



## CHAPTER cxxxv.

An Act for authorising the Caledonian Railway Company to convert their Ordinary Stock into Preferred Converted Ordinary Stock and Deferred Converted Ordinary Stock and for other purposes. A.D. 1890.  
[25th July 1890.]

**W**HEREAS it is expedient that the Caledonian Railway Company (hereinafter called "the Company") should be authorised on the application of holders of their ordinary stock as hereinafter defined to convert the same into preferred converted ordinary stock and deferred converted ordinary stock in the manner with the privileges and subject to the provisions hereinafter prescribed :

And whereas that object 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 and Commons in this present Parliament assembled and by the authority of the same as follows :

1. This Act may be cited as the Caledonian Railway (Conversion of Stock) Act 1890. Short title of Act.

2. In this Act the expression "converted stocks" means the preferred converted ordinary stock and the deferred converted ordinary stock respectively authorised by this Act the expression "ordinary stock" means any ordinary stock of the Company already issued or which may be hereafter issued exclusive of the existing stocks known as deferred ordinary stock No. 1 and deferred ordinary stock No. 2 authorised by the scheme referred to in the Caledonian Railway (Additional Powers) Act 1875 and the Caledonian Railway (Additional Powers) Act 1876 and the expression "the Acts of 1875 and 1876" means the Caledonian Railway Interpretation.

[Ch. cxxxv.] *Caledonian Railway (Conversion of Stock) Act, 1890.* [53 & 54 VICT.]

A.D. 1890. — (Additional Powers) Act 1875 and the Caledonian Railway (Additional Powers) Act 1876.

Company  
may convert  
ordinary  
stock into  
preferred  
and deferred  
ordinary  
stock.

**3.** The Company upon application as hereinafter mentioned may and shall from time to time convert the portion of ordinary stock referred to in such application into preferred converted ordinary stock and deferred converted ordinary stock and create and issue such converted stocks subject to the provisions and with the incidents following (that is to say):—

- (1.) Any holder of ordinary stock may at any time by application in writing require the Company to convert the whole or any portion of such stock held by him into preferred converted ordinary stock and deferred converted ordinary stock and to issue to him an amount of preferred converted ordinary stock and of deferred converted ordinary stock each equal to the amount of ordinary stock so converted. Provided that the amount of stock to be so converted shall always be ten pounds or a multiple of ten pounds and that the directors may from time to time make rules with respect to the notice to be given of such application and the date on which such conversion shall take place;
- (2.) The certificates for any ordinary stock to be so converted shall before such conversion be delivered up to the Company and shall be cancelled by them and certificates for the preferred converted ordinary stock and deferred converted ordinary stock substituted therefor shall be issued in exchange by the Company;
- (3.) If in any case there is any portion of ordinary stock held by a stockholder and comprised in one certificate which he does not desire to be converted or which is incapable of conversion under the provisions of this Act the Company shall issue to him a certificate for the amount thereof as ordinary stock along with the certificates of the amount of converted stocks issued to him;
- (4.) The converted stocks shall together be entitled in each half-year to the same dividend as that to which the ordinary stock in substitution for which such converted stocks were issued would but for the conversion have been entitled and such dividend shall be apportioned between the converted stocks in the following manner in so far as the same is sufficient for that purpose (that is to say) First in payment of a dividend at the rate of three per centum per annum to the holders of preferred converted ordinary stock and secondly in payment



of any balance to the holders of deferred converted ordinary stock according to the amount of their respective holdings ; A.D. 1890.

