



# London Passenger Transport Act 1933

1933 CHAPTER 14 23 and 24 Geo 5

## PART VIII

### TRANSITIONAL AND SUPPLEMENTAL PROVISIONS

#### **89 Provisions as to certain stocks of the Metropolitan Railway Company.**

- (1) For the purpose of conferring upon the holders of the following stocks of the Metropolitan Railway Company (in this section referred to as the “Metropolitan Company”) that is to say, the Three and one-half per cent. Convertible Preference Stock (in this section referred to as “Metropolitan Convertible Stock”), and the Consolidated Stock (in this section referred to as “Metropolitan Ordinary Stock”) the conversion or exchange rights hereinafter specified, and of making provision for the creation of the new stock hereinafter mentioned, the following provisions shall have effect.
- (2) Any registered holder of Metropolitan Convertible Stock may, by notice in writing (in this section referred to as “a conversion notice”) given to and received by the Metropolitan Company not later than three months from the passing of this Act, and accompanied by the certificate of the stock to which the notice relates, require that the whole, or any portion, of the stock held by him shall be converted into Metropolitan Ordinary Stock of the same nominal amount; and, upon any such requisition being so made, the Metropolitan Convertible Stock specified in the notice shall, by virtue of this section, be converted into Metropolitan Ordinary Stock of the like nominal amount, and the Metropolitan Company shall register the holder of the stock in respect of which the notice was given as the holder of such Metropolitan Ordinary Stock; but save as aforesaid the conversion rights attached to the Metropolitan Convertible Stock shall cease to have effect.
- (3) The Metropolitan Ordinary Stock resulting from any such conversion as aforesaid shall rank for dividend as from the commencement of the half-year in which the conversion notice is received, and the Metropolitan Convertible Stock so converted shall cease to rank for dividend as from the end of the half-year immediately preceding that half-year.

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- (4) Where the whole of the Metropolitan Convertible Stock comprised in any certificate is so converted the certificate of the stock and the conversion notice relating thereto shall (until a new certificate, if any, is issued) together be deemed to be a certificate of the amount of Metropolitan Ordinary Stock resulting from such conversion as aforesaid.
- (5) As on the appointed day there shall by virtue of this section be created a new stock to be known as Metropolitan Assented Stock (in this section referred to as “Assented Stock”) of such nominal amount as is necessary for the purpose of giving effect to the exercise by the holders, or persons entitled to be registered as holders, of Metropolitan Ordinary Stock of the right of exchange conferred by the next succeeding subsection.
- (6) Any registered holder of Metropolitan Ordinary Stock, whether resulting from the conversion of Metropolitan Convertible Stock or not, and any person entitled to be registered as a holder of Metropolitan Ordinary Stock under subsection (2) of this section, may by notice in writing (in this section referred to as “a notice to exchange”) given to and received by the Metropolitan Company not later than three months from the passing of this Act, and, unless the certificate of the Metropolitan Ordinary Stock to which the notice relates has already been received by the Metropolitan Company, accompanied by such certificate, require that as from the appointed day the whole, or any portion, of the Metropolitan Ordinary Stock held by him shall be exchanged for Assented Stock of the same nominal amount; and, upon any such requisition being so made, the Metropolitan Company shall note the receipt thereof in its books and shall forthwith transmit the certificate of stock to the trustees of the trust deed hereinafter mentioned endorsed with a statement that notice of exchange in respect of that stock has been received, and such receipt by the Metropolitan Company shall, by virtue of this section, have effect as a transfer to the trustees as on the appointed day of the amount of Metropolitan Ordinary Stock specified in the notice to exchange and shall be registered in the books of the Metropolitan Company accordingly.
- (7) A conversion notice or notice to exchange shall, after receipt by the Metropolitan Company, be irrevocable.
- (8) As from the appointed day the Assented Stock shall confer upon the holders thereof according to the extent of their holdings the rights in this section mentioned and shall be divided among and vested without payment in the several persons who have given notices of exchange, according to the extent of their respective holdings, at the rate of one hundred pounds of Assented Stock for every one hundred pounds of Metropolitan Ordinary Stock so exchanged, and shall as soon as practicable be registered in the books of the trustees in the respective names of the persons entitled thereto, and the trustees shall forthwith issue to those persons, free of charge, the stock certificates relating thereto.
- (9) The holders of Assented Stock shall be entitled to be paid, out of the moneys in the hands of the trustees available for the purpose, interest on the nominal amount of their holdings at the fixed rate of three and one-quarter per cent. per annum for a period of fifteen years from the appointed day, and at the fixed rate of three per cent. per annum for a period of ten years thereafter:  
Provided that, if in any year the trustees are satisfied that the moneys in their hands applicable to the payment of interest on Assented Stock are sufficient to justify a payment being made at the end of the first six months of the year on account of the interest for that year such a payment shall be made, but no such payment shall be at a higher rate than one-half of the fixed rate for that year.

