certain overhead or high-level railways therein described within a time limited by that Act:

And whereas the said railways were not commenced within the time so limited and by the Mersey Docks and Harbour Board (Overhead Railways) Act 1887 the time for constructing the said railways was extended and the board were authorised to construct and maintain two additional overhead or high-level railways therein described:

And whereas the persons herein-after named with others are willing if empowered by Parliament to undertake by agreement with the board to make and maintain the railways authorised by the said Acts and to exercise such other powers conferred on the board by the said Acts as may be agreed subject to the provisions of this Act:

And whereas it is expedient that such persons be incorporated into a Company and that such powers be conferred on the board and on such Company for entering into contracts with respect to the making and maintenance of the said railways and otherwise as in this Act mentioned and that the agreement set out in the schedule to this Act be confirmed:

And whereas the purposes of this Act cannot be effected without the authority of Parliament:

A.D. 1888. — 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 (that is to say):

Short title. 1. This Act may be cited as the Liverpool Overhead Railway Company Act 1888.

Incorporation of Companies Clauses Acts. 2. The Companies Clauses Consolidation Act 1845 and Parts I. II. and III. of the Companies Clauses Act 1863 as amended by any subsequent Act are except where expressly varied by this Act incorporated with and form part of this Act.

Interpretation. 3. In this Act unless the context otherwise requires—
“The Company” means the Company incorporated by this Act:

“The board” means the Mersey Docks and Harbour Board:

“The Mersey Docks and Harbour Board (Overhead Railways) Acts 1882 and 1887” means the Mersey Docks and Harbour Board (Overhead Railways) Act 1882 and the Mersey Docks and Harbour Board (Overhead Railways) Act 1887:

“The railways” means the railways authorised by the Mersey Docks and Harbour Board (Overhead Railways) Acts 1882 and 1887:

“Person” includes corporation:

Words and expressions to which meanings are assigned by the Acts wholly or partially incorporated herewith have the same respective meanings:

Provided that the expression “superior courts” or “court of competent jurisdiction” or any other like expression in this Act or any Act wholly or partially incorporated herewith shall for the purposes of this Act be read and have effect as if the debt or demand with respect to which the expression is used were a simple contract debt and not a debt or demand created by statute.

Incorporation of Company. 4. Sir William Bower Forwood Robert Alexander Arthur Earle Richard Hobson Edgar Swinton Holland Edward Lawrence and James Marke Wood and all other persons who have already subscribed to or shall hereafter become shareholders of the Company and their executors administrators successors and assigns respectively are hereby united into a Company for the purposes of this Act and for those purposes are hereby incorporated by the name of “the Liverpool Overhead Railway Company” and by that name shall be a body corporate with perpetual succession and a common seal and with power to purchase take hold and dispose of lands and other property

for the purposes of this Act or other the undertaking of the Company. A.D. 1888.

5. The capital of the Company shall be four hundred and fifty thousand pounds divided into forty-five thousand shares of ten pounds each. Capital.

6. The Company shall not issue any 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 of the amount of such share is paid in respect thereof. Shares not to be issued till one fifth paid.

7. One fifth of the amount of a share shall be the greatest amount of a call and three months at least shall be the interval between successive calls and three fourths of the amount of a share shall be the utmost aggregate amount of the calls made in any year on any share. Calls.

8. If any money is payable to a shareholder being a minor idiot or lunatic the receipt of the guardians or committee of his estate shall be a sufficient discharge to the Company. Receipt in case of persons not sui juris.

9. The Company may from time to time borrow on mortgage of the undertaking any sum not exceeding in the whole one hundred and fifty thousand pounds that is to say in respect of each two hundred and twenty-five thousand pounds of capital the Company may borrow not exceeding seventy-five thousand pounds but no part thereof shall be borrowed until the whole of the portion of capital in respect of which the borrowing power is exercised is issued and accepted and one half of such portion of capital is paid up and the Company have proved to the justice who is to certify under the fortieth section of the Companies Clauses Consolidation Act 1845 (before he so certifies) that the whole of such portion of capital 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 in such capital has been paid on account thereof before or at the time of the issue or acceptance thereof and that such capital was issued bonâ fide and is held by the persons to whom the same was issued or their executors administrators successors or assigns who are legally liable for the same and on production to such justice 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 shall be sufficient evidence thereof. Power to borrow.

10. Mortgagees of the undertaking 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 Receiver.

A.D. 1888. — 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.

