

# MAINE STATE LEGISLATURE

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# FIFTY-EIGHTH LEGISLATURE.

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HOUSE.

No. 10.

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## STATE OF MAINE.

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

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AN ACT relating to bondholders of the Portland  
and Rochester Railroad Company.

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

SECTION 1. The holders of bonds of the Portland and Rochester Railroad Company, are hereby authorized and empowered to organize and form a corporation, for the purpose of taking possession of and operating the railroad, property and franchises mortgaged by that company for the security of its bonds, with all the powers, rights and privileges conferred and subject to the duties imposed by its charter and the laws of the state.

SECT. 2. A meeting for the purpose of organizing such new corporation may be called by one or

3 more persons owning mortgage bonds of the  
4 Portland and Rochester Railroad Company to an  
5 amount not less than one hundred thousand dollars,  
6 by publishing notice in two daily papers printed in  
7 Portland, every day for two weeks, stating the  
8 time, place and general purposes of the meeting.

SECT. 3. At the meeting called as provided in  
2 the preceding section, a moderator shall be chosen,  
3 and a clerk; the clerk shall be sworn by the mod-  
4 erator, or by a justice of the peace, to keep a true  
5 record of the proceedings, which record shall con-  
6 stitute a portion of the records of any new corpor-  
7 ation, then or at any adjournment of the same  
8 meeting organized under this act.

SECT. 4. No person shall be entitled to vote at  
2 any meeting of the bondholders after the choice of  
3 a moderator and clerk, until he has produced his  
4 bonds, and a record of their numbers, date, princi-  
5 pal sum, and the place of the residence of the owner  
6 has been made by the clerk; any person who has  
7 so produced or caused to be produced and recorded  
8 his bonds, may vote in person or by proxy. When-  
9 ever at any meeting two persons so demand, the  
10 vote upon any question shall be taken according to  
11 interest, one vote being allowed to each one hun-  
12 dred dollars of the principal of the bonds. At

13 the first meeting held and called as above provided,  
14 provision shall be made for calling other meetings,  
15 and all further meetings called and held accordingly  
16 shall be and taken to have all the rights, powers  
17 and consequences of adjournments of the first  
18 meeting.

SECT. 5. The bondholders at a meeting duly  
2 held under this act, may with the concurrence of  
3 the holders of not less than three-fourths of the  
4 amount of the total principal of the outstanding  
5 bonds of the Portland and Rochester Railroad  
6 Company, exclusive of its indebtedment to the city  
7 of Portland, may vote to purchase the interest and  
8 title of the city of Portland in that railroad, and to  
9 assess the amount to be paid therefor upon the  
10 persons voting in favor of such purchase, in pro-  
11 portion to the amount of bonds held by them  
12 respectively. If any person so voting shall refuse  
13 to pay the amount assessed upon him, any other  
14 bondholder or bondholders may pay the amount in  
15 his stead, and be substituted in all his rights and  
16 privileges under this act, subject to the right of  
17 the person so refusing to redeem his interest by  
18 paying the amount of his assessment with interest,  
19 at any time within three years, and not afterwards.

SECT. 6. If in pursuance of the power conferred  
2 by the preceding section, the interest of the city of  
3 Portland is purchased by bondholders, the amount  
4 paid therefor, together with such per centage or  
5 portion of the total amount of the mortgage bonds  
6 the Portland and Rochester Railroad Company,  
7 exclusive of interest, as shall by the purchasing  
8 bondholders be determined at time of purchase,  
9 shall be the capital stock of the new corporation,  
10 to be divided into shares of one hundred dollars  
11 each, for which scrip shall be issued to the parties  
12 entitled, convertible into stock, on the perfection  
13 of the corporation as hereinafter provided; and a  
14 treasurer of the co-operating bondholders shall be  
15 chosen to manage their financial matters.

