



CHAPTER cxcviii.

An Act for making better provision for settlement of differences between the Coast Section and the Inland Section of the Cambrian Railways Company; and for other purposes. A.D. 1875.
[11th August 1875.]

WHEREAS by the Aberystwith and Welsh Coast Railway Act, 1861, the Aberystwith and Welsh Coast Railway Company was incorporated: 24 & 25 Vict.
c. clxxxii.

And whereas by the Cambrian Railways Act, 1864, the Cambrian Railways Company was formed by the amalgamation of the Oswestry and Newtown, the Llanidloes and Newtown, the Newtown and Machynlleth, and the Oswestry, Ellesmere, and Whitechurch Railway Companies: 27 & 28 Vict.
c. cclxii.

And whereas by the Cambrian and Coast Railways (Amalgamation) Act, 1865, the Aberystwith and Welsh Coast Railway Company was dissolved, and the undertaking of that Company (therein and in this Act called the coast railways) was amalgamated with the undertaking of the Cambrian Railways Company, and the share capital of the dissolved Company was made part of the general capital of the Cambrian Railways Company, but was directed (subject to the provisions of that Act) to be kept separate from the rest of the capital of the Cambrian Railways Company, and that separate capital was therein referred to as coast stock: 28 & 29 Vict.
c. ccxci.

And whereas in 1868 an Act for fusing all the revenues of the Cambrian Railways Company and settling the application thereof was passed, with the short title of the Cambrian Railways Act, 1868:

And whereas the undertaking of the Cambrian Railways Company not included in the coast railways is in the Cambrian Railways Act, 1868, and in this Act referred to as the inland railways:

And whereas in the Cambrian Railways Act, 1868, and in this Act the expression the coast section means the proprietors of shares and stock in the capital described in the Cambrian and Coast Railways (Amalgamation) Act, 1865, as the coast stock, and the expression the inland section means the proprietors of shares and stock in the capital of the Company not included in the coast stock:

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And whereas the Cambrian Railways Act, 1868, enacts (among other things) to the following effect; (that is to say,)

That as from the first day of July 1868 the receipts on revenue account from all the undertakings of the Cambrian Railways Company shall form one common fund, and the cost of working and maintaining those undertakings and all outgoings of the Cambrian Railways Company chargeable to revenue, except as therein excepted, shall be paid out of the common fund, and the net surplus of that fund shall, subject to the provisions of that Act, be divided between the coast and inland railways in proportions to be determined under that Act:

That as for the period between the first day of July 1868 and the thirty-first day of December 1878 that division shall be provisional only, and that period is in that Act and in this Act referred to as the provisional period:

That separate accounts shall be kept of the receipts and payments in respect of the coast and inland railways:

That during the provisional period there shall be ten directors of the Cambrian Railways Company, of whom four shall be elected or appointed by or on behalf of the coast section and deemed coast directors, and four by or on behalf of the inland section and deemed inland directors:

That it shall be the duty of the board (among other things) to work the traffic on the coast railways at all times in such manner as will fully develop it, with a view to the Cambrian Railways Company obtaining the largest possible amount of present and prospective net earnings therefrom:

That the proportions of the net surplus of the common fund belonging to the coast and inland railways respectively on the principle of division laid down by that Act shall be from time to time ascertained by arbitration under that Act:

And for that purpose provision is thereby made for the appointment from time to time of one arbitrator by the coast section, and another by the inland section, and of an umpire by the arbitrators or by the Board of Trade, and for regulating the proceedings in the arbitration, and the making of an award by the arbitrators or umpire:

And whereas the Cambrian Railways Act, 1868, further enacts (among other things) that each of the two sections shall have the option of claiming a revision of the award any number of times not exceeding three within the provisional period, in the manner and subject to the restrictions therein provided, and provides for the termination of the provisional period as soon as the coast section have three times claimed and had a revision, and enacts that after

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the termination of the provisional period the division of the net surplus of the common fund shall continue for ever as determined by arbitration as aforesaid :

