



# London Passenger Transport Act 1933

1933 CHAPTER 14 23 and 24 Geo 5

## PART VIII

### TRANSITIONAL AND SUPPLEMENTAL PROVISIONS

#### **88 Dissolution of the Underground Electric Railways Company of London Limited and the London and Suburban Traction Company Limited.**

(1) Before or as soon as may be after the issue of the transport stock to which the Underground Electric Railways Company of London Limited (hereinafter referred to as “the Underground Company”) and the London and Suburban Traction Company Limited (hereinafter referred to as “the London and Suburban Company”) respectively, or the trustees under deeds securing the debenture stocks of those companies (in this subsection referred to as “the said trustees”) may be entitled by virtue of their interests in the undertakings specified in Part I of the Second Schedule to this Act—

(a) the Underground Company shall apply to [<sup>F1</sup>the Executive] to issue to the company or to the said trustees—

(i) in exchange for the “A” stock to which the company or the said trustees may become so entitled, an amount of “B” stock, bearing interest at the rate of five per cent. per annum, of the equivalent nominal value; and

(ii) in exchange for an amount of “C” stock of the nominal value of four million, one hundred and three thousand, seven hundred and fifty-two pounds, an amount of “B” stock, bearing interest at the rate of five per cent. per annum, of the nominal value of three million, eight hundred and fifty-three thousand, seven hundred and fifty-two pounds

and upon receipt of that application or, in the event of any interest having been previously paid on the “A” or the “C” stock to be exchanged, upon receipt of that application together with a refund of any moneys actually received by the Underground Company or by the said trustees in respect of that interest, [<sup>F1</sup>the Executive] shall issue to the company, or to the said trustees, as the case may be, the amounts of “B” stock so applied for, and the “A” stock and “C” stock

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*Changes to legislation: There are currently no known outstanding effects for the  
 London Passenger Transport Act 1933, Section 88. (See end of Document for details)*

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in exchange for which the “B” stock is to be issued shall be surrendered by the company or the said trustees to [F1the Executive] and shall be cancelled by [F1the Executive];

- (b) [F1the Executive] shall transfer as from the appointed day to the Underground Company all the shares of the North Metropolitan Electric Power Supply Company, which become vested in [F1the Executive] by virtue of the transfer to [F1the Executive] of the undertaking of the Metropolitan Electric Tramways Limited, so, however, that, in the case of shares acquired by the Metropolitan Electric Tramways Limited before the first day of January, nineteen hundred and thirty-one, any dividend paid on those shares after the appointed day to [F1the Executive] or to the Underground Company as holders of those shares shall be apportioned between [F1the Executive] and the Underground Company so as to secure that there shall ensue to [F1the Executive] such portion of the dividend as relates to the period before the appointed day, and upon the transfer being effected the Underground Company as consideration therefor (i) shall pay to [F1the Executive] a sum equal to the amount at which the shares acquired by the Metropolitan Electric Tramways Limited before the first day of January, nineteen hundred and thirty-one, were valued for the purpose of fixing the consideration to be given by [F1the Executive] for the transfer of that undertaking, together with interest on that sum at the rate of five per cent. per annum from the appointed day to the date of payment; and (ii) shall release and discharge [F1the Executive] from each and every liability to which [F1the Executive] may or may have become subject by virtue of the transfer to [F1the Executive] of the undertaking of the Metropolitan Electric Tramways Limited in respect of any loan made to that company by the Underground Company for the purpose of, or any other indebtedness of that company towards the Underground Company incurred by reason of, acquiring any of those shares after the first day of January, nineteen hundred and thirty-one;
- (c) the Underground Company and the London and Suburban Company shall respectively prepare schemes for the liquidation of those companies, and for the distribution, subject to the provisions of this section, amongst the stockholders and shareholders of the respective companies of any transport stock (other than fractional parts of transport stock which cannot conveniently be distributed) to which those companies or the said trustees become entitled under this Act, or under any exchange of, or subscription for transport stock effected pursuant to this section, and of the other assets of those companies, or the proceeds of sale of those assets or such fractional parts of transport stock as aforesaid, remaining after payment or discharge of the debts and liabilities of those companies respectively, and of any sums which those companies respectively may in general meeting authorise to be paid to any persons as compensation for loss of office or employment, or in recognition of any services rendered to those respective companies and the expenses of carrying the schemes into effect.
- (2) The scheme so to be prepared by the Underground Company may further provide—
- (a) for the formation by the Underground Company of a company (in this section referred to as “the new company”) to be incorporated under the <sup>M1</sup>Companies Act 1929 as a company limited by shares and registered with a memorandum and articles of association in such form as may be prescribed by the scheme;
- (b) for the transfer to the new company, in lieu of distribution amongst the stockholders and shareholders of the Underground Company of such part of

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the assets of the Underground Company remaining as aforesaid (other than transport stock distributed or to be distributed among the stockholders and shareholders of the Underground Company) as may be prescribed by the scheme in exchange for fully paid shares or stock or both of the new company;

- (c) for the distribution amongst the stockholders and shareholders of the Underground Company of the Shares and stock so taken in exchange by the Underground Company; and
- (d) for the conversion of the existing Central London Railway Guaranteed Assented ordinary, preferred ordinary, and deferred ordinary stocks constituted by trust deed dated the thirteenth day of December, nineteen hundred and twelve, made between the Underground Company of the one part and Glyn, Mills and Co. (then and therein called Glyn, Mills, Currie and Co. and in this subsection referred to as “the said trustees”) of the other part into equal nominal amounts of a single new guaranteed Assented stock (to be known as Central London (New) Guaranteed Assented Stock, in this section referred to as “new assented stock”) to be constituted in accordance with the provisions of Part III of the Third Schedule to this Act,

and in the event of the scheme so prepared becoming binding and operative, it shall be lawful for [F1the Executive], and if so required by the Underground Company, [F1the Executive] shall—

- (i) guarantee the payment by the said trustees of interest on the new assented stock at the fixed rate of interest of four per cent. per annum; and
- (ii) execute and do, or concur with any other necessary parties in executing or doing, all trust deeds, documents and things necessary for constituting the new assented stock in accordance with the provisions of the said Part of the said Schedule.

