

# MAINE STATE LEGISLATURE

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# FORTY-EIGHTH LEGISLATURE.

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HOUSE.

No. 70.

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## STATE OF MAINE.

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

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AN ACT to authorize the town of Norway to loan its credit to the Norway Manufacturing Company.

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

SECTION 1. The town of Norway is authorized to  
2 loan its credit to the Norway Manufacturing Company,  
3 in aid of the purchase and the improvement of its water  
4 power, and of the erection of such buildings, as may  
5 be necessary for manufacturing purposes, in amount  
6 not exceeding fifty thousand dollars, subject to the  
7 following terms and conditions.

SECT. 2. If this act shall be accepted as hereinafter  
2 provided and said company shall within three years  
3 from its approval produce evidence satisfactory to the  
4 selectmen for the time being of said town, that the

5 sum of twenty thousand dollars has been subscribed  
6 and paid in cash, or its equivalent, in such real estate,  
7 or buildings, as may be necessary for the operations  
8 of said company for manufacturing purposes, and for  
9 the improvement of the water power of said company,  
10 or for the purchase of such real or other property, as  
11 may be necessary, then such fact shall be certified by  
12 the selectmen to the town treasurer, and he shall forth-  
13 with issue to the directors of said company for the  
14 purpose of completing such improvements as may be  
15 necessary to carry on the operations of said company,  
16 the scrip of said town, payable to the holders thereof  
17 in sums of one thousand dollars or less, as the parties  
18 may deem expedient, at the expiration of twenty years  
19 from the date thereof, not to exceed the amount afore-  
20 said with coupons for interest attached, payable semi-  
21 annually, all, both principal and interest, payable at  
22 the Norway Savings Bank, in said Norway, and the  
23 Canal National Bank in Portland. The same to be  
24 signed by the town treasurer and countersigned by the  
25 first selectman of said town.

SECT. 3. Concurrent with the delivery of said scrip  
2 as aforesaid, the president and directors of said com-  
3 pany in their official capacity, shall execute and deliver  
4 to said town treasurer the bond of said company in  
5 the penal sum of seventy-five thousand dollars, paya-

6 ble to said town conditioned to save it harmless on  
7 account of the issue of the same. And shall also exe-  
8 cute and deliver to said treasurer the scrip of said  
9 company payable to the holders thereof at the same  
10 time and for the same amount as the scrip then issued  
11 by said treasurer to said company with the like coupons  
12 attached, which scrip shall be held by said town as  
13 collateral security for the fulfillment of the conditions  
14 of said bond ; and in default of any one of said condi-  
15 tions, said town may from time to time sell said scrip  
16 or any portion thereof, at public auction, in the city of  
17 Portland, and in said Norway, after sixty days' notice  
18 in writing to the president or one of the directors, or  
19 three of the stockholders of said company, naming  
20 therein the time and place of sale, and the net pro-  
21 ceeds thereof shall be endorsed on said bond.

SECT. 4. The president and directors of said com-  
2 pany are hereby authorized, and it shall be their duty  
3 in their official capacity, upon the receipt of said scrip  
4 from said town, and the delivery of their bond to said  
5 town to secure the payment of the same, to execute  
6 and deliver to said town a mortgage of the water  
7 power, and of all the property of said company, real  
8 and personal, which they then have or may subsequent-  
9 ly acquire, together with their franchise without prior  
10 incumbrance, which said mortgage shall be signed by

11 the said president in his official capacity, and shall be  
12 executed according to the laws of this state, and shall  
13 be in due and legal form, and shall contain apt and  
14 sufficient terms to secure to said town the fulfillment of  
15 all the conditions in said bond contained ; and said  
16 mortgage so executed and delivered and recorded in  
17 the registry of deeds for the county of Oxford, shall  
18 to all intents and purposes be, and the same is hereby  
19 declared to be a full and complete transfer of all the  
20 property of said company, real and personal, then or  
21 subsequently to be acquired, and of said franchise,  
22 subject only to the conditions therein contained, any  
23 law to the contrary notwithstanding.

SECT. 5. For the purpose of foreclosing said mort-  
2 gage for conditions broken, it shall be sufficient for the  
3 selectmen of said town to give notice according to the  
4 mode prescribed in the revised statutes for the fore-  
5 closure of mortgages, by publication of notice thereof,  
6 which may be published in a newspaper printed in  
7 Paris, and a record thereof may be made within thirty  
8 days after the date of the last publication in the  
9 registry of deeds for the county of Oxford, which pub-  
10 lication and record shall be sufficient for the purpose  
11 of such foreclosure. Upon the expiration of three  
12 years from and after such publication, if the condition  
13 shall not within that time have been fulfilled, the fore-

14 closure shall be complete, and shall make the title to  
15 said water power, and to all the property and franchise  
16 aforesaid, absolute in said town.

