

MAINE STATE LEGISLATURE

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FIFTY-FIRST LEGISLATURE.

HOUSE.

No. 73.

STATE OF MAINE.

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

AN ACT to authorize the city of Portland to aid the construction and western extension of the Portland and Rochester Railroad Company.

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

SECTION 1. The city of Portland is hereby authorized to loan its credit to the Portland and Rochester Railroad Company in aid of the construction, equipment, and western extension of their railroad, subject to the following terms and conditions :

SECT. 2 This act shall not take effect unless it shall be accepted by the directors of said railroad company, and by the vote of the inhabitants of said city, voting in ward meetings duly called according to law ; and at least two-thirds of the votes cast at such ward

6 meetings shall be necessary for the acceptance of the
7 act. The returns of such ward meetings shall be
8 made to the aldermen of the city, and by them
9 counted and declared, and the city clerk shall make
10 record thereof.

SECT. 3. Upon the acceptance of this act as afore-
2 said, the city treasurer is authorized to make and
3 issue from time to time, for the purposes contemplated
4 in this act, the scrip of said city, in convenient and
5 suitable sums, to the amount of four hundred and fifty
6 thousand dollars, payable to the holder thereof on a
7 term of time not less than twenty nor more than thirty
8 years, with coupons for interest at six per cent. at-
9 tached, semi-annually or yearly as may be agreed,
10 and to be applied to the construction, equipment, and
11 western extension of their road exclusively.

SECT. 4. Upon the delivery of each and every por-
2 tion of the scrip aforesaid, the directors shall execute
3 and deliver to the city treasurer the bond of the com-
4 pany, in an equal amount, payable to the city, con-
5 ditioned that the company will duly pay the interest
6 on said scrip, and will provide for the reimbursement
7 of the principal thereof, and hold the city harmless on
8 account of the issue of the same, according to the pro-
9 visions of this act.

SECT. 5. The directors shall also transfer to the

2 city, upon the delivery of any portion of the scrip
3 aforesaid, an equal amount of the mortgage bonds of
4 the company, dated September first, eighteen hundred
5 and seventy-one, and secured by a mortgage deed of
6 trust of the franchise and property of said road, bear-
7 ing date November third, eighteen hundred and sev-
8 enty-one, heretofore executed by the company and
9 delivered to trustees for the benefit of the holders of
10 said bonds.

SECT. 6. The directors shall also transfer to the city,
2 upon the delivery of any portion of the scrip as afore-
3 said, an equal amount in the shares of the company,
4 to be held as collateral security for the bond of the
5 company, required to be given in such case. And the
6 shares so held as collateral shall be credited on the
7 stock books of the company as fully paid up, and no
8 assessments shall ever be required on the same, nor
9 shall any dividends be paid thereon, nor any right of
10 acting or voting at the meetings of the company be
11 claimed or exercised by reason of said shares, so long
12 as the same shall be held as collateral as aforesaid.

SECT. 7. For the purpose of providing for the reim-
2 bursement of the principal of the scrip authorized to
3 be issued by this act, there shall be established a sink-
4 ing fund, and commissioners shall be appointed to
5 manage the same. One of said commissioners shall

6 be appointed by the mayor and aldermen of the city,
7 and one by the directors of the company, and in case
8 of a vacancy in the place of either, the same shall be
9 supplied by the mayor and aldermen, or by the direc-
10 tors, respectively. Both of said commissioners shall
11 be appointed and qualified before the delivery to the
12 directors of any of the scrip. The commissioners shall
13 severally be sworn to the faithful discharge of the
14 duties enjoined upon them by this act in presence of
15 the city clerk, who shall make a certificate and record
16 thereof as in the case of the qualification of city offi-
17 cers. Each of the commissioners shall give a bond to
18 the city, with satisfactory sureties, in the penal sum
19 of ten thousand dollars, conditioned for the faithful
20 discharge of his duty as commissioner. They shall
21 receive such compensation as shall be established by
22 the directors, which shall be paid to them by the
23 company.

SECT. 8. Whenever the directors shall receive any
2 portion of the scrip authorized as aforesaid to be
3 delivered to them, they shall pay to the city treasurer
4 one per cent. of the amount of the scrip so delivered,
5 which amount shall be placed by the city treasurer to
6 the credit of the commissioners of the sinking fund,
7 and shall constitute a part of said fund. The directors
8 shall also annually in the month of June, after all

9 of said scrip has been delivered to them, pay to the
10 city treasurer from the income of the road one per
11 cent. of the whole amount of said scrip then outstand-
12 ing, and shall continue to make these annual payments
13 of one per cent. for five years, but after the expiration
14 of five years, the said annual payment from the income
15 of said road shall be increased to one and a half per
16 cent. of the amount of the scrip then outstanding, and
17 these said annual payments of one per cent. for five
18 years and of one and a half per cent. annually there-
19 after, shall be successively placed to the credit of the
20 commissioners of the sinking fund, and shall constitute
21 a part of said fund.

