

entitled to have, in payment of the arrear of interest due to them respectively, fourth preference stock equal in nominal amount to such arrear;—such stocks respectively to be accepted in full satisfaction of such arrears respectively; And the Directors are hereby empowered and required to create and issue, in addition to the preference stock hereby created or authorized to be created, such amount of preference stock of the respective classes or denominations, as shall be required and sufficient for the purpose of providing for the conversion into stock of such respective arrears; but such last mentioned stock, of whatever class, shall not begin to bear dividend until the thirty-first day of December, one thousand eight hundred and sixty-four, and for two years after that time shall bear dividend at the rate of three per cent per annum only, and shall, during that period, be kept distinct from the general stock of the like class or denomination, and after that period such stocks respectively shall bear the same dividend as the preference stocks respectively of the same respective class or denomination, and shall become part of such stocks.

Creation of re-
quisite stock
authorized;—
when to bear
dividend.

18. No action, suit or other proceeding shall be maintainable by or on behalf of any holder of any preferential or other bond, or of any coupon to such bond, or by or on behalf of any creditor in respect of any debt bearing interest, to recover any arrear of interest due on such bond, or by virtue of such coupon, or in respect of such debt, which arrear shall have accrued due before the thirty-first December, one thousand eight hundred and sixty-two; and no judgment recovered in respect of any such arrear shall be enforceable against the company or its property or effects; and the interest on such of the second preferential bonds as shall not be converted into second preference stock, shall, in future, run from the thirty-first of December, one thousand eight hundred and sixty-two, so that each existing coupon shall represent a half year's interest, due the thirtieth of June or thirty-first of December, respectively, next following the day on which it would be payable according to its tenor.

No proceedings
for interest
accruing prior
to 31st Decem-
ber, 1862.

Days on which
interest shall
hereafter be-
come due on
certain bonds.

19. Subject to the rights and powers of all other companies under any leases for the time being subsisting as to the railroads thereby respectively demised to the company, and subject to the provisions in section seventeen as to the period at which the stock authorized to be created for the payment of arrears, shall become entitled to dividend, the earnings of the company, other than those earnings in the first section of this Act mentioned, after deduction of working expenses as hereinafter defined, shall, in each half year ending the thirtieth day of June and thirty-first day of December, commencing with the half year ending the thirtieth day of June, one thousand eight hundred and sixty-two, but including any balance in the hands of the company on that day, arising from the traffic of the railway, be appropriated and applied in the order and manner following:

Order of appro-
priation of
earnings of the
company.