(3) For the purpose of any scheme so prepared—

- (a) the Underground Company may subscribe for, and in that event [F1the Executive] shall issue to the company at a price of ninety-five pounds for every one hundred pounds nominal value of stock, such amount of transport “B” stock, bearing interest at the rate of five per cent. per annum, not exceeding one million pounds in nominal value, as may be required for the purpose of the scheme of that company; and
- (b) the London and Suburban Company may subscribe for, and in that event [F1the Executive] shall issue to the company at a price of ninety-five pounds for every one hundred pounds nominal value of stock, such amount of transport “B” stock bearing interest at the rate of five per cent. per annum, not exceeding eight hundred and fifty thousand pounds in nominal value, as may be required for the scheme of that company.

Where in respect of any stock issued under this subsection the purchase price is paid to [F1the Executive] at any time after the appointed day, the company to which the stock is issued shall pay to [F1the Executive] an additional sum by way of interest calculated on the nominal value of the stock subscribed for at the rate of five per cent. per annum from the appointed day until the date of payment of the purchase price.

(4) Any arrangements made by the Underground Company with any class of its stockholders or shareholders, or with the holders of Metropolitan District Railway Assented First Preference Stock, or with the holders of Central London Railway Guaranteed Assented ordinary, preferred ordinary, or deferred ordinary Stocks, or by the London and Suburban Company with any class of its stockholders or shareholders, in anticipation of and with a view to carrying out any of the provisions of this section

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and which have been conditionally assented to by such holders respectively before the passing of this Act shall, subject to such adjustment of dates as may be certified by the Secretary of the Underground Company, or of the London and Suburban Company, as the case may be, to be necessary by reason of the appointed day under this Act being on a day later than the first day of January nineteen hundred and thirty-two, be treated for all purposes of this Act as if they were, or formed part of, schemes prepared by those companies respectively under this section.

- (5) As soon as may be after the schemes prepared under this section have become binding upon the stockholders and shareholders of the Underground Company and the London and Suburban Company respectively, the winding up of those companies shall be proceeded with in accordance with the provisions of the <sup>M2</sup>Companies Act 1929.
- (6) Where in pursuance of a scheme made or deemed to be made under this section any transport stock is taken by holders of stocks or shares of the Underground Company or of the London and Suburban Company in exchange or part exchange for those stocks or shares respectively, or by holders of Metropolitan District Assented First Preference Stock in exchange for that stock, or any new Assented stock is taken by the holders of Central London Railway Guaranteed Assented ordinary, preferred ordinary or deferred ordinary stock in exchange for that stock, or any transport stock is taken by the holders of new assented stock in exchange for that stock, or any stocks or shares in the new company (whether in the course of the liquidation of the Underground Company or otherwise) are distributed amongst the holders of shares or stocks of the Underground Company, the provisions of section eighty-six of this Act shall apply to the stock so taken in exchange and to the stocks and shares of the new company so distributed and to the trustees, executors, and all other holders in any representative or fiduciary capacity of any stock or shares for which that stock is exchanged, and to the trustees, executors, and all other holders in any representative or fiduciary capacity of stocks or shares of the Underground Company who receive stocks or shares of the new company upon any such distribution thereof as aforesaid as fully and effectually as if in that section the expression “existing stock” included the stock and shares so exchanged and the stocks and shares of the Underground Company, and as if the expression “transport stock issued in substitution” included transport stock and new assented stock so taken in exchange and stocks and shares in the new company so distributed.
- (7) Trustees, executors, and other holders in any representative or fiduciary capacity of stocks or shares of the Underground Company, or of the London and Suburban Company, or of the Metropolitan District Railway Assented First Preference Stock, or of Central London Railway Guaranteed Assented ordinary, preferred ordinary, or deferred ordinary stock may concur and shall be deemed always to have had power to concur in any scheme made or deemed to be made by the Underground Company or by the London and Suburban Company under this section.
- (8) Where the Underground Company or the London and Suburban Company is unable after diligent inquiry to find the person to whom any transport stock or money representing the proceeds of sale of any other assets of those companies, or any share or security of the new company, or any new assented stock is issuable or payable in pursuance of a scheme made under this section, or where any transport stock or any such money, share or security or new assented stock as aforesaid is so issuable or payable to a person who, or whose committee, cannot give an effectual receipt for the same, the company may transfer the stock, share, or security, or pay the money as nearly as may be, in manner provided for the payment of securities or money into court by trustees under section sixty-three of the <sup>M3</sup>Trustee Act 1925 and that section shall apply with all necessary modifications to such stock, share, security, and money.

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- (9) For the purposes of this section, unless the context otherwise requires, the expression “stockholders” includes holders of debenture stock, and the expression “stock” shall be construed accordingly and the expression “the appointed day” means the first day of July, nineteen hundred and thirty-three.

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**Textual Amendments**

- F1** 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\(1\)\(2\)\(g\)](#)

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**Marginal Citations**

- M1** 1929 c. 23.  
**M2** 1929 c. 23.  
**M3** 1925 c. 19.

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