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- (10) The Metropolitan Company shall distribute or cause to be distributed to the trustees the amount of "C" transport stock to which the trustees are, by virtue of their holdings of the Metropolitan Ordinary Stock transferred to them as aforesaid, entitled under the Fifth Schedule to this Act, and the trustees shall hold the said "C" transport stock and the interest thereon and all other moneys coming into their hands in the execution of the said trusts in trust to give effect to the provisions of this section.
- (11) Subject to the provisions of this section, the interest received by the trustees in respect of any year on the "C" transport stock for the time being subject to the said trusts, and any other moneys paid to or received by them as trustees of the said trusts, shall be applied year by year by the trustees as follows:—
- (a) first, in payment of the costs of the administration of the said trusts;
  - (b) secondly and subject thereto, in payment of interest on the Assented Stock; and
  - (c) as to the balance, in distributing the same among the amalgamated railway companies . . . <sup>F1</sup>

For the purpose of this section the costs of the administration of the said trusts shall be deemed to include the remuneration payable to the trustees under the provisions of the trust deed and to include in the final year of the trust the cost of dissolution thereof.

- (12) If the moneys in the hands of the trustees available for the payment of interest on the Assented Stock in respect of any year are insufficient to pay the interest on the stock at the full rate fixed in respect of that year, the amalgamated railway companies, at the request of the trustees, shall, subject to the provisions of this subsection, forthwith pay to the trustees such sum as will, when added to the moneys in the hands of the trustees and available for the purpose, be sufficient to enable payment to be thereby made by the trustees of interest on the Assented Stock at the full rate of interest fixed in respect of that year:
- Provided that (a) the payments to be made by the amalgamated railway companies under this subsection shall not in any event exceed the pooled receipts of the amalgamated railway companies; and (b) the liability of the amalgamated railway companies under this subsection shall cease whenever after the expiration of fifteen years from the appointed day the following condition is fulfilled (that is to say) that interest on "C" transport stock has been paid by [<sup>F2</sup>the Executive] at the rate of six per cent. per annum in respect of two out of three consecutive years of which the first year shall not be earlier than the thirteenth year after the year in which the appointed day occurs.
- (13) The payments which the amalgamated railway companies are liable to make under the last preceding subsection shall by virtue of this subsection be charged in priority to all other charges and liabilities upon the pooled receipts of the amalgamated railway companies and no charge or liability shall at any time be created ranking in priority to or pari passu with the charge created by this subsection.
- (14) If the moneys in the hands of the trustees available for the payment of the costs of the administration of the said trusts shall at any time be insufficient to pay the said costs, the amalgamated railway companies, at the request of the trustees, shall forthwith pay to the trustees such sum as will, when added to the moneys in the hands of the trustees and available for the purpose be sufficient to enable thereby payment or retention of such costs by the trustees, and the moneys shall be applied by the trustees accordingly.
- (15) Any registered holder of Assented Stock may, at his option to be exercised by six months' notice to the trustees, surrender to the trustees the whole, or any part, of that

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stock for the time being held by him, and shall thereafter be entitled, subject to the provisions of this section, to receive in exchange from the said trustees "C" transport stock, out of the transport stock for the time being subject to the said trusts, at the rate of sixty-seven pounds ten shillings of transport stock for every one hundred pounds of Assented Stock so surrendered by him; and, upon such surrender and exchange being effected, the Assented Stock so surrendered shall be cancelled.

