



CHAPTER cxvi.

An Act to incorporate a Company and to authorise the transfer to them of the southern section undertaking of the Midland and South-western Junction Railway Company and for other purposes. A.D. 1886.
[25th June 1886.]

WHEREAS by the Swindon Marlborough and Andover Railway Act 1882 the following railways were authorised to be constructed that is to say:—

A Railway (No. 1) 12 miles 4 furlongs 9·50 chains in length commencing in the parish of Eling by a junction with the Southampton and Dorchester Branch of the London and South-western Railway and terminating on the foreshore at or near the bridge carrying the private road leading from Lepe to Eaglehurst over the sluice or stream at Stone Point in the parish of Fawley:

A Railway (No. 2) 1 furlong 1 chain in length commencing in the parish of Millbrook by a junction with the Andover Romsey and Redbridge Branch of the London and South-western Railway and terminating in the parish of Eling by a junction with the Southampton and Dorchester Branch of the London and South-western Railway:

And whereas by the Swindon Marlborough and Andover Railway Act 1883 the following pier was authorised to be constructed that is to say:—

A pier or jetty wholly situate within the parish of Fawley and on the bed banks and shore of the Solent commencing at the termination of Railway No. 1 authorised by the Act of 1882 thence proceeding in a south-easterly direction for a distance of 470 yards or thereabouts and terminating in the Solent at that distance from the point of commencement:

And whereas the said railways and pier were by the said Acts formed into a separate undertaking called the southern section and provisions were made for the management thereof:

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And whereas no capital has been raised for the purposes of the said southern section undertaking none of the works have been constructed and no land has been purchased for the purposes thereof :

And whereas the several persons herein-after named with others are willing at their own expense to carry the said southern section undertaking into execution on being incorporated into a Company for the purpose :

And whereas it is expedient that the said Company should be incorporated and that the said southern section undertaking should subject to the provisions of this Act be transferred to the said Company :

And whereas it is expedient that the provisions contained in the said Acts of 1882 and 1883 with reference to the said southern section should extend and apply to the Company :

And whereas it is expedient that the powers limited by the said Acts for the compulsory purchase of lands and completion of the railways pier and works thereby authorised should be extended as herein-after provided :

And whereas it is expedient that the arrangements and agreements with the Midland and South-western Junction Railway Company herein-after contained should be authorised :

And whereas it is expedient that the Company should be authorised to erect or to purchase or lease an hotel near the said intended pier or to subscribe towards the erection of such hotel :

And whereas it is expedient that the said Acts of 1882 and 1883 should be in some respects amended and repealed :

And whereas the purposes of this Act cannot be effected 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 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 South Hampshire Railway and Pier Act 1886.

Incorporation of general Acts.

2. The Companies Clauses Consolidation Act 1845 Part I. (relating to cancellation and surrender of shares) and Part III. (relating to debenture stock) of the Companies Clauses Act 1863 and Part II. (relating to extension of time) of the Railways Clauses Act 1863 are except where expressly varied by this Act incorporated with and form part of this Act.

3. In this Act the following terms and expressions have the several meanings hereby assigned to them unless there be something in the subject or context repugnant to such construction:—

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—
Interpreta-
tion.

“The Act of 1882” means the Swindon Marlborough and Andover Railway Act 1882.

“The Act of 1883” means the Swindon Marlborough and Andover Railway Act 1883.

“The existing company” means the Midland and South-western Junction Railway Company formed by the amalgamation of the Swindon Marlborough and Andover Railway Company and the Swindon and Cheltenham Extension Railway Company.

“The southern section” or “the southern section undertaking” means the southern section undertaking authorised by the Acts of 1882 and 1883.

“The Company” means the Company incorporated by this Act.

“Person” includes “corporation.”