SECT. 9. The commissioners shall have the care and
2 management of all the moneys and securities at any
3 time belonging to said fund ; but the moneys unin-
4 vested and the securities shall be in the custody of
5 the city treasurer, who shall be by virtue of his office,
6 treasurer of the sinking fund, and shall be responsible
7 on his official bond to the city, for the safe keeping of
8 the moneys and securities of said fund. He shall pay
9 out and deliver any of said moneys or securities only
10 upon the warrant of the commissioners.

SECT. 10. The commissioners shall from time to
2 time at their discretion, invest the moneys on hand
3 securely, so that they shall be productive, and the

4 same may be loaned on mortgage of real estate or to
5 any county or upon the pledge of the securities of any
6 county in this state, or invested in the bonds of the
7 state or of any county in the state, or of the city of
8 Portland or of the United States. Any portion of said
9 fund may be invested in the city scrip authorized by
10 this act, and such scrip shall not be thereby extin-
11 guished, but shall be held by the commissioners like
12 their other investments for the purposes of the fund.
13 And the commissioners may from time to time sell
14 and transfer any of said securities.

SECT. 11. The sinking fund and all the sums which
2 shall be added thereto by accumulation upon the
3 investments thereof, shall be reserved and kept invio-
3 late for the redemption and reimbursement of the
4 principal of said scrip at the maturity thereof, and
5 shall be applied thereto by the commissioners.

SECT. 12. Any of the shares in the stock of the
2 railroad company held by the city as collateral may be
3 sold and transferred by direction of the commissioners
4 of the sinking fund, with the consent of the directors
5 of the railroad company, whenever an exchange
6 thereof can be advantageously made for any of the
7 city scrip authorized by this act, or whenever said
8 scrip can be advantageously purchased with the pro-
9 ceeds of any such sale of such collateral shares. And

10 the scrip so purchased or taken in exchange shall be
11 thereupon cancelled and extinguished, and the amount
12 thereof shall be endorsed on the respective bonds of
13 the railroad company, given on the issue and delivery
14 of such scrip.

SECT. 13. The commissioners shall keep a true
2 record of all their proceedings and of all the moneys
3 paid into said fund and of the investments made of the
4 same and shall annually in the month of September,
5 report to the mayor and aldermen and to the directors
6 of the railroad company, their proceedings for the
7 year, the amount and condition of the fund, and
8 the income of the several parts thereof. And their
9 records and the accounts of the fund, and the securi-
10 ties belonging thereto, shall at all times be open to
11 the inspection of such committee as may be appointed
12 for that purpose by the mayor and aldermen or by the
13 directors of the company.

SECT. 14. To secure the faithful discharge of the
2 several trusts confided to the said commissioners under
3 this act, the supreme judicial court is hereby em-
4 powered upon the complaint of the mayor and alder-
5 men, or of the directors of the railroad company,
6 against the said commissioners or either of them
7 concerning any of said trusts and duties by summary
8 process according to the course of proceedings in

9 equity, to hear and adjudge upon the matter of such
10 complaint, and to issue thereon any suitable writ or
11 process, and make any proper decree to compel the
12 discharge and performance of such trusts and duties,
13 and to remove the said commissioner or either of them,
14 and in case of such removal, the vacancy shall be
15 immediately supplied, as provided in the seventh
16 section of this act.

SECT. 15. The city treasurer is hereby authorized
2 to issue and deliver to the directors of the railroad
3 company the scrip of said city to the amount of one
4 hundred thousand dollars immediately after the ac-
5 ceptance of this act by the city, and to issue and
6 deliver the balance of the scrip authorized by this act
7 in such sums and at such times thereafter as the direc-
8 tors shall certify to be needed to complete the con-
9 struction, equipment, and western extension of the
10 road.

SECT. 16. This act shall take effect and be in force
2 from and after its approval by the governor so far as
3 to empower the directors of the railroad company and
4 the inhabitants of the city to act upon the question
5 of accepting the same, as provided in the second sec-
6 tion of this act. And the several ward meetings of
7 the inhabitants for that purpose shall be called and
8 holden within one year after such approval. And if

9 the act shall be accepted as aforesaid, then after such
10 acceptance and record thereof, all the parts of this act
11 shall take effect and be in full force.

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES, }
February 17, 1872. }

Reported from the Committee on Railroads, Ways and Bridges,
by Mr. PERRY of Oxford, ordered printed, and Monday next
assigned.

S. J. CHADBOURNE, *Clerk.*