

**CHAPTER ccxlvii.**

An Act to provide for the Redemption of the Mersey
Railway Redeemable First Debenture Stock and for
other purposes. [12th August 1898.]

A.D. 1898.

WHEREAS by the Mersey Railway Act 1866 the Mersey
Railway Company (herein-after referred to as "the Company")
were incorporated and authorised to make a railway under the River
Mersey to connect Liverpool with Birkenhead :

And whereas by various subsequent Acts the powers of the
Company have been from time to time extended and further powers
have been conferred upon them :

And whereas the Company have constructed and opened for
public traffic various railways including the railway in tunnel under
the River Mersey connecting Liverpool with Birkenhead and have
also constructed expensive works for the ventilating and keeping the
tunnel free from water and by the Mersey Railway Act 1896 the
Company were authorised to work the traffic on their railways by
electrical or other motive power and to apply any capital they had
raised or were authorised to raise to that purpose :

And whereas by the Mersey Railway Act 1888 (herein-after called
"the Act of 1888") the Company were authorised to create and
issue Mersey Railway Redeemable First Debenture Stock (herein-
after called "first debenture stock") not exceeding in amount two
hundred thousand pounds bearing interest at a rate not exceeding
four pounds ten shillings per centum per annum and to rank as
regards both principal and interest in priority to all other mortgages
debenture stocks and preference stocks and shares and the interest
and dividends thereon then granted created or issued or authorised
to be granted created or issued by the Company and it was by
the said Act provided that such first debenture stock should be
redeemed by the Company at such premium (if any) not exceeding
ten per centum and at such dates not exceeding five years from the
date of issue and in such manner as the Company might determine
at the time of creating and issuing such stock :

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And whereas by the Act of 1888 it was further provided that in order to raise the capital required to redeem the first debenture stock the Company might create not exceeding six hundred thousand pounds of preference or ordinary shares or stock and should by the issue of the whole or such part thereof as might be required duly redeem the first debenture stock at the time or times appointed for the purpose :

And whereas pursuant to the Act of 1888 the Company created and on the eleventh day of March one thousand eight hundred and ninety issued two hundred thousand pounds first debenture stock bearing interest at the rate of four and a half per centum per annum on the terms that it should be redeemable at a premium of five per centum at the expiration of five years from the date of issue :

And whereas by the Mersey Railway Act 1892 (herein-after called "the Act of 1892") the Company were subject to the provisions of the Act of 1888 and of the Act of 1892 authorised to raise a further amount of redeemable first debenture stock not exceeding seventy-five thousand pounds to be entitled to the same rate of interest and to have the same priority as regards both principal and interest and to rank in every respect as part of and on an equality with the first debenture stock authorised by the Act of 1888 and it was further provided that the time limited by the Act of 1888 for redeeming the first debenture stock thereby authorised should be extended for a period of two years from and after the termination of the period limited by the Act of 1888 and the additional amount of first debenture stock authorised by the now reciting Act of 1892 should be redeemed at the same time and in the same manner and the Company were authorised to create a further amount of preference or ordinary shares or stock for the purposes of such redemption :

And whereas pursuant to the Act of 1892 the Company have created seventy-five thousand pounds first debenture stock considerable portions whereof have been issued redeemable at the same time and in the same manner as the first debenture stock created and issued pursuant to the Act of 1888 as amended by the Act of 1892 :

And whereas the net revenues of the Company's undertaking have been for many years past and still are insufficient to enable the Company to pay interest on their existing debenture stocks other than the first debenture stock and no dividend has been paid on the preference or ordinary shares of the Company and those shares are at the present time practically unsaleable :

And whereas receivers and managers of the Company's undertaking were in the year one thousand eight hundred and eighty-

seven appointed by the Chancery Division of the High Court of Justice and are still continued in office: A.D. 1898.

And whereas the first debenture stock became due and ought to have been redeemed paid off and extinguished on the eleventh day of March one thousand eight hundred and ninety-seven:

And whereas the Company are unable under present circumstances by means of either preference or ordinary shares or stock to raise the money required to redeem the first debenture stock and it is expedient that the time for the redemption of such stock should be revived and extended and that further provision should be made for the redemption thereof as herein-after provided:

And whereas the objects of this Act cannot be effected 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:—

1. This Act may be cited for all purposes as the *Mersey Railway (Capital) Act 1898.* Short title.

2. Part III. (relating to debenture stock) of the Companies Clauses Act 1863 is (so far as it is applicable to the new debenture stock by this Act authorised to be created and issued and is not inconsistent with the provisions of this Act) incorporated with and forms part of this Act. Incorporation of Part III. of Companies Clauses Act 1863.

3. The time for redeeming and extinguishing the *Mersey Railway Redeemable First Debenture Stock* at the date of the passing of this Act created and issued under the provisions of the Act of 1888 and the Act of 1892 respectively (which stock is herein-after referred to as "the existing first debenture stock") is hereby revived and extended for a period of two years from and after the passing of this Act or for such further period as may be agreed as herein-after provided and the provisions of this Act for the creation and issue of new first debenture stock as and when exercised shall be in substitution for the provisions in the Acts of 1888 and 1892 contained for the creation and issue of the existing first debenture stock. Revival and extension of period for redemption of first debenture stock.

