

MAINE STATE LEGISLATURE

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FIFTIETH LEGISLATURE.

SENATE.

No. 4.

STATE OF MAINE.

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

AN ACT to authorize the formation and regulation of
railroad corporations.

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

SECTION. 1. Any number of citizens of the state of
2 Maine, not less than ten, may form a company for
3 the purpose of constructing, maintaining and operating
4 a railroad for public use in the conveyance of persons
5 and property, and for that purpose may make and sign
6 articles of association, in which shall be stated the
7 name of the company, the places from and to which
8 the road is to be constructed and operated, the length
9 of such road as near as may be, and the name of the
10 several towns and county or counties through which the
11 same is to be constructed, the amount of the capital

12 stock of the company, which shall be at least twenty
13 thousand dollars for every mile of road proposed to be
14 constructed, exclusive of any stock subscribed by towns,
15 or cities, and the number of shares of which said capi-
16 tal stock shall consist, each share to be entitled to one
17 vote either by person or proxy, and the names and places
18 of residence of the president and at least five of the
19 directors of the company, who shall manage the affairs
20 of the company and until others are chosen to fill their
21 places, and on compliance with the foregoing pro-
22 visions such articles of association shall be acknow-
23 ledged by at least four of the directors before some
24 officer qualified to take acknowledgment of deeds and
25 other instruments in writing, and shall be filed in the
26 office of the secretary of state, who shall endorse
27 thereon the day on which they were filed, and record
28 the same in a book for that purpose; and thereupon
29 the said articles of association shall become and be a
30 charter for the said corporation or company, and the
31 persons who have so subscribed such articles of asso-
32 ciation, and all persons and corporations who shall be-
33 come stockholders in such company, shall be and con-
34 stitute a corporation by the name specified in such
35 articles of association, and shall possess the powers
36 and privileges following :

37 First, to sue and be sued, complain and defend in
38 any court of law or equity.

39 Second, To make and use a common seal.

40 Third, To hold, purchase and convey such real and
41 personal estate as the purposes of the corporation shall
42 require.

43 Fourth, to appoint such subordinate officers and
44 agents as the business of the corporation shall require.

45 Fifth, To make by-laws, not inconsistent with any
46 existing law, for the management of its property and
47 regulation of its affairs and the transfer of its stock.

SECT. 2. Such articles of association shall not be
2 filed and recorded in the office of the secretary of state
3 until at least twenty thousand dollars of stock for every
4 mile of railroad proposed to be made is subscribed
5 thereto, exclusive of any stock subscribed by towns or
6 cities, as aforesaid, and ten per cent. paid thereon in
7 cash to the directors named in said articles of associa-
8 tion, nor until there is annexed thereto an affidavit,
9 made by at least three of the directors named in said
10 articles, that the amount of stock required by this
11 section has been in good faith subscribed and ten per
12 cent. in cash paid thereon as aforesaid, which affidavit
13 shall be filed and recorded with the articles of associ-
14 ation.

SECT. 3. A copy of any article of association filed
2 and recorded in pursuance of this act or of the record
3 thereof, with a copy of the affidavit aforesaid endorsed
4 thereon or annexed thereto and certified to be a copy
5 by the secretary of state or his deputy, shall be evi-
6 dence of the incorporation of such company and of the
7 facts therein stated.

SECT. 4. When such articles of association and affi-
2 davit are filed and recorded as hereinbefore provided,
3 the directors of such association shall, in case the
4 whole of the capital is not before subscribed, keep
5 open books of subscription at their general office, and
6 at such other places as they may deem expedient, to
7 fill up the capital stock of the company, giving such
8 notice as they may deem expedient, and shall con-
9 tinue to receive subscriptions until the whole capital
10 stock is subscribed. At the time of subscribing, every
11 subscriber shall pay to the directors ten per cent. in
12 cash of the amount subscribed, and no subscription
13 shall be received or taken without such payment.

SECT. 5. Whenever the foregoing provisions have
2 been complied with, the persons named as corporators
3 in such articles of association, are hereby authorized to
4 carry into effect the objects named therein as fully as
5 any corporation heretofore created by law; and said

6 corporation thus created shall be entitled to exercise
7 all the rights, powers and privileges, and be subject
8 to all existing laws of the state regulating the rights
9 and powers of railroad companies; and said company
10 shall commence to construct the proposed road within
11 two years from their organization as aforesaid, and
12 shall open and complete the road within five years.

SECT. 6. Whenever any railroad company, created
2 and incorporated under the provisions of this act, shall
3 in the opinion of the directors thereof require an
4 increase of their capital stock, in order to complete
5 and equip their road, and carry out the full intent and
6 meaning of their charter, they shall, if authorized by
7 a majority of the stockholders at a meeting called for
8 that purpose, file with the secretary of state a certifi-
9 cate setting forth the amount of such desired increase,
10 and thereafter such company shall be entitled to have
11 such increased capital as is fixed by said certificate;
12 *provided*, that the original stock and increased capital
13 shall in no case exceed fifty thousand dollars per mile.

SECT. 7. The officers of any company incorporated
2 in pursuance of this act shall be a president, treasurer
3 and a board of directors, consisting of at least seven
4 and not more than twelve, as shall be fixed by the
5 incorporators thereof at their meeting to choose directors

6 of said company, a majority of whom shall be citizens
7 of this state.

SECT. 8. The president and directors of any railroad
2 created under this act shall have power to borrow
3 money not exceeding the amount of capital stock sub-
4 scribed, and issue the bonds of the company therefor
5 in such amounts as shall not exceed double the amount
6 actually paid up of the capital stock subscribed, the
7 proceeds whereof shall be actually expended in the
8 construction and equipment of their road ; these bonds
9 to be payable at such times not exceeding fifty years
10 from the date thereof, and at such place and at such
11 rate of interest as said directors shall find most advan-
12 tageous for such company, and may secure the pay-
13 ment of said bonds and interest by a mortgage on said
14 road, franchises and other property of the company.

SECT. 9. Said corporation shall have the right to
2 establish and collect such tolls for the transportation
3 of persons and freight over its road as the directors
4 shall deem fair and reasonable, and have a lien on its
5 freight therefor, but such tolls shall be submitted to
6 and approved by the railroad commissioners, and be
7 subject to change and control by the legislature.

SECT. 10. Whenever the line of any railroad located
2 under the provisions of this act, shall cross any navi-

3 gable water, the corporation shall have the right to
4 build a bridge and make a crossing over the same; but
5 said bridge, its place or crossing, materials, plan and
6 mode of construction shall first be approved by the rail-
7 road commissioners; and the draw thereof shall be of
8 such dimensions as shall in the opinion of the commis-
9 sioners not unnecessarily impede navigation.

SECT. 11. No company organized under the provis-
2 ions of this act, shall be authorized by virtue thereof,
3 to build any railroad within ten miles of, and parallel
4 to, any railroad now chartered or in process of con-
5 struction, within five years from the time this act takes
6 effect, without a special act of the legislature.

SECT. 12. All acts or parts of acts inconsistent here-
2 with are hereby repealed so far as they may affect any
3 corporation that may be organized under this act; and
4 the legislature hereby reserves the right to regulate
5 corporations formed under it, at any time, or to revoke
6 the powers and privileges herein granted whenever the
7 public interest shall so require.

STATE OF MAINE.

IN SENATE, January 17, 1871.

Presented by Mr. FRENCH of Franklin, and laid on the table to
be printed under the Joint Rule.

SAMUEL W. LANE, *Secretary.*