SECT. 6. If the directors of said company shall at  
2 any time neglect or omit to pay the interest which  
3 may become due upon any portion of the scrip issued  
4 and delivered under the provisions of this act, or to  
5 pay the principal as it shall become due, or to comply  
6 with any of the conditions of said bond, the said town  
7 may take actual possession in the manner hereinafter  
8 provided, of the whole of said water power, and of all  
9 the property, real and personal, of the company, and  
10 of the franchise thereof, and may hold the same and  
11 apply the income thereof to make up and supply such  
12 deficiency, and all further deficiencies that may occur  
13 while the same are so held, until such deficiencies  
14 shall be fully made up and discharged. A written  
15 notice, signed by the selectmen, and served upon the  
16 president or treasurer, or any director of the company,  
17 or if there be none such, upon any stockholder of the  
18 company, stating that the town thereby takes actual  
19 possession of the whole of said water power, and of  
20 the property and franchise of the company, shall be a  
21 sufficient actual possession thereof, and shall be a legal  
22 transfer of all the same for the purposes aforesaid to  
23 the said town, and shall enable the town to hold the

24 same against any other claims thereon until such pur-  
25 poses have been fully accomplished.

SECT. 7. All moneys received by or for said manu-  
2 facturing company after notice as aforesaid, from any  
3 source whatever, and by whomsoever the same may  
4 be received, shall belong to, and be held for the use  
5 and benefit of the town, in manner and for the pur-  
6 poses herein provided, and shall, after the notice  
7 given to the persons receiving the same respectively,  
8 be by them paid to the town treasurer, which payment  
9 shall be an effectual discharge from all claims of the  
10 company therefor; but if any person, without such  
11 notice, shall make payment of moneys so received to  
12 the treasurer of the company, such payment shall be a  
13 discharge of all claims of the town therefor. All  
14 moneys received by the treasurer of the company after  
15 such notice, or in his hands at the time such notice  
16 may be given, shall by him be paid to the town treas-  
17 urer, after deducting the amount expended in operat-  
18 ing said manufacturing company; such payments to  
19 the town treasurer shall be made at the end of every  
20 calendar month, and shall be by him applied to the  
21 payment of all the interest and principal due as afore-  
22 said; and any person who shall pay or apply any  
23 money received as aforesaid, in any manner contrary  
24 to the foregoing provisions, shall be liable therefor,

25 and the same may be recovered in an action for money  
26 had and received, in the name of the town treasurer,  
27 whose duty it shall be to sue for the same, to be by  
28 him held and applied as herein required.

SECT. 8. For the purpose of effecting the object  
2 prescribed in the two preceding sections, the select-  
3 men may cause a suit in equity to be instituted in the  
4 name of the town, in the supreme judicial court in the  
5 county of Oxford, against said company, directors, or  
6 any other person, as may be necessary for the purpose  
7 of discovery, injunction, account, or other relief under  
8 the provisions of this act ; and any judge of the court  
9 may issue a writ of injunction or any other suitable  
10 process, on any such bill, in vacation or in term time,  
11 with or without notice, and the court shall have juris-  
12 diction of the subject matter of such bill, and shall  
13 have such proceedings, and make such orders and  
14 decrees, as may be within the power, and according  
15 to the course of proceedings of courts of equity, as the  
16 necessities of the case may require.

SECT. 9. If said manufacturing company shall, after  
2 notice of possession as aforesaid, neglect to choose  
3 directors thereof, or any other necessary officers, or  
4 none such shall be found, the selectmen shall appoint  
5 a board of directors consisting of not less than five

