



CHAPTER vi.

An Act for authorising the Entre Rios Railways Company Limited to increase its capital and to fund the arrears of dividends on its preference shares by the issue of fully paid second preference stock and for other purposes. A.D. 1905.
[30th June 1905.]

WHEREAS the capital of the Entre Rios Railways Company Limited (hereinafter called "the Company") as fixed by its memorandum of association is three million two hundred and seventy-six thousand four hundred pounds divided into six hundred and fifty-five thousand two hundred and eighty shares of five pounds each :

And whereas by article 4 of the articles of association of the Company three hundred and thirty-eight thousand six hundred and fifty-two of the said shares are constituted preference shares and the remainder are ordinary shares and it is thereby provided that in the event of the winding up of the Company the holders of the preference shares shall be entitled to receive in full out of the assets of the Company the amounts paid on such shares and the arrears (if any) of the preferential dividend to which they are entitled in respect thereof up to the commencement of winding up in priority to the claims of the holders of ordinary shares to be paid any amount in respect of such shares :

And whereas under article 117 of the said articles of association the profits of the Company available for distribution are to be applied first in payment of a cumulative dividend at the rate of five per centum per annum on the amounts paid on the preference shares :

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And whereas three hundred and twenty-nine thousand nine hundred and ten of the said preference shares have been issued and fully paid and have been converted into fully paid preference stock and three hundred and eleven thousand nine hundred and seventeen of the said ordinary shares have been issued and fully paid and have been converted into fully paid ordinary stock :

And whereas the remainder of the Company's capital is unissued :

And whereas the profits of the Company have been insufficient for the payment of the full dividend on the said issued preference shares and on the thirtieth of June one thousand nine hundred and four the arrears of such dividend amounted to six hundred and fifty-one thousand five hundred and seventy-two pounds or thirty-nine and a half per centum on the nominal amount of the issued preference stock :

And whereas there is no present prospect of the Company being able to make up the said arrears :

And whereas the directors of the Company have power with the consent of a general meeting of the Company and of a meeting of the holders of the said preference stock to increase its capital by the issue of new shares with such preference or priority as regards dividends or in the distribution of assets as the Company in general meeting may direct :

And whereas at an extraordinary general meeting of the Company held on the eleventh day of November one thousand nine hundred and four it was resolved—

(A) That the arrears of dividend on the five per centum cumulative preference stock to the thirtieth June one thousand nine hundred and four amounting to six hundred and fifty-one thousand five hundred and seventy-two pounds be funded in four per centum non-cumulative second preference stock ;

(B) That the cumulative rights of the five per centum cumulative preference stockholders be suspended from the thirtieth June one thousand nine hundred and four until such time as full dividends on both classes of preference stock shall have been paid for three consecutive years when the dividend shall again become cumulative on the five per centum cumulative preference stock ;

(c) That to the arrears above mentioned a further sum of A.D. 1905.
eighty-two thousand four hundred and seventy-seven
pounds be added also in four per centum non-cumula-
tive second preference stock as compensation to the
five per centum cumulative preference stockholders for
the temporary suspension of their cumulative rights ;

(d) That the four per centum non-cumulative second
preference stock have full voting powers :

And whereas it will be for the benefit of the holders of both
classes of the stock of the capital of the Company to give effect to
the said resolution :

And whereas the objects of this Act cannot be effected without
the consent of Parliament :

May it therefore please Your Majesty that it may be enacted
and be it enacted by the King'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 as the *Entre Rios Railways Company* Short title.
Limited Act 1905.

2. In this Act the term "the Company" means the *Entre* Interpreta-
Rios Railways Company Limited. tion.

3. The directors of the Company may increase its capital to Increase of
four million and ten thousand four hundred and forty-nine pounds capital.
by the issue in manner hereinafter provided of fully paid second
preference stock to the amount of seven hundred and thirty-four
thousand and forty-nine pounds.

