



CHAPTER xxviii.

An Act to constitute the Butterley Company Limited a company limited by shares to amend the memorandum and articles of association and increase the capital of the Company and for other purposes. [8th July 1914.] A.D. 1914.

WHEREAS the Butterley Company Limited (herein-after called "the Company") was incorporated in the year one thousand eight hundred and eighty-eight under the Companies Acts 1862 to 1886 as a company limited by guarantee for the purpose among others of carrying on the business and undertaking of a firm of coal masters iron masters and iron founders who since the year one thousand seven hundred and ninety-one had carried on business at Butterley and elsewhere in the counties of Derby and Nottingham under the style or name of "The Butterley Company":

And whereas by clause 4 of the memorandum of association of the Company it was provided that every member of the Company should undertake to contribute to the assets of the Company in the event of the same being wound up during the time that he was a member or within one year afterwards for payment of the debts and liabilities of the Company contracted before the time at which he ceased to be a member and the costs charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves such amount as might be required not exceeding ten pounds:

And whereas by the articles of association of the Company the capital of the Company was stated to be six hundred thousand pounds divided into six thousand shares of one

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A.D. 1914. — hundred pounds each whereof five thousand four hundred and sixty-seven shares entitled to equal rights and privileges have been allotted and fully paid up:

And whereas in the year one thousand nine hundred and eight the Company became a private company within the meaning of the Companies (Consolidation) Act 1908 and the present members of the Company number considerably less than fifty:

And whereas the Company has carried on its business with success and has out of its profits applied the sum of seventy-eight thousand pounds in paying off mortgages for forty-three thousand pounds and debentures of the Company for thirty-five thousand pounds:

And whereas the Company besides writing off out of profits large sums of money against assumed depreciation on its capital assets has from time to time expended out of its profits considerable sums in sinking pits and in constructing additional buildings and works for the purposes of its undertaking and the cost thereof has been included in the reserve account which on the thirtieth day of September one thousand nine hundred and thirteen amounted to four hundred thousand pounds:

And whereas the present value of the assets of the Company after deducting the amount of its debts and liabilities including outstanding debentures is estimated to exceed the amount of the capital stated in the articles of association by upwards of five hundred thousand pounds:

And whereas the Company has occasion for further capital expenditure and owing to the growth of the undertaking and operations of the Company it is expedient that the Company should cease to be a private company and that the Company should be empowered to invite subscriptions from the public for shares of the Company in small denominations:

And whereas the guarantee which every person undertakes upon becoming a member of the Company prevents the object aforesaid:

And whereas owing to the small number of the existing members of the Company the total amount of money guaranteed by them under the memorandum of association is negligible having regard to the amount of the assets of the Company:

And whereas it is expedient that such guarantee and all liability claims and demands thereunder be cancelled and that the Company become a company limited by shares: A.D. 1914.

And whereas regard being had to the excess in value and the amount of the reserve fund of the Company aforesaid it is expedient to bring the capital of the Company both nominal and paid up into closer accord with the value of the Company's assets and that further shares should be issued to the holders of the existing capital of the Company as hereinafter provided:

And whereas it is expedient that the objects of the Company be defined and extended and that the memorandum of association and articles of the Company be enlarged and amended as in this Act provided and that the other provisions of this Act be enacted:

And whereas the objects of this Act cannot be attained without the authority 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 (that is to say):—

1. This Act may be cited as the *Butterley Company Limited Act 1914.* Short title.

2. In this Act—

“The directors” means the directors of the Company for the time being;

“The memorandum” means the memorandum of association of the Company;

“The articles of association” means the articles of association of the Company;

“Existing” means existing at the passing of this Act;

“The new shares” means the one pound shares created by and to be issued as fully paid pursuant to the provisions of this Act.

3. As from the passing of this Act the Company shall cease to be a company limited by guarantee and a private company and shall become and be a company limited by shares within the meaning of the Companies (Consolidation) Act Company to be a company limited by shares.

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A.D. 1914. 1908 and every member of the Company at the passing of this Act is hereby released and discharged from his guarantee and from all liability claims and demands thereunder.

Alteration of memorandum.

4.—(1) Clause 3 of the memorandum is hereby cancelled and the clause containing the objects of the Company set forth in the schedule hereto shall be substituted therefor.

(2) The said recited fourth clause of the memorandum is hereby cancelled and there is substituted therefor—

“4. The liability of the members is limited”:

“5. The capital of the Company is one million two hundred thousand pounds divided into one million two hundred thousand shares of one pound each.”

