

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FORTY-NINTH LEGISLATURE.

SENATE.

No. 3.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND SEVENTY.

AN ACT to authorize the consolidation of railroad corporations.

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

SECTION 1. Any two or more railroad corporations
2 of this state, whether their railroads are wholly or
3 partly in this state, crossing, approaching or connect-
4 ing with each other, so that the traffic of one passes
5 on to the other, may consolidate into one corporation,
6 as follows :

SECT. 2. The board of directors' of such corporations
2 may enter into an agreement, under their respective
3 corporate seals, for the consolidation of said corpora-
4 tions and prescribing the terms and conditions thereof;
5 the mode of carrying the same into effect; the name

6 of the new corporation ; the qualifications required to
7 be a director therein ; the number of directors at the
8 first election thereof ; the time, place and manner of
9 notifying the first meeting of said consolidated corpo-
10 ration for the choice of directors and the adoption of a
11 code of by-laws ; the amount of capital, and the num-
12 ber of shares into which the same shall be divided,
13 and the manner of converting the shares of the capital
14 stock in each of said corporations into shares of such
15 new corporations.

SECT. 3. Such agreement shall not bind the cor-
2 porations until it is sanctioned and approved by a
3 majority vote of the stock of each corporation, repre-
4 sented and voting at a legal meeting thereof called
5 according to the charter and by-laws of each. If it
6 is so sanctioned and approved, a duplicate thereof
7 under the several corporate seals, together with a copy
8 of the proceedings of each corporation attested by its
9 clerk, shall be filed in the office of the secretary of
10 state and be by him recorded in a book kept for that
11 purpose ; and thereupon said several corporations shall
12 become consolidated and constitute the new corpora-
13 tion provided for in said agreement, the details of which
14 shall be carried into effect. A copy of such record
15 certified under the seal of the state shall be proof of
16 the formation of such new corporation, of which all

17 courts shall take judicial notice the same as of acts of
18 incorporation.

SECT. 4. The first meeting of said new corporation
2 for the choice of directors, the adoption of by-laws,
3 and for the transaction of any other business necessary
4 or proper to complete the organization of the new com-
5 pany, and to provide for the management of its affairs,
6 shall be called in the manner prescribed in said agree-
7 ment.

SECT. 5. Such new corporation shall have all the
2 powers, privileges and immunities of each of the cor-
3 porations of which it is composed, with the right to
4 lease other railroads and be subject to all the legal
5 obligations resting upon either of them; and all and
6 singular the rights vested and inchoate, franchises and
7 interest of the several corporations in and to every
8 species of property, real, personal or mixed, and in and
9 to all rights of action shall be thereby vested in such
10 new corporation, which shall hold and enjoy the same
11 in the same manner, and to the same extent, as if the
12 corporations of which it is composed had severally con-
13 tinued to retain the title, possession and management
14 of the same, and such corporations so consolidating
15 shall not be deemed to be dissolved, but to be merged
16 in such new corporation, which shall for all purposes
17 whatever be taken to be the same corporation as each

18 of the corporations of which it is composed, except so
19 far as modified in the agreement of consolidation.

SECT. 6. The rights of creditors of any corporation
2 entering into such consolidation shall not in any way
3 be impaired thereby; nor shall any person or corpora-
4 tion be deprived thereby of any right or remedy to
5 which, before the act of consolidation, he was by law
6 entitled; but all contracts, rights and remedies exist-
7 ing at the date of consolidation may be enforced in an
8 action by or against the new corporation, and the new
9 corporation shall be entitled to prosecute or defend in
10 the same manner as any one of the old corporations
11 could have done had the action been prosecuted by or
12 against it, and in actions pending by or against any
13 one of said corporation, the name of the new corpora-
14 tion may be substituted.

SECT. 7. Any railroad corporation of this state whose
2 road is connected as provided in section one, with one
3 or more railroads wholly without the United States
4 may consolidate therewith in the same manner and with
5 same effect as hereinbefore specified; *provided* any
6 railroad corporation organized under the provisions of
7 this act shall have its principal place of business in
8 this state, and a majority of its directors shall at all
9 times be citizens of this state; *and provided also*, that
10 nothing herein shall be so construed as to prevent the

11 legislature from passing such general laws in relation
12 to railroads as may be necessary to prevent abuses, and
13 as the public safety may require; nor shall any cor-
14 poration organized under the provisions hereof be
15 authorized to increase the general aggregate of its
16 rates for freight or fare above the general rates of the
17 Maine Central Railroad or the Portland and Kennebec
18 Railroad as existing and published January first,
19 eighteen hundred and seventy, without the consent of
20 the legislature.

SECT. 8. Any corporation formed under this act
2 shall have the right to mortgage its railroad, franchise
3 and property, real, personal and mixed, to secure the
4 payment of any bonds or other obligations created or
5 assumed by it.

SECT. 9. This act shall take effect and be in force
2 from and after its approval by the governor.



STATE OF MAINE.

IN SENATE, January 13, 1870.

Presented by Mr. MORSE of Sagadahoc, and on his motion laid
on the table and ordered to be printed.

SAMUEL W. LANE, *Secretary.*