SECT. 7. A correct account shall be kept of the  
2 amount paid by each bondholder towards the pur-  
3 chase of the interest of the city of Portland, which  
4 account shall be certified by the treasurer to the  
5 clerk, and by him entered on the records; any  
6 bondholder wishing to participate in the benefits  
7 of this act, may at any time prior to the full com-  
8 pletion and establishment of the corporation in this  
9 act provided for, may pay to the treasurer his pro  
10 rata proportion of the amount paid to the city of  
11 Portland, with interest from the time of the pur-

12 chase till he pays, and shall thereupon have all the  
13 rights and interest of an original purchaser; all  
14 sums so paid shall be distributed equitably among  
15 the original purchasers. All right, title and inter-  
16 est of any bondholder, neglecting or refusing to  
17 contribute the just proportion upon any of his  
18 bonds, shall as to such bonds, be forever extin-  
19 guished and barred, after the full organization and  
20 establishment of a new corporation as herein  
21 provided.

SECT. 8. Whenever the bondholders shall have  
2 purchased as above provided, the interest of the  
3 city of Portland, they may take possession of all  
4 the property and franchises of the Portland and  
5 Rochester Railroad, for the purpose of foreclosure  
6 of the mortgages to the city of Portland, for their  
7 own benefit, and shall cause notice thereof to be  
8 recorded in the registry of deeds in the counties of  
9 York and Cumberland, within thirty days from so  
10 taking possession, which notice shall be signed by  
11 the clerk and treasurer of the bondholders; and  
12 they shall have full power and authority to manage,  
13 control and operate said property and franchises, in  
14 the name of the existing company, and shall be  
15 subject to and bound by all existing lawful busi-  
16 ness contracts of the company.

SECT. 9. The bondholders in possession shall  
2 keep true and regular accounts of all earnings and  
3 expenditures, and shall cause to be published an-  
4 nually in the state paper, and in one paper printed  
5 in each of the counties of York and Cumberland,  
6 an abstract showing the gross earnings, the expen-  
7 ditures and the net earnings of the property for  
8 the year preceding such abstract. At any time  
9 within three years from the time when possession  
10 is taken, the railroad company or the stockholders  
11 thereof may redeem the property, by paying to the  
12 persons in possession, the amount paid to the city  
13 of Portland, with interest, and the amount due to  
14 the bondholders on their bonds, principal and in-  
15 terest, and they shall be credited in such payment,  
16 with the net earnings of the property to the time of  
17 redemption, with interest, on the net profits shown  
18 at each annual statement. If within three years  
19 from the time of taking possession, there is no  
20 redemption, the right of the company and its stock-  
21 holders to redeem such property shall be forever  
22 foreclosed, and the title to the same shall be and  
23 become absolute in the bondholders entitled accord-  
24 ing to the provisions of this act to share in the  
25 same.

SECT. 10. When according to the provisions of  
2 this act foreclosure is complete and absolute, the  
3 bondholders shall cause a meeting to be held, for  
4 completing and perfecting their organization into a  
5 new corporation; at such meeting they shall adopt  
6 a corporate name, choose a board of not less than  
7 seven directors, a president, who shall ex-officio be  
8 one of the directors, a clerk and treasurer.

SECT. 11. The president and directors shall cause  
2 a certificate, signed and sworn to by them, setting  
3 out the facts of the purchase, taking possession,  
4 and that no redemption has taken place, the meet-  
5 ing for organization, the corporate name adopted,  
6 and the names of the officers chosen, and the  
7 amount of capital stock to be recorded in the office  
8 of register of deeds, in each of the counties of  
9 York and Cumberland; and a copy of such certifi-  
10 cate verified by the registers of both counties, who  
11 shall also certify the record of the same in their re-  
12 spective counties, shall be filed in the office of the  
13 secretary of state, and the date of such filing shall  
14 be certified by the secretary on the original.

SECT. 12. Upon the filing of the certificate as  
2 provided in the preceding section, the corporation  
3 shall be legally and fully established and organized,



4 and shall have all the franchises, rights and pow-  
5 ers, and subject to all the duties and obligations  
6 provided by law for railroad corporations in this  
7 state.

SECT. 13. This act shall take effect on its approval.

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## STATE OF MAINE.

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IN HOUSE OF REPRESENTATIVES, }  
January 21, 1879. }

Laid on table, on motion of Mr. FOX of Portland, and ordered  
printed.

B. L. STAPLES, *Clerk.*