Debenture stock.

11. The Company may create and issue debenture stock subject to the provisions of Part III. of the Companies Clauses Act 1863 but notwithstanding any thing therein contained the interest of all debenture stock and of all mortgages at any time created and issued or granted by the Company under this 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 or 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.

Application of moneys.

12. All moneys raised under this Act whether by shares debenture stock or borrowing shall be applied only to the purposes of this Act or other the undertaking of the Company to which capital is properly applicable.

First ordinary meeting.

13. The first ordinary meeting of the Company shall be held within six months after the passing of this Act.

Quorum of meetings.

14. To constitute a general meeting of the Company there must be not less than three shareholders holding not less than one twentieth of the capital of the Company for the time being present personally or by proxy.

Number of directors.

15. The number of directors shall be seven but the Company may from time to time reduce the number provided that the number be not less than three and in case of any reduction the Company may from time to time increase the number within the limit aforesaid.

Qualification of directors.

16. The qualification of a director shall be the possession in his own right of not less than fifty shares in the Company.

Quorum.

17. The quorum of a meeting of directors shall be three.

Election of directors.

18. Sir William Bower Forwood Robert Alexander Arthur Earle and four persons to be nominated by them or the majority of them and consenting to such nomination 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 nominated as aforesaid or any of them or may elect a new body of directors or directors to

supply the place of those not continued in office (the directors appointed by this Act or nominated as aforesaid being if qualified eligible for re-election) and at the first 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 hereinbefore contained for varying the number of directors) elect persons to supply the places of the directors then retiring from office agreeably to the provisions of the Companies Clauses Consolidation Act 1845 and the several persons elected at any such meeting being neither removed nor disqualified nor having died or resigned shall continue to be directors until others are elected in their stead in manner provided by the same Act. A.D. 1888.

19. (1.) The board are hereby empowered to subscribe towards the capital of the Company any sum or sums that may be agreed not exceeding in the whole one hundred thousand pounds and may apply for that purpose any moneys which by the Mersey Docks and Harbour Board (Overhead Railways) Act 1882 they are authorised to borrow and which are not by that or any subsequent Act made applicable to any special purpose or having been so made applicable are not required for that special purpose : Power for board to subscribe.

(2.) The board shall in respect of the sums subscribed and the corresponding shares in the Company to be held by them have all the powers rights and privileges (except in regard to voting at general meetings which shall be as herein-after provided) and be subject to all the obligations and liabilities of proprietors of shares in the Company Provided that the board shall not sell dispose of or transfer any of the shares in the Company for which they may subscribe.

20. The board while shareholders of the Company may by writing under their common seal from time to time appoint some person to attend any meeting of the Company and such person shall have all the privileges and powers attaching to a shareholder of the Company at such meetings and may vote thereat in respect of the capital held by the board. Voting by board at general meetings.

21. (1.) Subject to the provisions of the agreement set forth in the schedule to this Act the board may if they think fit appoint one person (who need not possess the qualification of an ordinary director under this Act) to be a director of the Company in addition to the other directors of the Company for the time being and may from time to time remove any such director and appoint some other person to be a director of the Company in his stead. Power of board to appoint a director of Company.

(2.) The board shall in the event of a vacancy in the directorate of the Company arising by the death resignation or otherwise of

A.D. 1888. — their appointee have power to fill up the vacancy by the appointment of another person.

(3.) Every such appointment and removal as aforesaid shall be by writing under the seal of the board.

Confirmation of scheduled agreement.

22. The agreement set forth in the schedule to this Act is hereby confirmed and made binding on the Company and the board subject to such alterations in detail as may from time to time be agreed upon between the Company and the board but so that such alterations do not enlarge vary or restrict any powers conferred or duties imposed by the Mersey Docks and Harbour Board (Overhead Railways) Acts 1882 and 1887 and this Act respectively.

Company may exercise powers of construction &c. in accordance with contracts.

23. Subject and according to the provisions of this Act and of the agreement set out in the schedule to this Act the Company may make maintain and work the railways and exercise all or any of the powers conferred on the board for the purposes aforesaid by the Mersey Docks and Harbour Board (Overhead Railways) Acts 1882 and 1887 or any Act incorporated therewith and may demand take and recover the tolls rates and charges authorised by those Acts and generally may do all such other acts and things as may be necessary or incidental to the exercise of such powers or the carrying into effect the said agreement.