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And whereas the Cambrian Railways Act, 1868, further enacts (among other things) to the effect that the Cambrian Railways Company, or any mortgagee, creditor, or shareholder of the Cambrian Railways Company, or person claiming to be such, may at any time apply as therein mentioned to the Court of Chancery touching the validity, amount, or priority of his mortgage or other debt, share, charge, lien, or claim, and empowers the Court of Chancery for any purpose connected with any such application to adjust all matters and questions brought before it under the authority of that Act between the various sections and capitals of the Cambrian Railways Company, and between the Cambrian Railways Company, its mortgagees or other creditors or shareholders, or any of them, and to determine all other matters brought before it under the authority of that Act :

And whereas the arbitrators and umpire provided by the Act of 1868 were duly appointed in manner therein mentioned, and the arbitrators made their first award dated the fifth day of November one thousand eight hundred and sixty-nine, which is in this Act referred to as the award of 1869, and thereby fixed provisionally the proportions in which the net surplus of the common fund was to be divided between the two sections, as follows; videlicet, to the inland section 65·43 per centum, and to the coast section 34·57 per centum : And whereas after the publication of the Company's accounts for the half year ending thirty-first December one thousand eight hundred and seventy-three the coast section claimed a revision of the award of 1869, and arbitration is now pending in consequence of such claim : And whereas differences have from time to time arisen between the two sections and between the directors thereof respectively, and it has been agreed, for settlement of such differences and of differences which may hereafter arise, that the provisional period shall be determined and the per-centages for division of the net surplus of the common fund between the respective sections shall be finally fixed, and that the arbitrators and umpire shall in future act jointly in all proceedings under arbitration, and shall have the powers conferred upon them by this Act :

And whereas the objects aforesaid 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 Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal,

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A.D. 1875. and Commons, in this present Parliament assembled, and by the authority of the same, as follows; (that is to say,)

Short title. 1. This Act may be cited as *The Cambrian Railways Act, 1875.*

Interpretation of terms. 2. In this Act the following expressions shall have the meanings hereby assigned to them, unless there be something in the subject or context repugnant to such construction; that is to say, the expression "the Company" shall mean the "Cambrian Railways Company," the expression "the Act of 1868" shall mean "The Cambrian Railways Act, 1868."

Act of 1868 and this to read as one. 3. The Act of 1868 as amended by this Act and this Act shall be read and construed together as one Act.

Provisional period determined. 4. Notwithstanding anything contained in the Act of 1868 to the contrary, the provisional period shall be deemed to have terminated on the thirtieth day of June one thousand eight hundred and seventy-five, but nevertheless the provisions of the Act of 1868 with respect to directors during the provisional period shall continue in force to the thirty-first day of December one thousand eight hundred and seventy-eight.

Pending arbitration determined. 5. The arbitration pending at the time of the passing of this Act for the revision of the award of 1869 is hereby determined, and all proceedings under such arbitration shall be stayed, and the costs thereof up to the time of the passing of this Act, as well as the costs of the arbitration under this Act for the final award, and of the respective sections in relation thereto, shall be paid by the Company in such proportions as between the sections and out of such funds as the three arbitrators may by their final award determine, and the costs of or in relation to any other arbitrations shall be in the discretion of the three arbitrators.

Arbitrators and umpire to act jointly. 6. The arbitrators and umpire appointed under the Act of 1868 shall be the arbitrators for the purposes of the said Act and of this Act, and are in this Act referred to as the three arbitrators, and the three arbitrators shall sit together as joint arbitrators with the powers conferred upon the arbitrators by the Act of 1868, and the decision upon any matter of any two of them shall be deemed the decision of the three arbitrators, and the award of any two of them shall be deemed the award of the three arbitrators.