- (16) At the expiration of twenty-five years from the appointed day or upon the cessation of the liability of the amalgamated railway companies under subsection (12) of this section (whichever shall first occur) there shall, subject to the provisions of this section, be transferred by the trustees to the registered holders of Assented Stock "C" transport stock, out of the transport stock for the time being subject to the said trusts, at the rate of sixty-seven pounds ten shillings of transport stock for every one hundred pounds of Assented Stock and in satisfaction thereof or, in the event of the "C" transport stock for the time being subject to the said trusts being redeemed by [<sup>F2</sup>the Executive] before the expiration of twenty-five years from the appointed day or such cessation as aforesaid, the trustees shall distribute the redemption moneys received by them amongst the registered holders of Assented Stock on the date when the redemption takes place according to the amounts of their respective holdings at the rate of sixty-seven pounds ten shillings for every one hundred pounds of Assented Stock, and upon such transfer or distribution the Assented Stock shall be cancelled.
- (17) Upon the fulfilment of all other purposes of the said trusts, the balance of any moneys remaining in the hands of the trustees subject to the said trusts shall be distributed amongst the amalgamated railway companies . . . <sup>F1</sup> and upon the completion of such transfer and distribution as aforesaid the said trusts by virtue of this section shall be dissolved.
- (18) Subject to the provisions of this section Assented Stock shall be held, transferred, and dealt with in accordance with the provisions of the trust deed.
- (19) In the event of the amalgamated railway companies making default for a period of not less than three months in the payment of any sum payable by them to the trustees under this section the trustees may and, if so required by the holders of Assented Stock of an aggregate nominal value of not less than ten thousand pounds, shall apply to the High Court for the appointment of a receiver of the pooled receipts of the amalgamated railway companies.
- (20) Where the amount of transport stock to which any registered holder of assented stock would be entitled under subsection (15) or subsection (16) of this section comprises a fractional part of a pound, the trustees shall, in lieu of transferring that amount, transfer to that holder transport stock to the amount of the next even pound below the amount to which he would be so entitled and shall from time to time as convenient sell the amount of transport stock representing the fractional parts of transport stock not so transferred and shall distribute the net proceeds thereof in due proportions amongst the several holders who, but for this provision, would have been entitled to the fractional parts.
- (21) Where by virtue of this section or in pursuance of any option conferred by this section any Metropolitan Convertible Stock is converted into Metropolitan Ordinary Stock, or any Assented Stock is taken in exchange for Metropolitan Ordinary Stock by a holder of that stock, or any transport stock is taken by a holder of Assented Stock in exchange for or in satisfaction of that stock, or any redemption moneys are received by a holder of Assented Stock in satisfaction thereof, the provisions of section eighty-six of this Act shall apply to the stock resulting from such conversion or so taken in exchange

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or satisfaction and the redemption moneys so received in satisfaction of Assented Stock and to the trustees, executors, and all other holders in any representative or fiduciary capacity of any stock so converted or for which the stock taken in exchange is exchanged or of any stock in satisfaction whereof such transport stock or moneys are taken or received, as fully and effectually as if in that section the expression “existing stock” included the stock so converted, exchanged, or satisfied, and as if in that section the expression “transport stock issued in substitution” included Metropolitan Ordinary Stock resulting from such conversion and transport stock or Assented Stock so taken in exchange or satisfaction or moneys so received in satisfaction.

(22) The trust deed hereinbefore referred to shall be executed between the Metropolitan Company of the first part and such other persons as may be agreed between the Metropolitan Company and the amalgamated railway companies, or, in default of agreement, as may be appointed by the Minister, as trustees of the second part, and each of the amalgamated railway companies of the other parts, and shall contain such trusts, terms, and conditions as may be necessary or expedient having regard to the provisions of this section and such other terms and conditions of a like nature to the terms and conditions relating to the administration of the trust which are contained in the trust deed which is referred to as the old trust deed in Part III of the Third Schedule to this Act as are not inconsistent with the provisions of this section.

<sup>F3</sup>(23) .....

(24) In this section, unless the context otherwise requires, the following expressions have the meanings hereby assigned to them respectively:—

“The appointed day” means the first day of July, nineteen hundred and thirty-three;

“The said trusts” means the trusts to give effect to the provisions of this section;

“The pooled receipts of the Amalgamated Railway Companies” means so much of the pooled receipts as those companies are entitled to retain or receive under the pooling scheme;

“The trustees” means the persons for the time being acting as trustees for the purposes of this section and of the trust deed.

**Textual Amendments**

- F1** Words repealed by Transport Act 1947 (c. 49), **Sch. 15 Pt. II**
- F2** Words substituted by virtue of Transport Act 1962 (c. 46), **Sch. 2 Pt. I** and Transport (London) Act 1969 (c. 35), **Sch. 3 para. 1(1)(2)(g)**
- F3** S. 89(23) repealed by Statute Law (Repeals) Act 2004 (c. 14), **Sch. 1 Pt. 14**

**Changes to legislation:**

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