4. George Dirs Mertens Arthur Stanley Felton Theodore George Schomburg and all other persons and corporations who have already subscribed to or shall hereafter become proprietors in the southern section undertaking and their executors administrators successors and assigns respectively shall be and are hereby united into a Company for the purpose of the purchase construction and maintenance of the southern section undertaking and for other the purposes of this Act and for those purposes shall be and are hereby incorporated by the name of “The South Hampshire Railway and Pier Company” and by that name shall be a body corporate with perpetual succession and a common seal and with power to purchase take hold and dispose of lands and other property for the purposes of this Act.

Company
incorporated.

5. The capital of the Company shall be two hundred and fifty thousand pounds in twenty-five thousand shares of ten pounds each.

Capital.

6. The Company shall not issue any share created under the authority of this Act nor shall any such share vest in the person or corporation accepting the same unless and until a sum not being less than one fifth of the amount of such share is paid in respect thereof.

Shares not
to issue
until one
fifth paid up.

7. One fifth of the amount of a share shall be the greatest amount of a call and three months at least shall be the interval between successive calls and four fifths of the amount of a share shall be the utmost aggregate amount of the calls made in any year upon any share.

Calls.

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Receipt
clause in
case of
persons not
sui juris.

Power to
borrow.

8. If any money is payable to a shareholder being a minor idiot or lunatic the receipt of the guardian or committee of his estate shall be a sufficient discharge to the Company.

9. The Company may from time to time borrow on mortgage of the southern section undertaking any sum not exceeding in the whole eighty thousand pounds but no part thereof shall be borrowed until the whole capital of two hundred and fifty thousand pounds is issued and accepted and one half thereof is paid up and the Company have proved to the justice who is to certify under the 40th section of the Companies Clauses Consolidation Act 1845 before he so certifies that the whole of such capital has been issued and accepted and that one half thereof has been paid up and that not less than one fifth part of the amount of each separate share in such capital has been paid on account thereof before or at the time of the issue or acceptance thereof and that such capital was issued bonâ fide and is held by the persons or corporations to whom the same was issued or their executors administrators successors or assigns and that such persons or corporations their executors administrators successors or assigns are legally liable for the same and upon production to such justice of the books of the Company and of such other evidence as he shall think sufficient he shall grant a certificate that the proof aforesaid has been given which shall be sufficient evidence thereof.

For appoint-
ment of a
receiver.

10. The mortgagees of the undertaking may enforce payment of arrears of interest or principal or principal and interest due on their mortgages by the appointment of a receiver. In order to authorise the appointment of a receiver in respect of arrears of principal the amount owing to the mortgagees by whom the application for a receiver is made shall not be less than eight thousand pounds in the whole.

Debenture
stock.

11. The Company may create and issue debenture stock subject to the provisions of Part III. of the Companies Clauses Act 1863 but notwithstanding anything therein contained the interest of all debenture stock and of all mortgages at any time created and issued or granted by the Company under this or any subsequent Act shall subject to the provisions of any subsequent Act rank *pari passu* (without respect to the dates of the securities or of the Acts of Parliament or resolutions by which the stock and mortgages were authorised) and shall have priority over all principal moneys secured by such mortgages.

Application
of moneys.

12. All moneys raised under this Act whether by shares debenture stock or borrowing shall be applied only for the purposes of this Act to which capital is properly applicable.

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13. The first ordinary meeting of the Company shall be held within three months after the passing of this Act and the quorum for general meetings whether ordinary or extraordinary shall be seven shareholders holding together not less than ten thousand pounds in the capital of the Company.

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First ordinary meeting and quorum.

14. The number of directors shall be five but the Company may from time to time reduce the number provided that the number be not less than three.

Number of directors.

15. The qualification of a director shall be the possession in his own right of not less than fifty shares.

Qualification of directors.

16. The quorum of a meeting of directors shall be three and when the number is reduced to three the quorum shall be two.

Quorum.

