

MAINE STATE LEGISLATURE

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FIFTY-THIRD LEGISLATURE.

HOUSE.

No. 82.

STATE OF MAINE.

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

AN ACT to confirm the articles of agreement by and between the European and North American Railway Companies.

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

SECTION 1. The articles of agreement entered into
2 between the European and North American Railway
3 Company of New Brunswick and the European and
4 North American Railway Company of Maine are
5 hereby authorized and confirmed ; said articles are as
6 follows :

7 ARTICLES OF AGREEMENT AND CONSOLIDATION for con-
8 solidating the stock of the European and North
9 American Railway, for extension from St. John,
10 westward, (a corporation existing under the laws of

11 the Province of New Brunswick, and hereinafter
12 called the New Brunswick Company), with the stock
13 of the European and North American Railway Com-
14 pany, a corporation existing under the laws of the
15 State of Maine, (hereinafter called the Maine Com-
16 pany), made and entered into by the said companies
17 this nineteenth day of October, in the year our Lord
18 one thousand eight hundred and seventy-two :

19 Whereas, the railways respectively owned by said
20 companies above named, constitute a continuous line
21 of railway for the passage between the city of St. John
22 in said Province of New Brunswick, and the city of
23 Bangor, in the said State of Maine, and constitute a
24 part of a continuous line of railroad between Bangor
25 and Halifax, and the directors of said companies upon
26 mature consideration have determined that the interests
27 of the respective stockholders of said companies and the
28 public interest and convenience will be greater pro-
29 moted by the union of their several roads into one
30 road, and by the consolidation of the respective stocks
31 of said companies into one common consolidated stock.

32 And whereas, the said companies are authorised by
33 the act of incorporation of the said New Brunswick
34 company, by the legislature of said Province of New
35 Brunswick, and by the act of incorporation of the said
36 Maine company, and acts in addition thereto, passed

37 at various times by the legislature of the said State of
38 Maine, to effect such union of their respective roads,
39 and to form by purchase and consolidation of their re-
40 spective rights and franchises, one company, and have
41 agreed so to do upon the terms and conditions herein-
42 after mentioned and contained.

43 *Now therefore*, this agreement made by and between
44 the corporations above named, parties hereto, under
45 and by virtue of authority conferred upon them by the
46 laws of said province and the laws of the said state,
47 Witnesseth, that the said New Brunswick company
48 and the said Maine company do agree, and each for
49 itself doth severally agree that the said companies shall
50 be consolidated and form one corporation, under the
51 name and style of the consolidated European and North
52 American Railway Company, and under the authority
53 of said legislative acts the said parties hereto do hereby
54 prescribe the following terms and conditions of the said
55 purchase and consolidation, and do respectively agree
56 thereto, and to the mode of carrying the same into
57 effect as herein provided for.

58 ARTICLE 1. It is understood and agreed that the
59 capital stock of the New Brunswick Company which
60 has been taken and certificates issued therefor, and
61 which has been subscribed for and agreed to be taken,
62 amounts to about five hundred and fifty thousand dol-

63 lars, and that the capital stock of the said Maine Com-
64 pany, which has been taken and certificates therefor
65 issued, amounts to the sum of five hundred and twenty-
66 two thousand three hundred dollars.

67 ART. 2. The stockholders of the said respective com-
68 panies, who hold, or are entitled to certificates of shares
69 in the capital stock in either of the said companies,
70 shall upon the surrender of such certificates or rights
71 to such certificates to the said consolidated company to
72 be cancelled or discharged, be entitled to one hundred
73 dollars of stock in said consolidated company for each
74 one hundred dollars of stock held by them in either of
75 said companies. In all cases in which subscriptions or
76 agreements for stock in either of said companies have
77 been made by any person or persons, bodies politic or
78 corporate, and said subscriptions or agreements yet
79 remain unpaid or unfulfilled, either in whole or in part,
80 the stock of said consolidated company, shall upon pay-
81 ment of said subscriptions or performance of said agree-
82 ments, be issued to the subscribers or parties entitled
83 to the said stock in the same manner as the said com-
84 panies or either of them would have been bound to
85 issue their stock, respectively, had not this consoli-
86 dation been made.