- (5.) At all meetings of the Company preferred converted ordinary stock shall confer upon the holders thereof a right of voting as nearly as may be equal to three-fourths of the number of votes which are now or may be at the time attached to a corresponding amount of ordinary stock and deferred converted ordinary stock shall confer upon the holders thereof a right of voting as nearly as may be equal to one-fourth of the number of votes which are now or may be at the time attached to a corresponding amount of ordinary stock Provided that where the votes hereby conferred on any such holder shall not be an integral number any fraction exceeding one-half shall be reckoned as an entire vote and any fraction not exceeding one-half shall not be reckoned ;
- (6.) The terms and conditions on which any preferred converted ordinary stock or deferred converted ordinary stock is issued shall be stated on the certificate thereof ;
- (7.) The Company may make such charges in respect of the conversion of ordinary stock and the issue of certificates of preferred converted ordinary stock and deferred converted ordinary stock as will relieve them from expense and afford them a reasonable remuneration for the trouble incurred in connection therewith and such charges shall be payable by the holders of ordinary stock applying for such conversion ;
- (8.) The Company shall enter in their register of shareholders separate lists of the names of the holders of preferred converted ordinary stock and deferred converted ordinary stock ;
- (9.) Trustees executors administrators and all other holders in any representative or fiduciary capacity of ordinary stock of the Company are hereby expressly authorised to apply for accept and hold any stock issued in substitution therefor under the powers of this Act and are hereby indemnified for all acts bonâ fide done by them in pursuance of the provisions of this enactment ;
- (10.) Preferred converted ordinary stock and deferred converted ordinary stock shall respectively be held on the same trusts and subject to the same charges and liabilities as those on and subject to which the ordinary stock in substitution for which the same are issued was held immediately before the conversion and every deed or other instrument and every testamentary, or other disposition of or affecting such



[Ch. cxxxv.] *Caledonian Railway (Conversion of Stock) Act, 1890.* [53 & 54 VICT.]

A.D. 1890.

ordinary stock shall take effect with reference to the whole or a proportionate part as the case may be of the converted stock;

(11.) The provisions of the Companies Clauses Consolidation (Scotland) Act 1845 with respect to the transfer and transmission of shares shall apply mutatis mutandis to the converted stocks;

(12.) The qualification of a director in respect of a holding of converted stocks shall be the possession in his own right of not less than two thousand pounds in nominal amount of preferred converted ordinary stock and also of a like amount of deferred converted ordinary stock.

As to  
statements  
of account  
under  
Regulation  
of Railways  
Act 1868  
&c.

4. Notwithstanding the conversion under the powers of this Act of any ordinary stock the statements of accounts and returns to be made up in accordance with the provisions of the Regulation of Railways Act 1868 and of the Regulation of Railways Act 1871 shall continue to show the amount of ordinary stock authorised created and received as if no such conversion had taken place but the statement of capital account shall set forth in addition to the particulars required by the First Schedule to the Act first named the amounts of the preferred converted ordinary stock and deferred converted ordinary stock.

Borrowing  
powers of  
Company  
not to be  
increased.

5. Nothing in this Act shall increase the amount which under any Act or Acts the Company are authorised to borrow on mortgage or by debenture stock and for the purpose of any such Act or Acts the amount of capital in respect of which the borrowing powers of the Company may be exercised shall be taken to be the amount of which the capital of the Company would consist if no conversion under this Act took place.

Dividends to  
be declared  
on ordinary  
stock as if  
unconverted.

6. The Company shall notwithstanding the conversion under the powers of this Act of any ordinary stock continue to ascertain and declare their dividends on the amount of ordinary stock which would at the time have been entitled to dividend if no such conversion had taken place and the dividend so declared shall for all purposes including (A) the scheme referred to in the Acts of 1875 and 1876 and those Acts so far as relating to that scheme and (B) the Trust Investment Act 1889 be held to be the dividend upon the ordinary stock of the Company.

Saving  
rights of  
holders of  
deferred

7. Nothing in this Act contained shall prejudice affect or restrict the rights and interests of the holders of the said deferred ordinary stock No. 1 and deferred ordinary stock No. 2 all of which are

[53 & 54 VICT.] *Caledonian Railway (Conversion of Stock) Act, 1890.* [Ch. cxxxv.]

saved and reserved to the same extent and effect as if this Act had not been passed.

A.D. 1890.

—  
ordinary  
stocks  
Nos. 1 and 2.  
Provision as  
to general  
Railway Acts.

8. Nothing in this Act contained shall exempt the Company from the provisions of any general Act relating to railways or the better and 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.

9. 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.

Costs of Act.

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