17. George Dirs Mertens Arthur Stanley Felton Theodore George Schomburg and two persons to be nominated by them or the majority of them and consenting to such nomination shall be the first directors of the Company and shall continue in office until the first ordinary meeting held after the passing of this Act. At that meeting the shareholders present in person or by proxy may either continue in office the directors appointed by this Act or nominated as aforesaid or any of them or may elect a new body of directors or directors to supply the place of those not continued in office the directors appointed by this Act or nominated as aforesaid being if qualified eligible for re-election and at the first ordinary meeting to be held in every year after the first ordinary meeting the shareholders present in person or by proxy shall (subject to the power herein-before contained for reducing the number of directors) elect persons to supply the places of the directors then retiring from office agreeably to the provisions of the Companies Clauses Consolidation Act 1845 and the several persons elected at any such meeting being neither removed nor disqualified nor having died or resigned shall continue to be directors until others are elected in their stead in manner provided by the same Act.

First directors.

18. The existing company shall sell and transfer and the Company shall purchase the southern section undertaking of the existing company on such terms and conditions and at such date as may be mutually agreed on and which date is herein-after called the date of transfer :

Powers to companies to agree for transfer of southern section undertaking.

And within three months of such date of transfer the Company shall produce to the Commissioners of Inland Revenue a deed of conveyance duly stamped in respect of the consideration for the said transfer: And if the Company shall not within the said period produce such deed as aforesaid the ad valorem stamp duty with

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A condition for transfer of southern section undertaking.

19. A condition for the transfer of the southern section undertaking to the Company shall be the payment by the Company to the existing company within twelve months from the passing of this Act and before the Company proceed to exercise any of the compulsory powers of the Acts of 1882 and 1883 and of this Act of the sum of five thousand five hundred pounds. That sum shall be and be deemed to be assets of the southern section undertaking and shall be applied by the existing company towards satisfaction and discharge of the debts owing by the existing company in relation to the southern section undertaking and subject to such satisfaction and discharge to any purposes of the existing company to which capital is properly applicable but the Company shall not be bound to see to nor be responsible for the application thereof.

Further provisions in relation to transfer to Company of southern section undertaking.

20. As from the date of transfer all the powers rights privileges and authorities granted to the existing company by the Acts of 1882 and 1883 respectively for the taking of lands and the execution of works the levying and recovery of tolls rates and charges and all other necessary powers and all powers incident thereto shall by virtue of this Act be transferred to and vested in the Company and as from that date the Company may and shall exercise all the powers conferred on the existing company for the said purposes.

Southern section undertaking to become after such transfer the undertaking of the Company.

21. Subject to the provisions of this Act all the provisions of the Acts of 1882 and 1883 relating to the southern section undertaking shall (so far as applicable) have effect as if the Company had been named throughout the same Acts instead of the existing company and the southern section undertaking authorised by those Acts shall be executed worked and managed by the Company.

Affairs of existing company in relation to southern section undertaking to be wound up.

22. Subject to the provisions of this Act on such transfer as aforesaid the affairs of the existing company so far as they relate to the southern section undertaking shall be wound up and the directors of the existing company shall have full powers for that purpose.

Provisions as to deposit fund.

23. The Company shall within such time as may be agreed on after the passing of this Act pay a sum of money equal in amount to the sum deposited with the Chancery Division of the High Court of Justice in England with reference to the Act of 1882 relating to the railways of the southern section (herein-after called "the deposit fund") to the persons who deposited that sum and thereupon the deposit fund shall be deemed to have been deposited by the Company

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and shall be subject in all respects to the provisions of the Act of 1882 as amended by this Act. A.D. 1886.

24. The Company may at any time after the completion of the southern section undertaking build maintain and manage or purchase or lease an hotel near the said pier or they may subscribe any sum not exceeding fifty thousand pounds towards the erection and furnishing of such an hotel and may take and hold shares in the capital of any company which has been or may be formed for the purpose of the erection and establishment of such hotel. Power to erect hotel at Fawley.

25. The powers granted to the Swindon Marlborough and Andover Railway Company by the Act of 1882 for the compulsory purchase of lands for the purposes of the railways and works thereby authorised are hereby revived extended and enlarged and shall continue in force until the expiration of two years from the tenth day of August one thousand eight hundred and eighty-six. Extension of time for compulsory purchase of lands under Act of 1882.

