

MAINE STATE LEGISLATURE

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DOCUMENTS

PUBLISHED BY ORDER OF

THE LEGISLATURE

OF THE

STATE OF MAINE.

1866.



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1866.

FORTY-FIFTH LEGISLATURE.

SENATE.

No. 14.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND SIXTY-SIX.

AN ACT additional concerning the redemption of railroad mortgages.

Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows :

SECTION 1. When the foreclosure of any railroad
2 mortgage has been completed and a new corporation
3 has been organized from the holders of the bonds and
4 the coupons secured by said mortgage ; or whenever
5 such foreclosure shall hereafter be completed and such
6 new corporation shall have been organized as aforesaid,
7 of the railroad described and conveyed by such fore-
8 closed mortgage or any part of said railroad, is subject
9 or shall be subject to any prior mortgage or mort-

10 gages, such new corporation, in any legal meeting
11 duly called for that purpose may vote to redeem such
12 prior mortgage or mortgages, and may further vote to
13 lay an assessment upon all stock, bonds, coupons and
14 certificates for fractions of stock of *all persons* inter-
15 ested in such foreclosed mortgage for the purpose of
16 redeeming such prior mortgage or mortgages, to an
17 amount not exceeding the amount required for such
18 redemption.

SECT. 2. Whenever in a legal meeting, the stock-
2 holders of such new corporation have voted to redeem
3 such prior mortgage or mortgages, and to make an
4 assessment for that purpose, it shall be the duty of the
5 directors of such new corporation forthwith to assess
6 such a sum not exceeding the amount required for the
7 redemption of such prior mortgage or mortgages.

SECT. 3. Such sum shall be assessed upon all
2 interests in said foreclosed mortgage in proportion to
3 their several amounts, whether stock, or certificates
4 for fractions arising in commutation of bonds and
5 coupons for stock, or bonds and coupons not commuted
6 for stock.

SECT. 4. The said directors shall fix a time and
2 place for the payment of said *assessment* to the treas-
3 urer of said corporation, and said treasurer shall give

4 notice of said assessment, of the per-centage laid upon
5 those interested by the same, and of the time and
6 place fixed by the directors for the payment of the
7 same, and shall call upon all persons liable to the
8 payment of said assessment by publishing an adver-
9 tisement of the same six weeks successively in one
10 newspaper published in each of the counties, where
11 the railroad conveyed by said foreclosed mortgage, is
12 situated, the last of said publications to be two weeks
13 at least before the time fixed for the payment of said
14 assessment.

SECT. 5. If any stockholder in said new corporation
2 shall fail to pay his proportion of said sum on or
3 before the day fixed for the payment by said directors,
4 the treasurer of said corporation shall sell the stock of
5 such delinquent stockholder at public auction, or
6 enough of said stock to pay the amount of said delin-
7 quent's assessment with twelve per cent. interest
8 thereon by the year from the day fixed by said direc-
9 tors for the payment of the same, and the cost of
10 advertising and selling, the said treasurer first giving
11 notice of the time and place of said sale by publishing
12 an advertisement of the same, three weeks successive-
13 ly before the day of sale in some newspaper printed

14 in the county where said sale shall be appointed, if
15 any, if not, then, in an adjoining county.

SECT. 6. The president and treasurer of such corpo-
2 ration, shall give to the purchaser of the shares so
3 sold a certificate for the same, and the said certificate
4 shall confer upon him a good title to the same, and
5 said delinquent stockholder shall surrender his certifi-
6 cate to be cancelled, and may have a new certificate
7 for any number of his said shares not sold at said auc-
8 tion, by paying for the excise stamp required.

SECT. 7. If said delinquent shall be the holder of
2 bonds or coupons secured by such foreclosed mortgage,
3 or of a certificate or certificates for fractions arising
4 in commutation, he shall not be entitled to commute
5 such bonds, coupons or certificates for fractions for a
6 certificate of stock, until he shall have paid to the
7 treasurer of such new corporation, the full amount
8 due upon the said assessment with twelve per cent.
9 interest by the year from the time fixed by the direc-
10 tors for the payment thereof.

SECT. 8. No holder of any bonds or coupons secured
2 by such foreclosed mortgage, or of any certificate or
3 certificates for fractions arising upon commutation,
4 shall be entitled to have such bonds, coupons or cer-
5 tificates for fractions, share in any dividends of profits,

6 that may be declared by the directors of such new
7 corporation, before he shall have satisfied and paid his
8 proportion of the sum *assessed* with interest at the rate
9 of twelve per cent. by the year from the time fixed for
10 the payment of the same by said directors nor unless
11 he shall previously have commuted his said bonds,
12 coupons and certificates for fractions and taken a cer-
13 tificate of stock.

SECT. 9. The directors of such new corporation shall
2 apply all moneys realized from said assessment to
3 redeem such prior mortgage or mortgages, and for no
4 other purpose until the same are fully redeemed.

SECT. 10. And on the redemption of such prior
2 mortgage or mortgages, all the property, rights and
3 interests, secured thereby, shall vest in such new
4 corporation.

STATE OF MAINE.

IN SENATE, February 3, 1866.

Reported by Mr. WOODMAN, from the Committee on Railroads, Ways and Bridges.

THOMAS P. CLEAVES, *Secretary.*