87 ART. 3. The capital stock of the Consolidated Euro-
88 pean and North American Railway Company shall not

89 exceed ten million gold dollars, to be divided into one
90 hundred thousand shares of one hundred dollars each,
91 and after the payment of the existing debts of the said
92 New Brunswick Company and said Maine Company,
93 no further portion of said stock shall be issued until
94 after a vote of the stockholders of the said consolidated
95 company at a meeting duly called for that purpose and
96 passed by a vote of two-thirds of the stockholders pres-
97 ent and represented at said meeting. Being also two-
98 thirds in value of the stock voted at such meeting, and
99 provided that no portion of such consolidated stock
100 shall be sold or used in payment of the existing debts
101 of said companies at less than its par value.

102 ART. 4. The said new corporation, or consolidated
103 company, shall without delay, after this agreement of
104 purchase and consolidation takes effect, issue to the
105 stockholders of the respective companies, parties
106 hereto, and entitled thereto, as aforesaid, and in
107 proportion to their respective interests in the stock of
108 the consolidated company, certificates of stock in said
109 Consolidated European and North American Railway
110 Company, to be denominated Consolidated European
111 and North American Railway Company consolidated
112 stock, and otherwise of such form as may be deemed
113 advisable and prescribed by the directions of the said
114 consolidated company.

115 ART. 5. If fractional shares shall be found due to
116 stockholders when converting their present stock into
117 the stock of the consolidated company, scrip stock
118 shall be issued for such fractions, entitling the holder
119 to a full share of stock on payment of the difference
120 in money, or on presentation of one hundred dollars
121 of such scrip stock.

122 ART. 6. All and singular the rights, franchises,
123 privileges, depot grounds, rights of way, road bed,
124 railway iron, rails, engines, cars, machinery, rolling
125 stock, debts, dues and demands, causes in action and
126 property of every description, name and nature,
127 whether real, personal or mixed, or wheresoever situ-
128 ated, in which the said New Brunswick Company and
129 the said Maine Company have respectively any right,
130 title or interest, whether in possession, reversion or
131 remainder with the appurtenances upon the ratifica-
132 tion of these articles of agreement, by the stock-
133 holders of said companies respectively as hereinafter
134 provided and from thenceforth shall be held, owned,
135 controlled, possessed and enjoyed by the said Consol-
136 idated European and North American Railway Com-
137 pany, its successors and assigns as fully and com-
138 pletely to all intents and purposes, as the said several
139 companies, parties hereto, do or can now hold, own,
140 enjoy, use or control the same, and no further con-

141 veyance or assurance shall be required for the full
142 and complete vesting thereof in the said Consolidated
143 European and North American Railway Company,
144 its successors and assigns.

145 ART. 7. The said Consolidated European and
146 North American Railway Company shall assume,
147 liquidate and pay or otherwise discharge all debts,
148 liabilities, contracts, leases, agreements, engage-
149 ments of every kind and description of and claims
150 upon each of the said respective companies, parties
151 hereto and said consolidated company by taking pos-
152 session of the rights, franchises and property named
153 in article six of this agreement shall be considered
154 as having agreed to assume, liquidate, pay or other-
155 wise discharge all the liabilities herein above
156 enumerated.

157 ART. 8. All the books, vouchers, records, muni-
158 ments of title and other documents pertaining to the
159 business or properties of the said several companies,
160 parties hereto, shall be placed in the office of the
161 secretary or clerk of the said consolidated company
162 and the said books, records and papers shall be
163 deemed and taken as the records and books of said
164 consolidated company and said books, records,
165 vouchers and papers shall be subject to proper exam-
166 ination and inspection of all persons interested there-

167 in who shall have the same access thereto as if the
168 same had remained in the offices of the original
169 companies.