26. The time limited by the Act of 1882 for the completion of the railways thereby authorised shall be and the same is hereby extended and enlarged and shall continue in force until the expiration of three years from the tenth day of August one thousand eight hundred and eighty-seven and that period shall for all purposes be deemed to be the period originally limited by the Act of 1882 for the completion of the railways. Extension of time for completion of works authorised by Act of 1882.

27. The powers granted to the Swindon Marlborough and Andover Railway Company by the Act of 1883 for the compulsory purchase of lands for the purposes of the pier and works thereby authorised are hereby extended and enlarged and shall continue in force until the expiration of one year from the sixteenth day of July one thousand eight hundred and eighty-six. Extension of time for compulsory purchase of lands under Act of 1883.

28. The time limited by the Act of 1883 for the completion of the pier and works thereby authorised shall be and the same is hereby extended and enlarged and shall continue in force until the expiration of three years from the sixteenth day of July one thousand eight hundred and eighty-eight and that period shall for all purposes be deemed to be the period originally limited by the Act of 1883 for the completion of the pier and works. Extension of time for completion of pier authorised by Act of 1883.

29. The Company shall not under the extended powers by this Act granted without the consent of the Local Government Board purchase or acquire in any city borough or other urban sanitary district or any parish or part of a parish not being within an urban sanitary district ten or more houses which after the passing of this Act have been or on the fifteenth day of December last were occupied Restriction as to houses of labouring classes.

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either wholly or partially by persons belonging to the labouring class as tenants or lodgers.

Defining labouring class.

For the purposes of this section the expression "labouring class" includes mechanics artizans labourers and others working for wages hawkers costermongers persons not working for wages but working at some trade or handicraft without employing others except members of their own family and persons other than domestic servants whose income does not exceed an average of thirty shillings a week and the families of any such persons who may be residing with them.

Limitation of period for completion of works.

30. If the railway pier and works shall not be completed within the periods limited by this Act then on the expiration of such periods the powers by the Acts of 1882 and 1883 and by this Act granted to the Company for making and completing the railway pier and works or otherwise in relation thereto shall cease to be exercised except as to so much thereof as is then completed.

Agreement set forth in schedule confirmed.

31. The terms of agreement set forth in the schedule to this Act are hereby confirmed and made binding on the parties thereto respectively: Provided that such terms shall be subject to revision in the manner provided by the Railways Clauses Act 1863 section 27 as amended by the Regulation of Railways Act 1873.

Tolls on traffic conveyed partly on the railways of the Company and partly on the railways of existing company.

32. During the continuance of such agreement the railways of the Company and of the existing company shall for the purposes of short distance tolls and charges be considered as one railway and in estimating the amount of tolls and charges in respect of traffic conveyed partly on the railways of the Company and partly on the railways of the existing company for a less distance than three miles tolls and charges may only be charged as for three miles and in respect of passengers for every mile or fraction of a mile beyond three miles tolls and charges as for one mile only and in respect of animals and goods for every quarter of a mile or fraction of a quarter of a mile beyond three miles tolls and charges as for a quarter of a mile only and no other short distance charge shall be made for the conveyance of passengers animals or goods partly on the railways of the Company and partly on the railways of the existing company.

Running powers in Act of 1882 not to be exercised by Company.

33. The provisions contained in sections 34 to 41 both inclusive of the Act of 1882 relating to running powers shall not apply to the Company.

Saving rights of

34. Except as herein expressly provided nothing in this Act contained shall extend to take away abridge repeal or in any way to

modify affect or diminish any rights powers or privileges belonging to or conferred on the existing company or the London and South-western Railway Company.

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other
companies.

