

# MAINE STATE LEGISLATURE

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# FORTY-NINTH LEGISLATURE.

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SENATE.

No. 51.

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## STATE OF MAINE.

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

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AN ACT to authorize the consolidation of railroad corporations.

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

SECTION 1. Whenever the lines of any railroad of  
2 any railroad companies in this state, have been, or  
3 may be constructed so as to admit the passage of bur-  
4 den and passenger cars over any two or more of such  
5 roads continuously, without break or interruption,  
6 such companies are hereby authorized to consolidate  
7 themselves into a single 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 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  
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 consoli-  
20 dation.

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.

SECT. 8. Any railroad connecting or consolidating  
 2 by virtue hereof, shall not discriminate in any way  
 3 against the business of any road connecting therewith,  
 4 or leased thereto or to any connecting road, but shall  
 5 provide for the connecting business on such fair and  
 6 equitable terms as may be necessary to protect and  
 7 continue the same, or on the expiration of said lease  
 8 or termination of any contract implied therein, shall  
 9 renew the lease of such connecting railroad or roads  
 10 leased thereto, and be holden for the payment of the  
 11 rent of the same.

SECT. 9. 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 reserva-  
 4 tions contained in its act of incorporation, or any acts  
 5 amendatory thereof, or additional thereto, inconsistent  
 6 with the provisions of this act.

SECT. 10. 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. 11. Any railroad which is a branch or con-  
2 necting road with either of the consolidated railroads  
3 may claim and become a part of said consolidated  
4 railroads upon such terms and conditions as the said  
5 branch or connecting railroad and said consolidated  
6 roads may mutually agree, or if said roads shall fail to  
7 make a satisfactory agreement, then the said branch  
8 or connecting road may apply to any three of the  
9 justices of the supreme judicial court, who thereupon  
10 shall appoint three discreet and disinterested arbiters,  
11 who shall determine the terms and conditions upon  
12 which said consolidation shall be made.

SECT. 12. The legislature hereby reserves the right  
2 to change, alter, modify, or take away any rights, pow-  
3 ers and privileges which any consolidated corporation  
4 may acquire by virtue of the provisions of section five  
5 of this act.

SECT. 13. The legislature hereby reserves the right  
2 to alter or amend this act.

SECT. 14. This act shall take effect and be in force  
2 from and after its approval.

## STATE OF MAINE.

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IN SENATE, March 3, 1870.

Read twice, amended as per sheets A, B, C, D, E and F, and on motion of Mr. CUSHING, laid on the table and ordered to be printed as amended.

SAMUEL W. LANE, *Secretary*.