As to filling up vacancies. 7. Whenever a vacancy occurs in the office of arbitrator it shall be filled up as follows: The vacancy if occasioned by the death, retirement, or otherwise ceasing to act of an arbitrator appointed by either section shall be filled up in manner provided by the Act of 1868, and if occasioned by the death, retirement, or otherwise ceasing to act of the person originally appointed as umpire, or of

any successor to him, shall be filled up by a person to be appointed by the two other arbitrators for the time being, or if they cannot agree by a person to be appointed by the Board of Trade.

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8. The three arbitrators shall commence and proceed with all practicable despatch with the arbitration for determining, on the principle of division laid down in the Act of 1868, the proportions in which the two sections are to divide the net surplus of the common fund from and after the determination of the provisional period, and shall make their final award, fixing such proportions, with as little delay as possible; and if by such award the coast section shall be entitled to a higher per-centage than their per-centage under the award of one thousand eight hundred and sixty-nine, they shall be entitled to one half of the difference between the two per-centages for each of the three half years immediately preceding the determination of the provisional period; but if by such award the coast section shall be entitled to a lower per-centage than their per-centage under the award of one thousand eight hundred and sixty-nine, the inland section shall be entitled to the difference between the two per-centages for each of the said three half years, and if necessary the accounts for the said three half years shall be amended accordingly.

Arbitrators to make final award and provision with respect to increase or decrease of coast per-centage.

9. Subject to the provisions of this Act, any question in dispute or other matter which might under the Act of 1868 be brought before the Court of Chancery, whether the same exists or arises at or after the passing of this Act, shall be referred to the three arbitrators for their decision.

Reference to arbitrators of matters which might have been referred to Court of Chancery under Act of 1868.

10. Subject to the provisions of this Act, any question in dispute or matter in difference between the coast section and the inland section, or the coast directors and the other directors of the Company, whether arising under or out of the Cambrian and Coast Railways (Amalgamation) Act, 1865, or the Act of 1868, or any other Act or Acts relating to the Company, or to any of the several companies amalgamated with or composing the Company, or under or out of the Company's schemes of arrangement of 1870 and 1872, or otherwise, and whether relating to the working or management of the Company's undertaking, or the arrangement or stating or settlement of accounts, or to any other matter, and whether the same exists or arises at or after the passing of this Act, shall be referred to the three arbitrators for their decision.

General reference of disputes between sections.

11. A reference to the three arbitrators under the three last preceding sections of this Act shall not be made after the arbitrators shall have made and published their final award, unless they shall by their final award extend the time for doing so to a period not

As to references to the three arbitrators after the final award

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A.D. 1875. — exceeding the 31st day of December 1878, and the powers of the arbitrators shall only be exercised at the instance of the coast directors, or two of them, or of the inland directors, or two of them; but such reference, if any, shall not alter nor modify the proportions for division of the net surplus of the common fund between the two sections as fixed by the final award, nor alter nor modify the Order of Vice-Chancellor James of the 7th day of May 1870, nor the schemes of 1870 and 1872 as sanctioned by the Court of Chancery.

Saving rights of parties under section 38 of the Act of 1868.

12. The provisions contained in the three last preceding sections shall be subject and without prejudice to the rights of any parties under section 38 of the Act of 1868.

As to future capital.

13. Whereas the net intrinsic value or merits present and prospective for the time being of the coast railways and inland railways respectively under the Act of 1868 (subject to the modifications in that Act provided for) will be dealt with by the three arbitrators under their final award: Be it enacted, that from and after the first day of July one thousand eight hundred and seventy-five all new or additional capital created or raised for any of the purposes of the Company shall be treated as and deemed to be a liability of the Company as a whole, irrespective of sections; and as between the two sections, the interest or dividend on any such new or additional capital shall be divided or apportioned between the inland and coast funds in the proportions of the per-centages fixed by the final award for the division of the net surplus of the common fund.

Expenses of Act.

14. The costs, charges, and expenses preliminary to and of and incidental to the preparing of and applying for and the obtaining and passing of this Act shall be paid by the Company in such proportions as between the sections and out of such funds as the three arbitrators may by their final award determine.