35. Notwithstanding the payment to the verderers of the New Forest in pursuance of section 46 of the Swindon Marlborough and Andover Railway Act 1882 of any compensation in respect of the rights of the commoners of the New Forest upon or over any of the open lands of the New Forest required for the purposes of the said Act of 1882 such rights shall in the event of and immediately upon the expiration or sooner determination by re-entry under any power of re-entry that may be contained therein but not otherwise of any lease of the open lands required as aforesaid that may be granted by the Commissioners of Her Majesty's Woods Forests and Land Revenues or either of them in pursuance of section 45 of the said Act of 1882 revive and be capable of being again enjoyed and exercised upon and over such lands by the persons (if any) who may then be entitled to enjoy and exercise common rights upon or over the open lands of the New Forest.

For pro-
tection of
verderers of
the New
Forest.

36. Nothing contained in this Act or to be done under the authority thereof shall in any manner affect the title to any of the subjects or any rights powers or authorities mentioned in or reserved by sections twenty-one and twenty-two of the Crown Lands Act 1866 and belonging to or exerciseable on behalf of Her Majesty Her heirs or successors.

Saving
rights of
Crown under
Crown Lands
Act.

37. Notwithstanding anything contained in the Companies Clauses Consolidation Act 1845 the Company may out of any moneys by this Act authorised to be raised pay interest at such rate not exceeding four pounds per centum per annum as the directors may determine to the shareholders of the Company on the amount from time to time paid up on the shares held by them respectively from the respective times of such payments until the expiration of the time by this Act limited for the completion of the works by the Acts of 1882 and 1883 authorised or such less period as the directors may determine subject to the following conditions (that is to say):—

Power to
pay interest
out of
capital.

(a.) No such interest shall begin to accrue until the Company have obtained a certificate of the Board of Trade to the effect that two thirds of the share capital by this Act authorised in respect of which such interest may be paid have been actually issued and accepted and are held by the shareholders who or whose executors administrators successors or assigns are legally liable for the same:

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(b.) No such interest shall accrue in favour of any shareholder for any time during which any call on any of his shares is in arrear:

(c.) The aggregate amount to be so paid for interest shall not exceed ten thousand pounds:

(d.) Every prospectus advertisement or other document of the Company inviting subscriptions for shares and every certificate of shares shall contain a notice that the Company has power so to pay interest out of capital:

(e.) The half-yearly accounts of the Company shall show the amount of the capital on which and the rate at which such interest has been paid:

And except as aforesaid no interest or dividend shall be paid out of any share or loan capital which the Company have been or may be authorised to raise to any shareholder on the amount of the calls made in respect of the shares held by him but nothing in this Act shall prevent the Company from paying to any shareholder such interest on money advanced by him beyond the amount of the calls actually made as is in conformity with the Companies Clauses Consolidation Act 1845.

Deposit for future Bills not to be paid out of capital.

38. The Company shall not out of any money by this Act authorised to be raised pay or deposit any sum which by any standing order of either House of Parliament now or hereafter in force may be required to be deposited in respect of any application to Parliament for the purpose of obtaining an Act authorising the Company to construct any other railway or to execute any other work or undertaking.

Provision as to general Railway Acts.

39. Nothing in this Act contained shall exempt the Company or the railway from the provisions of any general Act relating to railways or the better or more impartial audit of the accounts of railway companies now in force or which may hereafter pass during this or any future session of Parliament or from any future revision or alteration under the authority of Parliament of the maximum rates of fares and charges or of the rates for small parcels.

Expenses of Act.

40. All costs charges and expenses of and incident to the preparing for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Company.

SCHEDULE referred to in the foregoing Act.

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ARTICLES OF AGREEMENT made the 17th day of June 1886 between George Dirs Mertens of Alpine Terrace Clapham Rise in the county of Surrey gentleman Arthur Stanley Felton of Kennington Park Road in the same county gentleman and Theodore George Schomburg of Arnold Road Lower Tooting in the same county gentleman (herein-after called the Promoters) on behalf of the Company to be incorporated by the Bill herein mentioned (herein-after called the Owing Company) of the one part and the Midland and South-western Junction Railway Company (herein-after called the Working Company) of the other part.