170 ART. 9. Whereas it is deemed advisable by the said
171 companies, parties hereto, to provide in their articles
172 of agreement for purchase and consolidation for the
173 redemption and payment of all the bonds respectively
174 issued by the said companies, parties hereto, which
175 amount in all to the sum of \$5,000,000, it is agreed
176 by and between the parties hereto that the Consoli-
177 dated European and North American Railway Com-
178 pany shall issue its consolidated bonds in the sum of
179 \$6,000,000 to be secured by a mortgage of the fran-
180 chise, rights, railroad equipment and property of
181 said consolidated company, \$5,000,000 of which
182 shall be set apart and used for the redemption and
183 payment of the said bonds of said companies parties
184 hereto, on such terms and at such times as may be
185 ordered by the directors, provided that none of said
186 consolidated bonds shall be exchanged for any of said
187 bonds of said companies, parties hereto at less than
188 dollar for dollar, the proceeds of the residue of said
189 consolidated bonds to be used by the directors to pro-
190 vide for further additional way and tracks, rolling
191 stock, equipment and railway improvements, and to
192 provide for the purchase of and consolidation with

193 other connecting railroads and to pay the debts of
194 said New Brunswick Company, and said Maine Com-
195 pany existing at the time this agreement takes effect
196 and for no other purpose whatever.

197 ART. 10. If at any time hereafter it shall be
198 found expedient to increase the said consolidated
199 debt of said consolidated company over and above
200 said \$6,000,000, it shall be lawful and competent for
201 said consolidated company to issue its bonds to such
202 an amount and in such manner, and secure the same
203 in such way and manner, as the stockholders shall at
204 a meeting duly called for that purpose, by a vote of
205 two thirds of the stockholders, present and represen-
206 ted at said meeting, being two-thirds in value of the
207 stock voted at such meeting, decide to be expedient,
208 necessary and proper, and the proceeds of any and
209 all additional bonds so authorized and issued, shall be
210 used and expended for the purposes named and speci-
211 fied in the ninth article of this agreement, excepting
212 the debts of the New Brunswick Co., and Maine Co.,
213 therein named, and for no other purpose whatsoever.

214 ART. 11. Said consolidated company is authorized
215 at any time hereafter to purchase or consolidate with
216 any railway company now existing, or hereafter
217 created, which shall be located or established in any
218 territory lying east, west, north or south, of that oc-

219 cupied by said consolidated line of railroad, when-
220 ever, and in such way and manner, and upon such
221 terms and conditions as the stockholders of said con-
222 solidated company, at a meeting duly called for that
223 purpose, shall by vote declare to be expedient and
224 proper. But nothing in such terms and conditions
225 shall, without the approval of the governor in council
226 of the Province of New Brunswick, interfere with the
227 provisions of these articles of consolidation, so far as
228 relates to the number of directors who shall be resi-
229 dent in the Province of New Brunswick, or be natu-
230 ral British born subjects, or with reference to the pro-
231 visions of article twelve.

232 ART. 12. It is understood and agreed that the
233 tariff rates for the transportation of freight and pas-
234 sengers shall be so made and fixed as not to militate
235 or operate against the interest or business of either
236 the Province of New Brunswick or the State of Maine.
237 And for the protection of the interests of the people
238 of the said province and the said state, it is under-
239 stood that the Crown and the State of Maine, respect-
240 ively, shall have and exercise all the rights and pow-
241 ers necessary for the enforcement of the provisions of
242 this article.

243 ART. 13. It is further understood and agreed that
244 said Consolidated European and North American Rail-

245 way Company shall have, possess, enjoy and exercise
246 all the franchises, rights, powers and privileges now
247 held, owned, possessed and enjoyed by said New
248 Brunswick Company, by virtue of its charter or any
249 of the laws of New Brunswick, and subject to all
250 liabilities imposed by the laws of said province, and
251 also all the franchises, rights, powers and privileges
252 now held, owned, possessed and enjoyed by the said
253 Maine Company, by virtue of its charter or any of
254 the laws of the State of Maine, and subject to all the
255 liabilities imposed by the laws of said state.