Company may accept lease.

24. The Company may accept any lease and do any act or thing which any company incorporated by special Act of Parliament is authorised to accept or do by section twenty of the Mersey Docks and Harbour Board (Overhead Railways) Act 1887 and all the provisions of that section shall be read and have effect accordingly.

Saving as to Her Majesty's Customs.

25. Nothing in this Act contained shall affect or limit the liability of the Mersey Docks and Harbour Board to provide accommodation for the officers of Customs in accordance with section 7 of the Mersey Docks and Harbour Board (Overhead Railways) Act 1882.

Saving as to exercise of powers by Company.

26. Nothing in this Act contained shall affect or limit any provisions of the Mersey Docks and Harbour Board (Overhead Railways) Acts 1882 and 1887 for the protection of the corporations of Liverpool and of Bootle-cum-Linacre the London and North-western Railway Company the Cheshire Lines Committee the Sheffield and Midland Railway Companies Committee and the Lancashire and Yorkshire Railway Company respectively or any of them but the Company if authorised by any contract with the board to exercise all or any of the powers conferred on the board by these Acts shall in the exercise of the same be subject in all respects to the like restrictions obligations conditions and provisions as the board would have been subject to in the exercise of the powers aforesaid.

27. In the construction of the railway over the footpaths leading to the Liverpool landing-stage from the bottom of Water Street and James Street effectual provision shall be made and maintained for preventing the dripping of water from the railway. This provision is in addition to and shall not be taken as in any way limiting or affecting the general provision in regard to that matter contained in the heads of agreement set forth in the schedule to this Act.

A.D. 1888.
Special provision for prevention of the dripping of water at certain crossings.

28. The following proviso to section 11 of the Mersey Docks and Harbour Board (Overhead Railways) Act 1882 namely "Provided that between sunset and sunrise the above-mentioned openings may in the discretion of the board be closed by gates" shall be read and have effect as if the following provision were added thereto (that is to say) "except that during the months of June July and August the said openings shall not be closed before the hour of ten in the evening."

Amendment of s. 11 of the Act of 1882 as to closing certain openings.

29. No interest or dividend shall be paid out of any share or loan capital which the Company are by this Act authorised to raise 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.

Interest not to be paid on calls paid up.

30. 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.

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

31. Nothing in this Act contained shall exempt the Company or the railway 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 authorised by this Act.

Provision as to general railway Acts.

32. All 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.

Costs of Act.

A.D. 1888.

The SCHEDULE.

HEADS OF AGREEMENT dated the twelfth day of April 1888 between the MERSEY DOCKS AND HARBOUR BOARD (herein called the Board) and SIR WILLIAM BOWER FORWOOD on behalf of the intended Liverpool Overhead Railway Company (herein called the Company).

1. In this agreement the undertaking means the undertaking authorised by the Mersey Docks and Harbour Board (Overhead Railways) Act 1882 as amended by the Mersey Docks and Harbour Board (Overhead Railways) Act 1887 and including any future alteration thereof as herein-after mentioned. The word "agreed" means to be agreed between the board and the Company or in case of difference to be settled by arbitration.

2. The Company when authorised by Parliament will at their own cost at the times and in manner herein mentioned as lessees from the board execute maintain and work the undertaking and do all things and undertake all liabilities in relation thereto as if they had been the undertakers authorised by the said Acts instead of the board but subject to the provisions of any Act incorporating the Company to be passed in the present session of Parliament and subject to the provisions of this agreement.

3. The Company so soon as authorised will with all reasonable despatch and in any case before the 1st January 1890 commence the execution of that portion of the works extending from A to B on the plan signed in duplicate by Thomas Dyson Hornby the chairman of the board and Sir William Bower Forwood on behalf of the Company (which is herein-after referred to as the northern section) and will complete the same with all reasonable despatch within the period limited by the said Acts.

4. The board will in the next session of Parliament and if necessary in the following session apply for and use their best endeavours to obtain powers for making the alteration of the line of overhead railway as shown on the said plan and coloured blue between the letters B and C in substitution for the corresponding portion of the lines authorised by the said Acts and which are shown in red colour on the said plan.