Whereas the Promoters are promoting a Bill in Parliament entitled "A Bill to incorporate a Company and to authorise the transfer to them of the southern section undertaking of the Midland and South-western Junction Railway Company and for other purposes."

And whereas the said southern section undertaking comprises the following works—namely A Railway (No. 1) 12 miles 4 furlongs 9·50 chains in length commencing in the parish of Eling by a junction with the Southampton and Dorchester Branch of the London and South-western Railway and terminating on the foreshore at or near the bridge carrying the private road leading from Lepe to Eaglehurst over the sluice or stream at Stone Point in the parish of Fawley. A Railway (No. 2) 1 furlong 1 chain in length commencing in the parish of Millbrook by a junction with the Andover Romsey and Redbridge Branch of the London and South-western Railway and terminating in the parish of Eling by a junction with the Southampton and Dorchester Branch of the London and South-western Railway which railways were authorised by the Swindon Marlborough and Andover Railway Act 1882 and a pier or jetty described in and authorised by the Swindon Marlborough and Andover Railway Act 1883.

And whereas the Working Company are willing to undertake to work the railways of the southern section undertaking when constructed according to the provisions of the Swindon Marlborough and Andover Railway Act 1882 and of this agreement.

Now it is hereby agreed between the parties hereto as follows:—

Article 1. The said railways—

- (a.) Shall be constructed on the gauge of 4 feet 8 inches and one half exclusively.
- (b.) Shall be at least proper and sufficient for receiving carrying and accommodating the working plant of the Working Company of all descriptions

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and all traffic upon or over the railway. No bridges or other structures shall be of timber.

- (c.) Shall be constructed as authorised by the Swindon Marlborough and Andover Railway Act 1882.
- (d.) Shall be constructed finished and completed as single lines of railway at least with land for double lines throughout and all over bridges shall be constructed as for a double line of way and with all proper lengths of double line for passing places at least at each station and with signals, signal boxes and all appliances and apparatus connected therewith required by the Board of Trade or reasonably by the Working Company with telegraph communication the electric block system and other incidental works and conveniences including proper and efficient intermediate stations but no station shall be placed on a steeper gradient than 1 in 300.
- (e.) Shall also include proper and sufficient junctions with existing lines and proper and sufficient stations station and gatehouses waiting sheds booking offices and waiting rooms with proper and sufficient fittings and furniture station yards and approaches station buildings with all usual necessary and proper accommodation goods sheds sidings turntables cranes water supply water tanks and cranes loading banks and other works and conveniences such as in all respects the Owing Company would have constructed if they had been about to work the railways themselves and shall be properly ballasted with good clean ballast for a thickness of not less than 21 inches and a width of not less than 12 feet and made with steel rails and properly creosoted sleepers and proper fastenings similar to those in use on the Working Company's own lines or such other permanent way as may be approved by the Working Company.
- (f.) Shall be completed by and at the expense of the Owing Company within the time limited by the pending Bill and in every respect so as to be fit and safe for traffic of all descriptions and to the satisfaction of the Board of Trade and to the reasonable satisfaction of the chief engineer for the time being of the Working Company.

Article 2. The said railways shall at the expense of the Owing Company comprise all works lawfully required by landowners commissioners boards turnpike and highway trustees surveyors and others under any statutory right or under any agreement and all works rendered necessary by reason of the roads being interfered with by the railways or either of them and all accommodation and other works whatever which on the opening of the railways or at any time thereafter are or may be necessary or proper for the purposes of the railways and the traffic thereon respectively including all additional station accommodation sidings or other works and conveniences which may be from time to time requisite for the proper accommodation and due development or the safe and convenient reception and accommodation and conveyance of traffic and also inclusive of the doubling of the railways or portions thereof when and as the same shall become proper and necessary and which the Owing Company would have had to construct if the line were worked by themselves.