Alteration of articles.

5. The articles of association are hereby altered and amended in manner following:—

(A) Article 3 (“Capital”) is hereby cancelled and there is substituted therefor the following article:—

“3. The capital of the Company is one million two hundred thousand pounds divided into one million two hundred thousand shares of one pound each”:

(B) Articles 3 (A) (“Restriction on number of members”) 3 (B) (“No invitation to be issued to the public to subscribe for shares or debentures”) 3 (c) (“All articles to be read subject to the above provisions”) are hereby cancelled:

(c) Article 4 (“Directors’ powers over shares”) is hereby cancelled and there are substituted therefor the following articles (namely):—

“4. Subject to the provisions of the Butterley Company Limited Act 1914 and without prejudice to any special rights previously conferred on the holders of existing shares in the Company any share in the Company may be issued with such preferred deferred or other special rights or such restrictions whether in regard to dividend voting return of share capital or otherwise as the Company may from time to time by special resolution determine”;

“ 4A. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class To every such separate general meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class” : A.D. 1914.

- (D) Articles 14 (A) (“ Restriction on right of transfer ”) 14 (B) and 14 (C) (“ Notice to be given to secretary by proposing transferor ”) 14 (D) (“ Default by proposing transferor ”) 14 (E) (“ Failure in finding a purchaser ”) 14 (F) (“ How shares are to be offered ”) 14 (G) 14 (H) (“ Transfers not to be registered which contravene clause 3 (A) ”) are hereby cancelled :
- (E) Article 27 (“ Company’s lien on shares ”) is hereby amended by substituting the words “ (other than fully paid shares) ” for the words “ and stock ” and by striking out the last two words “ or stock ” :
- (F) Articles 28 (“ As to enforcing lien by sale ”) and 30 (“ Registering purchasers on such sales ”) are hereby amended by striking out the words “ or stock ” wherever those words occur :
- (G) Articles 39 (“ Surrender of shares ”) and 40 (“ Redemption of stock ”) are hereby cancelled :
- (H) Article 43 (“ Register of mortgages to be kept ”) is hereby amended by substituting the words “ section 100 of the Companies (Consolidation) Act 1908 ” for the words “ section 43 of the Companies Act 1862 ” :
- (I) Article 62 (“ Votes of members ”) is hereby cancelled and the following Article is substituted therefor (namely) :—

“ 62. Every member shall have one vote for every share held by him ” :

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- (K) Article 70 ("Resolution in writing of directors in certain cases to be equivalent to resolution of general meeting") is hereby cancelled:
- (L) Sub-article (c) of Article 73 ("Special qualification appointment of directors etc.") shall be amended by substituting the words "a holding of not less than ninety-one thousand one hundred and sixteen shares" for the words "not less than one-sixth of the original capital actually issued and outstanding from time to time":
- (M) Sub-article (F) of Article 78 ("When office of director to be vacated") shall be amended by substituting the words "a special qualification" for the words "not less than one-sixth of the original capital of the Company for the time being actually issued."

Cancellation
of existing
shares and
creation of
new shares
in lieu
thereof.

6. In lieu of the existing five thousand four hundred and sixty-seven shares of one hundred pounds each there shall by virtue of this Act and without further or other authority be created eight hundred and twenty thousand and fifty shares of one pound each part of the one million two hundred thousand shares into which the capital of the Company is divided and such shares when issued shall be deemed to be fully paid and shall rank for dividend as from the thirty-first day of March one thousand nine hundred and fourteen and as from that date the reserve fund of the Company shall be reduced by the sum of two hundred and seventy-three thousand three hundred and fifty pounds.

Every holder on the passing of this Act of any of the existing five thousand four hundred and sixty-seven shares of one hundred pounds each shall be entitled to and shall receive one hundred and fifty new shares in substitution for every one of the said existing shares of one hundred pounds each held by him.

Cancellation
of existing
certificates
and issue of
new certifi-
cates.

7. The directors shall as soon as conveniently may be after the passing of this Act call in and cancel the certificates of the existing five thousand four hundred and sixty-seven shares of one hundred pounds each and shall issue to the holders in lieu thereof certificates for the substituted shares to which they shall be entitled respectively under the provisions of this Act but the directors shall not be bound to issue to any shareholder any certificate for any of the substituted shares to

which he shall be so entitled unless and until he shall have delivered up to the Company the certificate or certificates of the existing shares of the Company held by him in substitution for which such new shares are to be issued or shall have proved to the satisfaction of the directors the loss or destruction of such certificate or certificates and in case of loss or destruction shall also have executed such indemnity (if any) with or without security as the directors shall think sufficient. A.D. 1914.

