



CHAPTER V.

An Act to enable the East and West India Dock Company to raise and apply capital in extinguishing or meeting certain liabilities and to amend the scheme of arrangement between the Company and their creditors filed in the High Court and for other purposes. A.D. 1892.
[20th May 1892.]

WHEREAS under the London and St. Katharine and East and West India Docks Act 1888 (herein-after called "the Act") the undertakings of the London and St. Katharine Docks Company and of the East and West India Dock Company have since the 1st day of January 1889 in the Act called "the commencement of the working union" been worked as one by a joint committee of directors of the two companies (herein-after called "the joint committee") : 51 & 52 Vict.
c. cxliii.

And whereas section forty-eight of the Act provides to the effect that each of the two companies shall use their best endeavours to obtain the annulling or modification to the satisfaction of the other of the two companies of certain special contracts or agreements with divers persons or companies for special rates or terms in force at the commencement of the working union and that if either company fail within six months after the passing of the Act to obtain the annulling or modification aforesaid they shall pay half-yearly to the funds of the joint undertaking sums representing the differences between the special rates or terms and the current rates or terms authorised for the time being by the joint committee and that such sums shall be deducted half-yearly by the joint committee from the share of net profits of the Company liable to pay them :

And whereas at the present time considerable sums are deducted half-yearly by the joint committee from the share of net profits of the East and West India Dock Company (herein-after called "the Company") under that provision :

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And whereas it is expedient to confer further powers on the Company for obtaining the annulling or modification of the aforesaid contracts or agreements (notwithstanding the expiration of the period of six months from the passing of the Act) and to enable the Company to raise and apply moneys for the purpose or for the purpose of obviating or meeting the aforesaid half-yearly deductions in manner provided by this Act:

And whereas by a scheme of arrangement prepared under the Railway Companies Act 1867 and enrolled in the Chancery Division of the High Court on the first day of March 1890 (herein-after called "the scheme") it was provided (among other things) to the following effect:—

That interest on all mortgages charges and debenture stock of the Company accruing during the period between the thirty-first day of December 1887 and the thirtieth day of June 1889 should not be paid but should be funded or capitalised and bear interest from the first day of July 1889 at the same rate as the principal;

That interest should be payable in cash on all such mortgages charges and debenture stock and on such funded interest after the first day of July 1889 but if at any time during the ensuing ten years the realised profits of the Company together with the money (if any) for the time being to the credit of the secured interest reserve fund herein-after mentioned should not suffice to pay the whole of the accruing interest for any half-year in cash then the Company should fund the interest for that half-year but not for more than four half-years altogether whether consecutively or separately;

That all available funds in hand on the thirtieth day of June 1889 and all outstanding items due to the Company on the same date and the balance of income in any half-year in which interest is funded shall be carried to a reserve fund to be called "the secured interest reserve fund" and such fund should be applicable exclusively during the ten years from the first day of July 1889 to payment of interest on the mortgages charges and debenture stock exclusive of the deferred debenture stock of the Company and interest on funded interest exclusive of funded interest on deferred debenture stock:

And whereas it is expedient to vary the scheme by empowering the Company to pay a portion of the interest accruing on the mortgages charges and debenture stock of the Company in any half-year although they may not be in a position to pay the whole of

such interest and to amend the provisions of the scheme as to funding interest: A.D. 1892.

And whereas it is also expedient to amend the provisions of the scheme relating to the realisation of property of the Company:

And whereas consents in writing have been obtained to the provisions of this Act from the holders of more than three-fourths in value of each class of mortgages debenture stock and bonds:

And whereas the Bill for this Act has been submitted to the Chancery Division of the High Court and the Court has approved of the promotion of the Bill:

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 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):—

1. This Act may be cited as the East and West India Dock Company's Act 1892. Short title.

2. (1) Notwithstanding the expiration of six months from the passing of the Act the Company may at any time obtain the annulling or the modification to the satisfaction of the London and St. Katharine Docks Company of all or any of the contracts or agreements mentioned or referred to in section forty-eight of the Act. Further powers in relation to special contracts.

(2) After the annulling of any such contract or agreement the Company shall not be liable to make any payment under the said section to the funds of the joint undertaking in respect of the contract or agreement annulled and after the modification to the satisfaction of the London and St. Katharine Docks Company of any such contract or agreement the Company shall only be liable to make such payment under the said section in respect of the contract or agreement modified as shall be payable having regard to the terms of the contract or agreement as modified.

(3) Any difference between the two companies as to the effect and meaning of or anything arising under subsection (2) of this section shall be determined by the standing arbitrator appointed or to be appointed under the Act.

3. It shall be lawful for the Company at any time or times before the thirtieth day of June 1899 to raise at interest on the security of their share of the net profits as defined by section forty-two of the Act any sum or sums of money not exceeding in the whole two Power to raise money.