5. If the board obtain powers for the alteration between B and C mentioned in clause 4 the Company will with all reasonable despatch after the passing of the Act containing such powers and in any case within 12 months after the passing of such Act commence the execution of the southern section viz. from B in the said plan to the terminus at the south end marked D including the said new line between B and C and will complete the same with all reasonable despatch within the period fixed by the existing Acts or such extended period if any as may be fixed by Parliament for that purpose the Company undertaking not to apply for any such extension of time unless with the concurrence of the board. If the board obtains the powers aforesaid they shall at their own expense acquire the additional land (if any) which may be required for the construction of the altered line from B to C and shall deliver possession thereof to the Company within nine months after the passing of the Act containing such powers.

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6. Should conditions be attached by Parliament to the construction of that part of the southern section between B and C such as to involve a larger expenditure than that to be incurred under the existing Acts in the construction of the corresponding part of the southern section as authorised by the Act of 1882 the additional rent to be paid by the Company in respect of the southern section shall be an agreed rent not exceeding £300.

7. Should the board fail in the coming or in the next following session of Parliament to obtain powers for the altered line between B and C the Company shall then with all reasonable despatch and in any case before the 1st July 1891 commence the execution of the southern section including such one as they may determine of the lines authorised by the existing Acts shown in red colour on the said plan and will complete the same with all reasonable despatch within the time fixed by the existing Acts in relation to such line or within such extended time as may be allowed by Parliament for that purpose as aforesaid.

8. The Company shall not be bound to construct the Deviation Railway No. 1A authorised by the Act of 1887 unless they shall think fit to do so. If they shall construct the said Deviation Railway 1A they shall not be bound to construct the portion of the Railway No. 1 authorised by the Act of 1882 corresponding to the said Deviation Railway 1A.

9. With the consent in writing of the board the Company may postpone the construction of that part of the Railway No. 1 authorised by the Act of 1882 which runs round Stanley Dock or of any part of the said Railway No. 1 to the northward of Hornby Dock or to the southward of the south end of Harrington Dock.

10. The lease shall be for 999 years from the 1st January 1888 and shall include the whole undertaking to be carried out as above mentioned. It shall in case of difference be settled by counsel named by the Attorney-General.

11. The rent subject as above mentioned shall be £1,000 per annum payable quarterly on the usual quarter days the first payment to be made on the quarter day next following the commencement of the works or any section thereof. £700 in respect of such rent shall be payable on the quarter day next following the commencement of the northern section of the works and as and when the southern section of the works shall be commenced the remaining £300 of the rent subject to reduction as above mentioned in respect of the line between B and C shall become payable.

12. The Company shall retain the agreed profits of the undertaking not exceeding in any calendar year 5 per cent. on the agreed proper cost thereof which for the purposes of this clause is to include the proper cost of the Company's Bill now pending in Parliament the amount to be paid to the board under this agreement for the expense of the Acts of 1882 and 1887 and the proper charge of the Company's engineers in respect of the works to be executed under this agreement by the Company. Any surplus of agreed profits in any such year shall be divided equally between the board and the Company.

13. The Company will on or before the 1st January 1890 pay the board the agreed expenses not exceeding £3,000 incurred by the board in applying for and obtaining the Acts authorising the undertaking. The Company will themselves defray the expenses of obtaining and passing the Act confirming this agreement.

14. The board may by six calendar months notice in writing determine the lease at the expiration of the first 25 years commencing from the 1st of January

A.D. 1888. — next after the opening for traffic of any part of the railway or of any subsequent period of seven years. Thereupon the undertaking including the rolling stock shall revert to the board and the board shall pay to the Company the purchase money to be ascertained as herein mentioned.

15. The purchase money shall not be less than the agreed net cost of the undertaking ascertained by finding the amount of the moneys properly expended in executing the works including the proper charges of the Company's engineers in respect thereof and in providing the rolling stock plant works machinery and effects transferred and by deducting from such amount an agreed amount for depreciation if any.

The purchase money shall not exceed the agreed net cost aforesaid unless the agreed value of the undertaking at the time of the determination of the lease exceeds such agreed net cost in which event an agreed sum shall be added in respect of such agreed excess of value but the sum so to be added shall not in any case exceed 50 per cent. of such agreed net cost.

In addition to the purchase money the board shall repay to the Company the agreed costs of obtaining the Act for confirming this agreement and also the sums paid under this agreement by the Company to the board for the costs of obtaining the existing Acts.

16. On completion of the undertaking or any section thereof the Company will forthwith and thenceforward work the same in a proper manner and so as properly to develop and accommodate the traffic.