8. Trustees executors administrators and all other holders in any representative or fiduciary capacity of existing shares in the Company are hereby expressly authorised to accept and hold the new shares issued in respect of their existing holdings under the provisions of this Act. Trustees &c. of existing shares may hold shares issued under this Act.

9. The new shares shall respectively be held in the same rights on the same trusts and subject to the same powers provisions charges and liabilities as those on or subject to which the existing shares in respect of which the new shares are issued were held immediately before the commencement of this Act and so as to give effect to and not to revoke any deed will or other instrument or testamentary or other disposition disposing of or affecting such existing shares and every such deed will or other instrument or testamentary or other disposition shall take effect with reference to the whole or a proportionate part as the case may be of the existing shares and the new shares issued in respect thereof. Rights in respect of new shares.

10. The directors shall cause to be made such alterations in the register and other books and documents of the Company as may be required to bring the same into accord with the provisions of this Act. Directors to alter register and books.

11. Nothing in this Act contained shall—

- (1) Derogate from or abridge any powers of the Company under the Companies (Consolidation) Act 1908 or under its regulations to increase its capital and issue new shares ranking in priority to or *pari passu* with or subsequently to any class of shares in its capital as hereby constituted or authorised or to reduce its capital or to consolidate or divide its shares or to convert shares in its capital into stock or to re-convert stock into shares; nor Saving powers of Company.

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Saving of
rights of
alteration
conferred by
Companies
Act.

(2) Prevent the Company from modifying or altering its memorandum or articles of association as hereby varied in accordance with the provisions of the Companies (Consolidation) Act 1908.

Saving for
memoran-
dum and
articles of
association of
Company.

12. Save as in this Act expressly provided nothing in this Act contained shall prejudice alter or affect the memorandum or articles of association nor be deemed to invalidate any act done or proceedings pending by or against the Company before or at the passing of this Act.

Act to be
embodied in
memoran-
dum and
articles of
association.

13. Every copy of the memorandum and articles of association issued by the Company after the passing of this Act and before the Company shall have made new articles in pursuance of the powers conferred by the Companies (Consolidation) Act 1908 shall contain the alterations made by this Act or have a printed copy of this Act annexed thereto and shall also have notice of this Act written or printed thereon.

Copy of
Act to be
registered.

14. 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 or 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 (Consolidation) Act 1908 on registration of any document other than a memorandum of association or the abstract required to be filed with the registrar by a receiver or manager or the statement required to be sent to the registrar by the liquidator in a winding-up in England.

Duty to be
paid on in-
crease of
capital.

15. The statement of the amount of increase of registered capital effected by this Act which is required by section 112 of the Stamp Act 1891 to be delivered to the Registrar of Joint Stock Companies namely from six hundred thousand pounds to one million two hundred thousand pounds shall be delivered duly stamped with the duty charged thereon within three

months after the passing of this Act and in default of such A.D. 1914.
delivery the duty with interest thereon at the rate of five per
centum per annum from the passing of this Act shall be a
debt to His Majesty recoverable from the Company.

16. The costs charges and expenses preliminary to and of Costs of Act.
and incidental to the preparing obtaining and passing of this
Act shall be paid by the Company.

A.D. 1914.

The SCHEDULE referred to in Section 4.

CONTAINING THE EXTENDED OBJECTS OF THE COMPANY.

3.—(1) To carry on the business of colliery owners coal masters iron masters coke manufacturers miners smelters engineers steel converters and manufacturers iron founders tin plate makers makers of and dealers in motor cars and motor requisites metallurgists gas makers manufacturing chemists brick tile and pipe makers patent fuel makers lime burners cement makers ship owners and bankers or any of them and to buy sell and deal in all articles and things which the Company is empowered to manufacture or produce and to carry on the businesses of farmers carriers and merchants or any other businesses which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.

(2) To construct carry out maintain improve manage work control and superintend any roads ways tramways railways or sidings bridges reservoirs watercourses wharves hydraulic works electric works gas works furnaces coke-ovens bye-product manufactories forges warehouses plant engines machinery mills waggons and rolling stock and dwelling houses for the working classes and other dwelling houses offices buildings places of worship places of amusement or recreation reading rooms stores schools savings banks drill halls clubs baths and other works and conveniences which may seem directly or indirectly conducive to any of the Company's objects and to contribute to subsidise or otherwise assist or take part in any such operations.