A.D. 1892. — hundred thousand pounds either by the creation and issue of debenture stock or by mortgages or bonds or partly by one and partly by another or more of the above methods.

Interest to be first charge.

4. The interest on all debenture stock mortgages or bonds created or granted under this Act shall notwithstanding any provision of any other Act of Parliament or of the scheme be a first charge on the Company's share of the net profits as defined by section forty-two of the Act and shall be deducted therefrom half-yearly by the joint committee and be paid to the holders of such debenture stock mortgages or bonds in priority to any other interest or principal or other charge of any description whatsoever on the Company's share of the net profits save and except the payments authorised to be deducted by the joint committee under the Act and without regard to the provisions of the scheme which relate to the funding of interest.

Principal of redeemable mortgages or bonds.

5. The principal of all redeemable mortgages or bonds granted by the Company under this Act shall notwithstanding any provision of any other Act of Parliament or of the scheme be a charge on the Company's share of the net profits next after the interest on all debenture stock mortgages or bonds created or granted under this Act.

So much of such principal as shall from time to time be due in any half-year shall after deduction of the interest aforesaid be deducted by the joint committee from the Company's share of the net profits and be paid to the persons respectively entitled thereto.

Application of moneys raised.

6. All moneys raised by the Company under the powers of this Act may be applied by them to both or either of the following purposes and not otherwise (that is to say) :—

- (i.) In or towards obtaining the annulling or the modification to the satisfaction of the London and St. Katharine Docks Company of any contract or agreement which is still in force within the meaning of section forty-eight of the Act :
- (ii.) In or towards payment to the funds of the joint undertaking in any half-year of any sum which may be so payable by the Company under the provisions of the said section for the same half-year.

Lenders not bound to see to application of moneys.

7. A lender of money to the Company under this Act shall not be bound to inquire into the application of the money lent by him or be in any way responsible for the non-application or misapplication thereof.

Form of mortgages and bonds.

8. Every mortgage or bond for securing money borrowed by the Company under this Act shall be by deed under the common seal of

the Company duly stamped and wherein the consideration shall be truly stated and every such mortgage deed or bond may be in such form as the Company shall determine.

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9. The respective holders of mortgages or bonds under this Act shall be entitled one with another to interest on and to repayment of the principal moneys comprised in or intended to be secured by their respective securities, without any preference one above another by reason of priority of date of any such security or of the meeting at which the same was authorised.

No priorities
between
holders.

10. Mortgagees and bondholders of the Company under this Act may enforce payment of arrears of interest or principal or principal and interest due on their securities by the appointment of a receiver. In order to authorise the appointment of a receiver in respect of arrears of principal the amount owing to the mortgagees and bondholders by whom the application for a receiver is made shall not be less than ten thousand pounds in the whole.

Receiver for
mortgagees.

11. The Company shall not be affected by notice of any trust expressed implied or constructive in relation to any security issued by the Company under this Act.

Notice of
trust not
receivable.

12. Subject to the provisions of this Act Part III. of the Companies Clauses Act 1863 as amended by the Companies Clauses Act 1869 shall apply to debenture stock created and issued under this Act. Provided that interest on all debenture stock created and issued under this Act shall rank *pari passu* with the interest payable on the mortgages or bonds granted under this Act.

Application
of parts of
Companies
Clauses Acts.

Sections forty-five to fifty-five (both included) of the Companies Clauses Consolidation Act 1845 shall apply to mortgages and bonds granted under this Act but subject to the provisions of this Act.

13. If at any time before the first day of July one thousand eight hundred and ninety-nine the realised profits of the Company together with the money (if any) for the time being to the credit of the secured interest reserve fund mentioned in the scheme shall not suffice to pay the whole of the accruing interest referred to in clause 3 of the scheme for any half-year in cash then and in any such case notwithstanding anything in the scheme the Company may pay interest to the holders of the debenture stock mortgages and charges of the Company at the rate of one-half per cent. or one per cent. or one and a half per cent. according to the amount of realised profits and money aforesaid which may be available for the purpose and after payment of interest at any of the above rates shall fund any balance of interest remaining unpaid in accordance with

Amendment
of provisions
of scheme as
to funding
interest.

A.D. 1892. the provisions of the scheme provided always that fractional parts of a pound shall not be funded but shall be paid in cash to the person entitled thereto.

So much of clause 3 of the scheme as provides that funding under that clause shall not be effected for more than four half-years altogether is hereby repealed and it shall be lawful for the Company to fund interest for any number of half-years up to the first day of July one thousand eight hundred and ninety-nine so that the total amount of interest so funded shall not exceed two hundred and fifty thousand pounds.

General
saving for
scheme.

14. Save as expressly provided by this Act all the provisions of the scheme shall remain and be in full force and effect.

Costs of Act.

15. All costs charges and expenses of and incident to preparing and obtaining this Act or otherwise in relation thereto shall be paid by the Company.

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