Article 3. The Owing Company shall at their own expense during one year after the opening of the said railways for public traffic uphold maintain and repair the structural works and embankments of the same and the permanent

way and all other works and conveniences connected with the railways and all buildings and works and conveniences of the railways the workmen engaged in the maintenance to be approved by and be under the control of the Working Company. A.D. 1886.

Article 4. From and after the completion or opening of the said railways for public traffic the Working Company shall (subject to the restrictions mentioned in these articles and to any powers to other companies contained in the Act of 1882) have the sole and exclusive privilege and duty of working equipping with all rolling stock and locomotive power tools and stores adequate and proper or required by the Working Company manning managing and maintaining and shall at their own expense work equip as aforesaid man manage and (but subject and without prejudice to the obligation of the Owing Company as aforesaid in Article 3) maintain the railways and the works and conveniences thereof as effectively as if the railways were part of their own system of railways and the Working Company shall pay all rates properly chargeable on the occupiers of the railways (but not including the apportioned tithe commutation rentcharge which shall be paid by the Owing Company) and shall indemnify the Owing Company therefrom.

Article 5. From the opening of the said railways for public traffic and thenceforth during the continuance of this agreement there shall be formed a fund to be called the South Hampshire Railway Revenue Fund which shall from time to time be credited with the following sums:—

- (a.) The gross receipts in respect of all local traffic arising and terminating on the railways.
- (b.) The mileage proportion due to the said railways of the Working Company's receipts in respect of through traffic passing over the railways or any portion thereof.
- (c.) The usual terminal allowances on through traffic arising or terminating on the said railways.
- (d.) All other revenues of or belonging to the said railways from all other sources whatsoever including tolls paid by other companies.

Article 6. The South Hampshire Railway Revenue Fund shall be made up half yearly to the 30th day of June and the 30th day of December in each year and shall be divided between the Owing Company and the Working Company on the 15th day of August and the 15th day of February in each year in the proportions following viz.: 55 per cent. of the gross receipts to the Working Company and 45 per cent. to the Owing Company together with an amount equal to 10 per cent. of the revenue derived by the Working Company from the mileage receipts of the Working Company from all through traffic consigned to or booked from the Owing Company's lines or other lines in connexion therewith.

Article 7. Any question of difference arising between the Owing Company and the Working Company under this agreement shall be determined by arbitration according to the provisions of the Railway Companies Arbitration Act 1859.

Article 8. The Owing Company shall not at any time by themselves or their agents act as carriers upon the railways or any part thereof or in connexion

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A.D. 1886. therewith and shall abstain from doing or concurring in anything which might directly or indirectly interrupt or interfere with the management and working of the railways and the traffic thereon or in any way disturb the quiet enjoyment by the Working Company of any of the rights powers and privileges intended to be secured to them by this agreement.

Article 9. The Owing Company shall not without the consent of the Working Company in writing first had and obtained enter into any negotiations for a sale or lease of the railways or any portion thereof with any company other than the Working Company.

Article 10. This agreement shall if required by either party be scheduled to and confirmed by the pending Bill and as soon as such Bill shall have received the Royal Assent a part of this agreement executed under the common seal of the Owing Company shall be delivered to the Working Company.

Article 11. This agreement shall be subject to such alterations as Parliament may think fit to make but if any material alterations are made either party may withdraw from it.

In witness whereof the said Promoters on behalf of the Owing Company have hereto set their hands and seals and the Working Company have hereto affixed their common seal the day and year first above written.

Signed sealed and delivered by the
above-named GEORGE DIRS
MERTENS, ARTHUR STANLEY
FELTON and THEODORE
GEORGE SCHOMBURG in the
presence of

WM. JNO. STENT,
Clerk to Messrs. FOWLER & Co.,
2, Victoria Mansions, Westminster,
Solicitors.

GEORGE D. MERTENS.

L.S.

A. STANLEY FELTON.

L.S.

T. G. SCHOMBURG.

L.S.

A. F. RONALD DANIEL,
Secretary to the Midland and South-western
Junction Railway Company.

Seal of the
Midland and
South-western
Junction Railway
Company.