



# Ministry of Transport Act 1919

## 1919 CHAPTER 50

### 14 Power to discharge capital liabilities by issue of stock

- (1) Any capital sum payable under this Act for reduction in the value of an undertaking, or for the purchase of privately-owned railway wagons, or any interest therein, may be discharged in whole or in part, if the Treasury so direct, by the issue of securities, and the amount of such securities equivalent to such capital sum shall, in default of agreement, be determined by the Railway and Canal Commission.

For that purpose the Treasury may create and issue securities which shall bear interest at such rate and shall be subject to such conditions and regulations as to repayment, redemption, or otherwise as the Treasury may direct or prescribe, and the regulations may apply with the necessary modifications any of the enactments relating to local loans stock ; the interest on any such securities as aforesaid shall—

- (a) in the case of securities issued for the purchase of railway wagons, be charged on the revenues derived from the wagons so acquired after payment thereof of working expenses, and, if and so far as such revenues are insufficient, on the Consolidated Fund of the United Kingdom or the growing produce thereof; and
- (b) in the case of other securities, be charged on the Consolidated Fund of the United Kingdom or the growing produce thereof.
- (2) Where the whole or any part of the purchase money for the interest in railway wagons belonging to a wagon finance company is discharged by the issue to the company of such securities as aforesaid, and the company in consequence of the exercise by the Minister of his powers under this Act of purchasing railway wagons is wound up voluntarily, the liquidator may present to the court having jurisdiction to wind up the company a scheme for the discharge in whole or in part of the liabilities of the company to the holders of debentures or debenture stock of the company by means of the transfer to them of an amount of the securities so issued to the company, and, if the court sanctions the scheme, those liabilities may be discharged accordingly.

For the purpose of this subsection, " wagon finance company " means a company whose principal business is the advance of money to colliery companies and other persons for the purpose of the acquisition by them of railway wagons.