4. The said second preference stock shall be allotted and issued Allotment of
to the holders of the stock resulting from the conversion of the second pre-
said three hundred and twenty-nine thousand nine hundred and ten ference stock.
preference shares (hereinafter in this Act called "first preference
stock") rateably in proportion to the amount of first preference
stock held by them respectively and shall be accepted by such
holders as to six hundred and fifty-one thousand five hundred and
seventy-two pounds of the said second preference stock in discharge
of all claims in respect of dividends on the first preference stock up
to the thirtieth day of June one thousand nine hundred and four
and as to eighty-two thousand four hundred and seventy-seven

A.D. 1905. — pounds balance of the said second preference stock as compensation in full for the suspension as hereinafter provided of the right to accumulated dividends on the first preference stock.

Rights of
second pre-
ference stock.

5. The said second preference stock shall on the issue thereof without payment be deemed for all purposes to be fully paid and shall entitle the holders in a winding up to payment of the nominal amount of the second preference stock held by them respectively in priority to the repayment of any amount paid on the ordinary stock or shares of the Company and for the purpose of voting shall be deemed to have resulted from the conversion into stock of shares of five pounds each.

Application
of profits of
Company.

6. Subject to the rights which under the articles of association of the Company may be attached to any new shares created and issued after the passing of this Act and to the powers given by article 73 to meetings of the holders of separate classes of shares the profits of the Company for the year ending the thirtieth day of June one thousand nine hundred and five and for every subsequent year ending the thirtieth day of June which may be available under the said articles for payment of dividends shall be applied as follows videlicet First in or towards the payment of a preferential cumulative dividend at the rate of five per centum per annum on the amount paid or credited as paid on the preference shares of the original capital for the time being issued but unconverted and the stock resulting from the conversion of the issued preference shares secondly in payment of a dividend in respect of the year of four per centum upon the nominal amount of the second preference stock and the balance shall be distributed as dividend among the holders of the ordinary shares of the Company for the time being issued and the stock resulting from the conversion thereof in proportion to the amount of paid up capital represented by such shares and stock held by them respectively Provided that in case the profits so available as aforesaid of any year ending the thirtieth day of June which may expire before the full dividend on the second preference stock shall have been paid for three consecutive years shall be insufficient to pay a dividend of five per centum upon the amounts paid or credited as paid on the preference shares of the original capital for the time being issued but unconverted and upon the stock resulting from the conversion of the issued preference shares the deficiency shall not be made good out of the profits of any subsequent year or years.

[5 EDW. 7.] *Entre Rios Railways Company Limited* [Ch. vi.]
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7. The directors may in the accounts of the Company from time to time issued to the shareholders or otherwise published debit the capital account with the full nominal amount of the said second preference stock as if the same were capital issued and expended.

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As to ac-
counts of
Company.

8. The provisions of sections 5 and 6 of this Act shall form part of the regulations of the Company but nothing herein contained shall be deemed to prevent the Company from modifying or altering its articles of association as hereby varied in accordance with the provisions of the Companies Acts 1862 to 1900 or any power given by such articles including all powers contained in the said article 73.

Provisions of
Act to form
part of regu-
lations of
Company.

9. The Company shall deliver to the Registrar of Joint Stock Companies a printed copy of this Act and he shall retain and register the same and if such copy is not so delivered within three months from the passing of this Act the Company shall incur a penalty not exceeding two pounds for every day after the expiration of those three months during which the default continues and any director and manager of the Company who knowingly and wilfully authorises such default shall incur the like penalty Every penalty under this section shall be recoverable summarily There shall be paid to the registrar by the Company on such copy being registered the like fee as is for the time being payable under the Companies Act 1862 on registration of any document other than a memorandum of association.

Copy of Act
to be regis-
tered.

10. The costs charges and expenses of and incidental to preparing applying for and obtaining this Act shall be paid by the Company.

Costs of Act.

Printed by EYRE and SPOTTISWOODE,

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