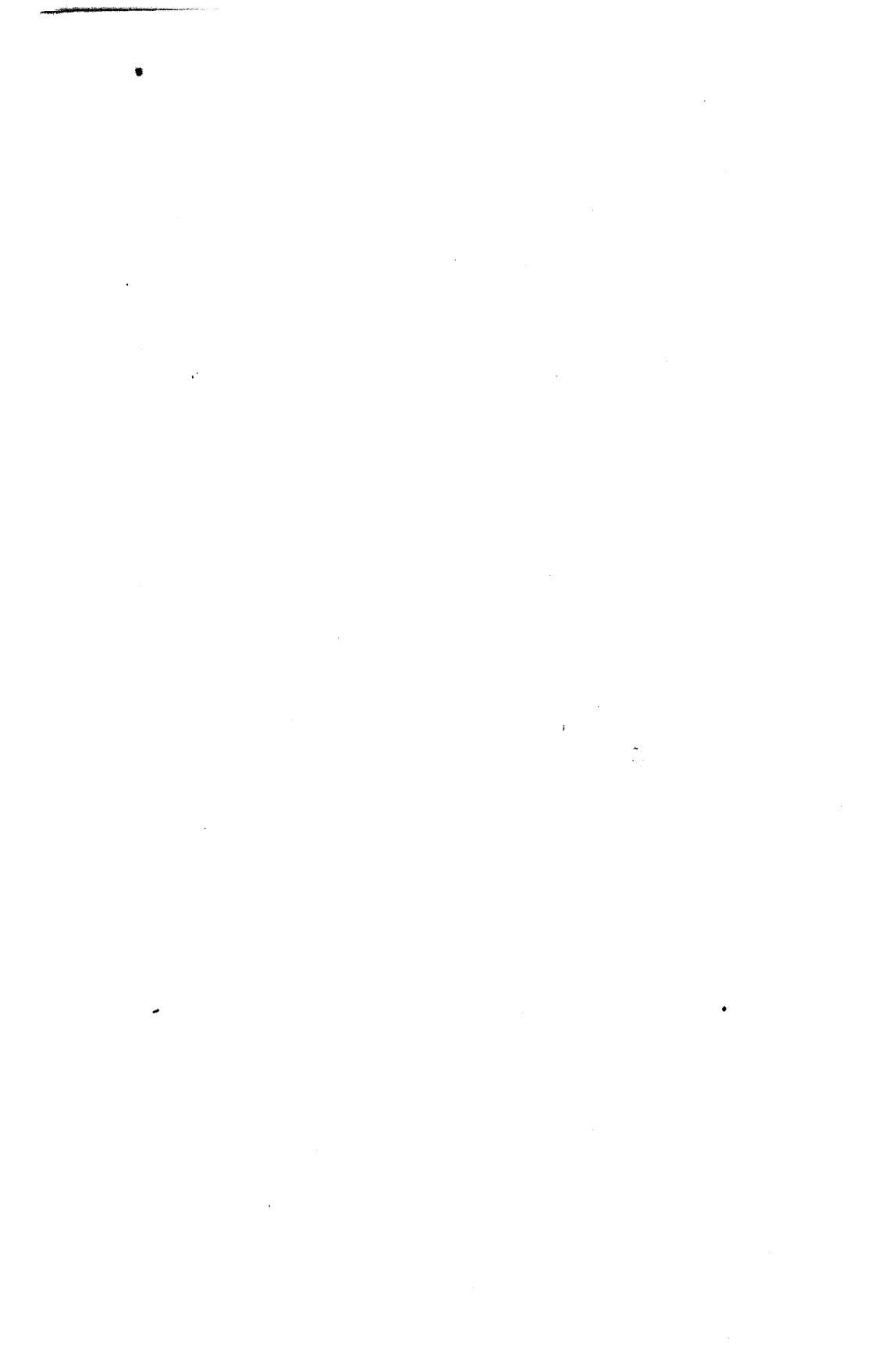


6 persons, or any other necessary officers, and the per-  
7 sons so appointed shall have all the authority and  
8 power of officers chosen or appointed under the pro-  
9 visions of the act establishing said company, and upon  
10 their acceptance such officers shall be subject to all  
11 the duties and liabilities thereof.

SECT. 10. As an additional or accumulative protec-  
2 tion for said town, all liabilities which by said town  
3 may be assumed or incurred under or by virtue of  
4 any provisions of this act, shall at the time, and by  
5 force thereof, and for the security and payment of the  
6 same, create in favor of said town a lien on said water  
7 power, its franchise, and of all its appendages, and all  
8 real and personal property of said manufacturing com-  
9 pany, which lien shall have the preference and be  
10 prior to all other liens and incumbrances whatever,  
11 and shall be enforced, and the rights and interest of  
12 said town protected, when necessary, by suitable and  
13 proper judgments, injunctions or decrees of said su-  
14 preme judicial court, on a bill or bills in equity, which  
15 power is hereby specially conferred on said court.

SECT. 11. This act shall not take effect unless it  
2 shall be accepted by said company, and by a vote of  
3 the inhabitants of said town, voting in meeting duly  
4 called according to law, within three years after the

5 approval of this act by the governor ; and at least two  
6 thirds of the votes cast at such meeting shall be neces-  
7 sary for the acceptance of this act. The town clerk  
8 shall make a record thereof, and if the act shall be  
9 accepted as aforesaid, then after such acceptance and  
10 record thereof, all the parts of the act shall take effect  
11 and be in full force thereafter on said town.



STATE OF MAINE.

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IN HOUSE OF REPRESENTATIVES, }  
February 23, 1869. }

Read twice, laid on the table, and on motion of Mr. THWING,  
ordered to be printed.

S. J. CHADBOURNE, *Clerk.*