17. No portion of the line less than one section shall without the consent of the board be open for traffic.

18. The Company shall not without the consent of the board in writing interfere with any part of the structure of any dock quay basin cut bridge pontoon warehouse or building of the board or (except for an agreed time and in an agreed manner for the necessary purposes of the construction or maintenance of the works) with the access thereto.

19. If the Company in the execution of the works temporarily interfere with any rails of the board used for omnibus or other traffic the Company shall in manner and place to be agreed such place being on the board's land and within the limits of deviation on the deposited plans provide and lay substituted rails with all proper means of communication so that traffic may be continued without interruption until such interference ceases. The Company shall not without the consent of the board permanently interfere with any rails of the board except as agreed.

20. Every railway to be made under this agreement shall be constructed and maintained so that the bottom of such railway shall be as far as practicable water-tight.

21. The following matters are to be agreed (that is to say):—The size intervals and situations of pillars and of all structures or things which may interfere with traffic under the line of the railway whether transversely or longitudinally or otherwise.

22. The board will allow over the board's land free access as may be agreed to stations not involving interference with any of their docks quays basins buildings railways or works or with the access thereto the board not being required to incur any outlay in respect thereof.

23. The board at any time and from time to time as may seem to them necessary for the construction or enlargement of any dock or docks to the eastward of any railway to be made under this agreement may require any part of the railway or works including stations to be permanently or temporarily altered in any manner (within the powers of the Company for the time being or within the powers which the board may acquire for the purpose of effecting such alteration) either as regards construction or as regards situation but so as not unnecessarily to interfere with the working of the railway. The times and manner of such alterations are to be agreed. The board are to pay the Company the agreed cost of the alterations and agreed compensation for loss of traffic thereby occasioned.

24. Three openings the size and position of which shall be agreed shall be made in the railway by the Company with lifting or swinging bridges for the passage through the railway of exceptionally large loads such openings shall only be used at night after twelve hours previous notice in writing shall have been given to the Company by the board and so as not to interfere with the traffic of the railway.

25. The Company will at all times maintain the railway and stations and works in good repair and condition.

26. The Company shall not at any time without the consent of the board in writing make or permit any connexion to be made between the railway or any part thereof and any other railway.

27. During times when any portion of the railway is open for traffic in accordance with this agreement the board will not without the consent of the Company permit passenger omnibus traffic to be carried on the dock line of railway or within the dock walls along any part of the distance for which the railway is so open for the time being.

28. The lease and all the provisions of this agreement may be determined by the board by notice in writing in any of the following cases:—

(1.) If the undertaking to be constructed under this agreement is not completed and opened for traffic within the time limited for the completion of the works by the Acts under which the same shall be constructed subject to any extension of time as in this agreement mentioned.

(2.) If at any time after the railway or any section or agreed portion thereof is opened for traffic the Company cease to work the railway or any such section or portion for 12 calendar months.

(3.) If at any time after the expiration of five years from the opening of the railway or some part thereof for traffic arbitrators or an arbitrator appointed under this agreement have or has found and declared on the application of the board that the undertaking is not being and cannot be carried on by the Company with advantage to the public.

29. If at any time in the opinion of the board the railway or stations or works of the Company are not in reasonably good working repair order and condition the board may give notice thereof to the Company and require any defects to be amended and any dispute as to the necessity or insufficiency of any amendment shall be settled by arbitration. The arbitrators or arbitrator shall specify the amendments which they or he may consider necessary and the time or times within which they are to be made and at the expiration of such time or times shall certify at the request of either party whether the award has been complied with and whether further time ought to be given.

A.D. 1888.

30. If any rent due under this agreement is in arrear for six months the board may determine the lease.

31. In case the lease is determined under either of the preceding articles the undertaking including the rolling stock shall vest in the board who shall pay for the same the actual agreed value thereof without reference to cost and without the addition of any per-centage. Provided that the amount to be paid under this provision shall not be less than the amount then outstanding of debentures or debenture stock issued by the Company under their Act the Bill for which is now before Parliament.

32. The Company shall not assign or sub-let the undertaking or any part thereof except such portions as may be used as station refreshment-rooms station bookstalls or advertising spaces which spaces are not to be carried above or below the works as sanctioned by the Board of Trade. No advertisements except agreed advertisements shall be exhibited on any part of the outside of any railway or of any station or work.

33. The Company will indemnify the board against all claims obligations and liabilities arising from or in relation to the execution of the works or the maintenance or user of the railway under the Acts authorising the undertaking.