256 ART. 14. The management of the business of the
257 said consolidated company shall be vested in the direc-
258 tors of the said company, the number of whom shall
259 be thirteen, five of whom shall be residents of the
260 Province of New Brunswick and four of the said five
261 shall be natural British born subjects, and five of
262 whom shall be residents of the city of Bangor. The
263 board of directors of said consolidated company may
264 choose one of their number to be president of their
265 board, who shall also be president of said company,
266 and one of their number to be vice president of the
267 said board, who shall also be vice president of said
268 company, and one of said officers shall always be a
269 New Brunswick director; may make all necessary
270 by-laws and regulations not inconsistent with these

271 articles of agreement, may provide for calling the
272 annual and other meetings of the stockholders for the
273 election of directors and other purposes, and the said
274 by-laws and regulations shall be and continue in force
275 until altered by the stockholders at their annual or
276 other meeting called for that purpose. The board of^f
277 directors shall have authority to choose and appoint
278 all such officers, agents and clerks as are required by
279 the by-laws or otherwise, or which may be found
280 necessary to carry on the business of said consolida-
281 ted company, may fix and determine the pay or salary
282 of such officers, agents or clerks, and may dismiss
283 them at the pleasure of said board of directors, and
284 said board of directors shall have power to fill any
285 vacancies which may occur in their board, and the
286 persons so appointed shall hold office until others are
287 chosen in their places at an annual meeting of the
288 stockholders of said consolidated company.

289 **ART. 15.** The following named persons shall con-
290 stitute the board of directors of said Consolidatod
291 European and North American Railway Company
292 until the third Tuesday in August in the year of our
293 Lord one thousand eight hundred and seventy-three,
294 viz : Geo. K. Jewett, Noah Woods, James W. Emery,
295 Arad Thompson, Chas. P. Stetson, M. S. Drummond,
296 S. F. Hersey, Wm. Flowers, Alex. Jardine, Thomas

297 R. Jones, James R. Ruel, Robert Robinson, and C.
298 R. Burpee; when the first annual meeting of the
299 stockholders of the Consolidated European and North
300 American Railway Company shall be holden for the
301 election of directors and for such other purposes as
302 may properly come before said meeting.

303 ART. 16. These articles of agreement for pur-
304 chase and consolidation shall be submitted to the
305 stockholders of each of said companies, parties here-
306 to, at a meeting thereof called separately for the pur-
307 pose of taking the same into consideration, due notice
309 of the time and place of such meeting and the object
310 thereof shall be given. The said meetings of stock-
311 holders shall be holden on some day prior to the first
312 day of December in the year of our Lord eighteen
313 hundred seventy-two, and in case these articles of
314 agreement for purchase and consolidation of said com-
315 panies, parties hereto, shall be approved, adopted and
316 ratified by the stockholders of said companies at their
317 several meetings, called as above provided, then these
318 articles of agreement shall take effect on the said
319 first day of December, in the year of our Lord eight-
320 een hundred seventy-two, and be forever after in
321 force and binding upon said companies, parties here-
322 to, and upon all persons and parties interested
323 therein.

SECT. 2. There shall be an office of said consolidated company at Bangor, in this state.

SECT. 3. Any mortgage by said consolidated company of its franchise and property, for the payment of its bonds, may be enforced and foreclosed as provided in said mortgage, or as provided in chapter fifty-one of the revised statutes of this state.

SECT. 4. This act shall take effect when approved.

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES, }
February 20, 1874. }

Read three times, and on motion of Mr. SNOW of Hallowell,
ordered printed.

S. J. CHADBOURNE, *Clerk.*