4. For the purposes herein-after specified the directors of the Company may by virtue of this Act and without further or other authority from time to time create and issue new first debenture stock not exceeding in the whole two hundred and seventy-five thousand pounds being the amount of the existing first debenture New first debenture stock.

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stock authorised by the Act of 1888 and the Act of 1892 and the rate of interest on the new first debenture stock shall in no case exceed the rate of four pounds ten shillings per centum per annum being the rate of interest assigned to and payable on the existing first debenture stock and such new first debenture stock shall have and be entitled to all the priorities privileges and protections of the existing first debenture stock mentioned in sections 16 17 18 and 20 of the Act of 1888 Provided that the said new first debenture stock shall not be issued below par value.

As to new
first debenture
stock.

5. The new first debenture stock shall be redeemable and shall be redeemed by the Company at such date not exceeding ten years from the date of issue at such premium (if any) not exceeding ten per centum and in such manner as the directors of the Company may determine at the time of creating and issuing such new stock.

Application
of new first
debenture
stock.

6. The new first debenture stock or the moneys to be raised by the issue thereof shall be applicable and be applied to the purposes following:—

- (1) In paying off or redeeming the existing first debenture stock at the premium attached thereto when the same was issued and in paying any interest due on the stock so paid off or redeemed;
- (2) In payment of the costs charges and expenses of and incident to the preparing for obtaining and passing of this Act or otherwise in relation thereto and the costs and expenses in relation to carrying the provisions of this Act into effect;
- (3) In paying the costs incurred by the holders of the existing first debenture stock and by the holders of the five per cent. debenture stock in protecting their rights:

The balance after providing a sum of stock or cash sufficient for paying off the existing first debenture stock so far as not renewed under the powers of this Act and after paying the costs aforesaid shall be applied to any purposes of the Company to which capital is properly applicable.

Agreements
as to con-
tinuance and
ultimate
redemption
of existing
debenture
stock.

7. The Company and all or any of the holders of the existing first debenture stock may make agreements and arrangements with respect to the continuance of such stock on the same terms and conditions as those hereby provided for the new first debenture stock and any stock so continued shall be deemed to represent an issue of a corresponding amount of new first debenture stock but in all cases where not otherwise agreed the Company shall pay to the holders of such existing stock and such holders shall accept

in exchange for the same a sum in cash equal in nominal amount to the existing stock held by them respectively with the addition of the aforesaid premium and interest. A.D. 1898.

8. Any new first debenture stock taken in exchange for existing first debenture stock shall be vested in the person entitled thereto under and subject to the same agreements liabilities and incumbrances (if any) as affected the existing first debenture stock for which it is exchanged or substituted and any deed or other instrument and any testamentary or other disposition of or affecting such existing stock shall take effect with reference to the whole or a proportionate part (as the case may be) of the new first debenture stock substituted therefor. New first debenture stock to be held on same trusts.

9. Trustees executors administrators and all persons empowered under section 7 of the Lands Clauses Consolidation Act 1845 to sell and convey lands who may hold or be entitled to or interested in any existing first debenture stock are hereby expressly authorised to exercise all or any of the powers of making agreements and other powers and discretions by this Act given to the holders of existing first debenture stock and are hereby indemnified for all acts bonâ fide done by them in pursuance of the provisions of this Act. Power to trustees and others.

10. Nothing in this Act shall authorise the Company or the directors to create or issue any larger sum of new first debenture stock than the amount of first debenture stock authorised by the Act of 1888 and the additional amount of such stock authorised by the Act of 1892 nor shall the Company or the directors attach to the new first debenture stock to be created and issued under the authority of this Act any rate of interest exceeding the rate assigned to and payable on the existing first debenture stock. Restricting amount of new stock and rate of interest thereon.

11. For the purpose of carrying into effect the objects of this Act the Company may on giving fourteen days' notice by advertisement in some newspaper published in the city of London and in some newspaper published in the city of Liverpool cause the transfer books of the existing first debenture stock to be closed for such period not exceeding twenty-eight days as the directors of the Company may consider necessary or convenient. Transfer books may be closed.

12. The powers to create and issue first debenture redemption shares or stock conferred on the Company by sections 26 and 27 of the Act of 1888 and by sections 8 and 9 of the Act of 1892 are hereby continued and made applicable to and may be exercised by the directors of the Company in respect of the redemption Continuation of power to create redemption shares.

A.D. 1898. — of the new first debenture stock created under the authority of this Act.

Provision as
to general
Railway
Acts.

13. 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.

Costs of Act.

14. All costs charges and expenses of and incident to the preparing for obtaining and passing of this Act or otherwise in relation thereto and the other costs herein-before referred to shall be paid by the Company.

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