34. The Company shall take all precautions which may be reasonably practicable to prevent accident from fire from any locomotive or other engines used on the railway.

35. Morning and evening services of workmen's trains shall be run over the whole or such portion of the railway as shall from time to time be opened. The times character and extent of accommodation and the stations to be served shall be as agreed. The fares shall not exceed 2*d.* for any distance.

36. Third-class fares by other than agreed workmen's trains shall not exceed threepence for any distance.

37. Officers and servants of the board engaged on the business of the board shall be carried third class at fares not exceeding twopence for any distance or should the ordinary third-class fare for the time being in force be less than twopence then at the ordinary third-class fare. Tickets for this purpose shall be issued as agreed.

38. The board from time to time may appoint and remove an additional director who shall have all the same rights and powers as an ordinary director. If he is not a member of the board he must be approved by the directors of the Company.

39. The board from time to time may appoint and remove an additional auditor who shall have all the same rights of access to the books and accounts of the Company as their other auditors.

40. The Company engage that no promotion money shall be paid in relation to the formation of the Company.

41. In case the lease is determined under this agreement the board may execute a deed poll duly stamped which shall as against the Company operate to re-vest the undertaking in the board.

42. Where under this agreement anything is to be agreed between the Company and the board in case of difference or failure to agree the matter shall be settled by arbitration.

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Every arbitration under this agreement shall be in accordance with the **A.D. 1888.**
Railway Companies Arbitration Act 1859.

The arbitrators shall have power to award penalties or damages for any breach or default in the performance of this agreement.

43. The Board and the Company may at any time carry out a surrender of the undertaking to the board and may cancel this agreement and the lease on any terms which may be arranged between them and on such surrender all the powers of the board or the Company under the Acts relating to the undertaking may be executed by the board.

44. This agreement and all rights and liabilities thereunder shall absolutely cease and determine if no allotment of shares shall be made before the 2nd January 1889 or before such later date (if any) as may be hereafter consented to in writing by the board and the Company.

45. Neither party shall without the consent of the other apply to Parliament to alter any provision of this agreement but such consent shall not be unreasonably withheld and in case of difference the Railway Commissioners or the court exercising their powers may determine whether such consent is unreasonably withheld.

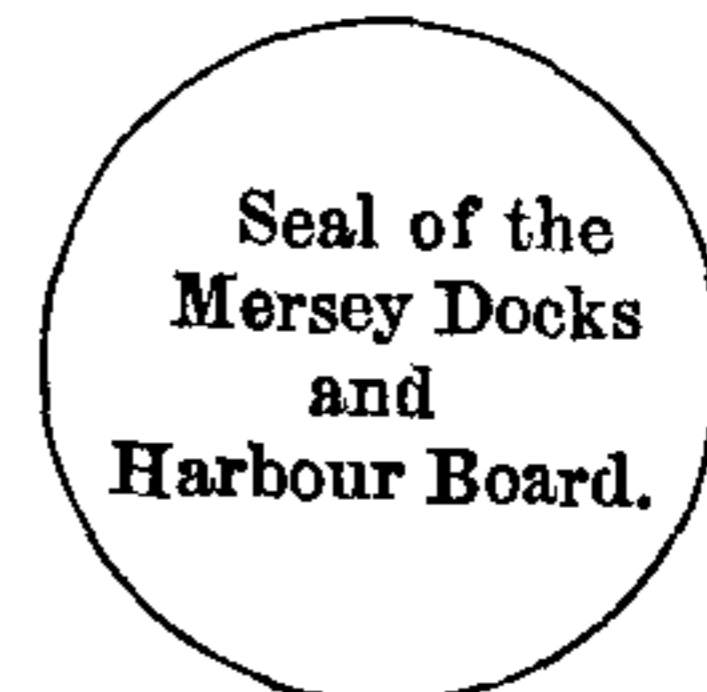
46. This agreement shall be scheduled to and confirmed by the Company's Bill now pending in Parliament.

47. This agreement shall be subject to such alterations as Parliament may think fit to make therein but if the Committee on the Bill make any material alteration in this agreement or insert any provision in the Bill which would materially alter the provisions of this agreement either party may elect to vacate this agreement.

(Signed) WILLIAM B. FORWOOD.

Signed by the said Sir William Bower Forwood
in presence of

JAMES W. ALSOP,
Solicitor,
Liverpool.



T. D. H.

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