



Railway Companies Act 1867

1867 CHAPTER 127

Arrangements

6 Preparation and filing of Scheme of Arrangement.

Where a Company are unable to meet their Engagements with their Creditors the Directors may prepare a Scheme of Arrangement between the Company and their Creditors (with or without Provisions for settling and defining any Rights of Shareholders of the Company as among themselves, and for raising, if necessary, additional Share and Loan Capital, or either of them), and may file the same in the Court of Chancery in *England* or in *Ireland*, according to the Situation of the principal Office of the Company, with a Declaration in Writing under the Common Seal of the Company to the Effect that the Company are unable to meet their Engagements with their Creditors, and with an Affidavit of the Truth of such Declaration made by the Chairman of the Board of Directors and by the other Directors, or the major' Part in Number of them, to the best of their respective Judgment and Belief.

7 Stay of Actions.

After the filing of the Scheme, the Court may, on the Application of the Company on Summons or Motion in a summary Way, restrain any Action against the Company on such Terms as the Court thinks fit.

8 Notice in Gazette.

Notice of the filing of the Scheme shall be published in the Gazette.

9 Stay of Executions, &c.

After such Publication, of Notice no Execution, Attachment, or other Process against the Property of the Company shall be available without Leave of the Court, to be obtained on Summons or Motion in a summary Way.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

10 Assent by Mortgagees, &c.

The Scheme shall be deemed to be assented to by the Holders of Mortgages or Bonds issued under the Authority of the Company's Special Acts when it is assented to in Writing by Three Fourths in Value of the Holders of such Mortgages or Bonds, and shall be deemed to be assented to by the Holders of Debenture Stock of the Company when it is assented to in Writing by Three Fourths in Value of the Holders of such Stock.

11 Assent by Holders of Rentcharge, &c.

Where any Rentcharge or other Payment is charged on Receipts of or is payable by the Company in consideration of the Purchase of the Undertaking of another Company, the Scheme shall be deemed to be assented to by the Holders of such Rentcharge or other Payment when it is assented to in Writing by Three Fourths in Value of such Holders.

12 Assent by Preference Shareholders.

The Scheme shall be deemed to be assented to by the Guaranteed or Preference Shareholders of the Company when it is assented to in Writing as follows :—If there is only One Class of Guaranteed or Preference Shareholders, then by Three Fourths in Value of that Class, and if there are more Classes of Guaranteed or Preference Shareholders than One, then by Three Fourths in Value of each such Class.

13 Assent by Ordinary Shareholders.

The Scheme shall be deemed to be assented to by the Ordinary Shareholders of the Company when it is assented to at an Extraordinary General Meeting of the Company specially called for that Purpose.

14 Assent by Leasing Company.

Where the Company are Lessees of a Railway the Scheme shall be deemed to be assented to by the Leasing Company when it is assented to as follows :

In Writing by Three Fourths in Value of the Holders of Mortgages, Bonds, and Debenture Stock of the Leasing Company :

If there is only One Class of Guaranteed or Preference Shareholders of the Leasing Company, then in Writing by Three Fourths in Value of that Class, and if there are more Classes of Guaranteed or Preference Shareholders in the Leasing Company than One, then in Writing by Three Fourths in Value of each such Class :

By the Ordinary Shareholders of the Leasing Company at an Extraordinary General Meeting of that Company specially called for that Purpose.

15 Assent of Creditors, &c. not affected, unnecessary.

Provided that the Assent to the Scheme of any Class of Holders of Mortgages, Bonds, or Debenture Stock, or of any Class of Holders of a Rentcharge or other Payment as aforesaid, or of any Class of Guaranteed or Preference Shareholders, or of a Leasing Company, shall not be requisite in case the Scheme does not prejudicially affect any Right or Interest of such Class or Company.

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16 Application for Confirmation of Scheme.

If at any Time within Three Months after the filing of the Scheme, or within such extended Time as the Court from Time to Time thinks fit to allow, the Directors of the Company consider the Scheme to be assented to as by this Act required, they may apply to the Court by Petition in a summary Way for Confirmation of the

Notice of any such Application, when intended, shall be published in the Gazette.

17 Confirmation of Scheme.

After hearing the Directors, and any Creditors, Shareholders, or other Parties whom the Court thinks entitled to be heard on the Application, the Court, if satisfied that the Scheme has been within Three Months after the filing of it, or such extended Time (if any) as the Court has allowed, assented to as required by this Act, and that no sufficient Objection to the Scheme has been established, may confirm the Scheme.

18 Enrolment and Effect of Scheme.

The Scheme when confirmed shall be enrolled in the Court, and thenceforth the same shall be binding and effectual to all Intents, and the Provisions thereof shall, against and in favour of the Company and all Parties assenting thereto or bound thereby, have the like Effect as if they had been enacted by Parliament.

19 Notice of Confirmation of Scheme.

Notice of the Confirmation and Enrolment of the Scheme shall be published in the Gazette.

20 Company to keep printed Copies of Scheme for Sale.

The Company shall at all Times keep at their principal Office printed Copies of the Scheme, when confirmed and enrolled, and shall sell such Copies to all Persons desiring to buy the same at a reasonable Price, not exceeding Sixpence for each

If the Company fail to comply with this Provision they shall be liable to a Penalty not exceeding Twenty Pounds, and to a further Penalty not exceeding Five Pounds for every Day during which such Failure continues after the First Penalty is incurred, which Penalties shall be recovered and applied as Penalties under The Railways Clauses Consolidation Act, 1845, are recoverable and applicable.

21 Provision for Cases where Railways or Part in Scotland.

Where a Company whose principal Office is situate in *England* have a Railway or Part of a Railway in *Scotland* the following Provisions shall have Effect:

- (1) Any Scheme under this Act shall be filed in the Court of Chancery in *England*:
- (2) Where, after the filing of the Scheme, any Person who is not , amenable to the Jurisdiction of the Court of Chancery in *England* brings any Action against the Company in *Scotland*, the Court of Session may, on the Application of the Company by Petition in a summary Way, sist, stay, or interdict the same on such Terms as the Court thinks fit:

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- (3) Notice of the filing of the Scheme shall be published in the *Edinburgh Gazette*, and after such Publication no Diligence against the Property of the Company in *Scotland* shall be available for any Person who is not amenable to the Jurisdiction of the Court of Chancery in *England* without the Leave of the Court of Session, to be obtained on Petition in a summary Way:

In this Section the Term "Court of Session" means either Division of the Court of Session, or in Time of Vacation the Lord Ordinary officiating on the Bills.

22 General Orders for Regulation of Practice in Court of Chancery.

The Lord Chancellor of *Great Britain*, with the Advice and Assistance of the Lords Justices of the Court of Appeal in Chancery, the Master of the Rolls, and the Vice-Chancellors, or any Two of those Judges, and the Lord Chancellor of *Ireland*, with the Advice and Assistance of the Lord Justice of Appeal in Chancery and the Master of the Rolls, or One of them, may from Time to Time make General Orders for the Regulation of the Practice of the Courts of Chancery in *England* and *Ireland* respectively under this Act.