

MAINE STATE LEGISLATURE

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FORTY-NINTH LEGISLATURE.

SENATE.

No. 26.

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, where their railroads are wholly in this
3 state, crossing, approaching or connecting with each
4 other, so that the traffic of one passes on to the other,
5 may consolidate into one corporation, 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 corpo-
4 rations and prescribing the terms and conditions there-
5 of, the mode of carrying the same into effect ; the
6 name of the new corporation, the qualifications re-

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

SECT. 3. Such agreement shall not bind the corpo-
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 corpo-
13 ration provided for in said agreement, the details of
14 which shall be carried into effect. A copy of such
15 record certified under the seal of the state shall be the
16 proof of the formation of such new corporation of which

17 all courts shall take judicial notice the same as of acts
18 of 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
5 company, and to provide for the management of its
6 affairs, shall be called in the manner prescribed in said
7 agreement.

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
9 and to all rights of action shall be thereby vested in
10 such new corporation, which shall hold and enjoy the
11 same in the same manner, and to the same extent, as
12 if the corporations of which it is composed had sever-
13 ally continued to retain the title, possession and man-
14 agement of the same, and such corporations so consoli-
15 dating shall not be deemed to be dissolved, but to be
16 merged in such new corporation, which shall for all
17 purposes whatever be taken to be the same corporation

18 as each of the corporations of which it is composed,
19 except so far as modified in the agreement of consol-
20 idation.

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 corporations, the name of the new corpo-
14 ration may be substituted.

SECT. 7. Any railroad corporation of this state
2 whose road is connected as provided in section one,
3 with one or more railroads wholly without the United
4 States, may consolidate therewith in the same manner
5 and with the same effect as hereinbefore specified ;
6 *provided*, that the said consolidated corporation shall
7 have their office, keep their records, and hold their
8 stockholders' meetings in this state in which a majority
9 of the directors shall have their place of residence ;

10 and shall continue to be a corporation of this state
 11 only, subject in all respects to the jurisdiction of the
 12 courts of this state ; *and provided also*, that nothing
 13 herein shall be so construed as to prevent the legisla-
 14 ture from passing such general laws in relation to
 15 railroads as may be necessary to prevent abuses, and
 16 as the public safety may require ; nor shall any cor-
 17 poration organized under the provisions hereof be
 18 authorized to increase the general aggregate of its
 19 rates for freight or fare above the general rates of the
 20 Maine Central Railroad or the Portland and Kennebec
 21 Railroad as existing and published January first,
 22 eighteen hundred and seventy, without the consent of
 23 the legislature.

SECT. 8. Whenever any railroad company shall avail
 2 itself of the provisions of this act, it shall be held to
 3 waive and surrender all rights, powers and reservations
 4 contained in its act of incorporation, or any acts
 5 amendatory thereof, or additional thereto, inconsistent
 6 with the provisions of this act.

SECT. 9. 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. 10. This act shall take effect and be in force
2 from and after its approval by the governor.

STATE OF MAINE.

IN SENATE, February 18, 1870.

Reported from the Committee on Railroads, Ways and Bridges,
by Mr. MORSE of Sagadahoc, and printed under the Joint Rule.

SAMUEL W. LANE, *Secretary*.