(3) To make build repair purchase take hire acquire let out exchange sell trade in and deal with coal iron and steel plant fittings machinery locomotive and other engines waggons trucks trolleys rolling stock automobiles aeroplanes motors vehicles ships steam vessels and boats tools and stock in trade.

(4) To purchase acquire and undertake all or any part of the business property and liabilities of any person firm association or company carrying on any business which the Company is authorised to carry on or possessed of any property suitable for any of the purposes of the Company and as a consideration for the same to pay cash or to issue any shares stocks or obligations of the Company and to carry on or liquidate and wind up any such business.

(5) To enter into partnership or into any arrangement for sharing profits union of interest co-operation joint adventure reciprocal concessions or otherwise with any person company firm or association carrying on or engaged in any business or transaction which the Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company and to take or otherwise acquire and hold shares or stock in or securities of and to subsidise or otherwise assist any such company or association and to sell hold or re-issue with or without guarantee or otherwise deal with such shares stock or securities. A.D. 1914.

(6) To aid in the establishment and support of associations institutions and conveniences calculated to benefit persons employed by the Company or having dealings with the Company.

(7) To purchase take on lease or in exchange hire or otherwise acquire for the purposes of the Company any real or personal property rights or privileges and in particular any land buildings easements machinery plant and stock in trade and to erect construct alter improve adapt and maintain buildings works machinery and conveniences of all kinds.

(8) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) that may seem conducive to the Company's objects or any of them and to obtain from any such government or authority any rights privileges and concessions which the Company may think it desirable to obtain and to carry out exercise and comply with any such arrangements rights privileges and concessions.

(9) To apply for take out purchase or otherwise acquire any patents licences copyrights and the like for an exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to issue exercise develop grant licences in respect of or otherwise turn to account the rights and information so acquired.

(10) To purchase subscribe for or otherwise acquire and to hold or sell the shares stocks or obligations of any company corporation or association in the United Kingdom or elsewhere and to issue or guarantee the issue of or the payment of interest on the shares stocks debentures debenture stocks or other securities or obligations of any such company corporation or association and to pay or provide for brokerage commission and underwriting in respect of any such issue and to guarantee the performance of any contract or obligation of any such company corporation or association.

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(11) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stock perpetual or otherwise charged upon all or any of the Company's property both present and future including its uncalled capital and to purchase redeem and pay off any such securities and to enter into any arrangement which may be deemed desirable for the payment off and to pay any premium in connection with such redemption.

(12) To promote any company or companies for the purpose of acquiring or undertaking all or any part of the undertaking property rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.

(13) To invest and deal with the moneys of the Company not immediately required in such manner otherwise than in the shares of the Company as may from time to time be determined.

(14) To lend or advance money to such persons on such terms as may be arranged and in particular to members of or customers of and persons having dealings with the Company and to guarantee the performance of contracts by members of or persons having dealings with the Company and to discount bills.

(15) To remunerate any person firm association or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or debentures or other securities of the Company or in or about the conduct of its business.

(16) To provide for the welfare of persons in the employment of the Company or formerly engaged in any business acquired by the Company and the wives widows families and dependents of such persons by grants of money pensions or other payments and by providing or subscribing towards places of instruction and recreation and hospitals dispensaries medical and other attendance and other assistance as the Company shall think fit and to form subscribe to or otherwise aid the benevolent religious scientific national or other institutions or objects which shall have any moral or other claims to support or aid by the Company by reason of the locality of its operations or otherwise.

(17) To draw make accept endorse discount execute issue and negotiate promissory notes bills of exchange bills of lading warrants debentures and other negotiable or transferable instruments.

(18) To obtain any Provisional Order or Act of Parliament for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any

other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests. A.D. 1914.

(19) To register the Company or constitute or incorporate it as an anonymous or other society and to procure it to be recognised in any foreign country or place.

(20) To establish and maintain agencies in Great Britain and elsewhere and to regulate and discontinue the same.

(21) To sell manage and develop lease mortgage dispose of or turn to account or otherwise deal with all or any part of the property and rights of the Company.

(22) To advance and lend money upon such security as may be thought proper with or without taking any security therefor.

(23) To distribute in specie or otherwise as may be resolved any assets of the Company amongst its members and particularly the shares debentures or other securities of any other company formed to take over the whole or any part of the assets or liabilities of the Company.

(24) To carry on any other business of a similar nature or any business which may in the opinion of the directors be conveniently carried on by the Company.

(25) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them and so that the word "Company" in this clause shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere.

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