

# MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING THE SESSION

A. D. 1891.



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1892.

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# Sixty-Fifth Legislature.

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SENATE.

No. 87.

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## STATE OF MAINE.

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

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AN ACT to authorize the Consolidation of certain Railroad  
Corporations.

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

SECTION 1. The Sandy River Railroad Company and the  
2 Phillips and Rangeley Railroad Company are hereby au-  
3 thorized to consolidate said companies into one corpora-  
4 tion in the manner following;

SECT. 2. The directors of said corporations may enter  
2 into an agreement under their respective corporate seals,  
3 for the consolidation of the said corporations, prescribing  
4 the terms and conditions thereof, the mode of carrying the  
5 same into effect, the name of the new corporation, the  
6 number of directors thereof, which shall not be less than

7 five nor more than eleven, the time and place of holding  
8 the first election of directors, the amount of capital and  
9 the number of the shares of stock of the new corporation,  
10 the manner of converting the shares of capital stock in each  
11 of said corporations into the shares of such new corpora-  
12 tion.

SECT. 3. Such agreement of the directors shall not be  
2 deemed to be the agreement of said corporation, so pro-  
3 posing to consolidate, until after it has been submitted to  
4 the stockholders of each of said corporations separately,  
5 at a legal meeting thereof, to be called by each corpora-  
6 tion, in accordance with its charter and by-laws, and has  
7 been sanctioned and approved by such stockholders, by  
8 the vote of at least a majority of the stock present at such  
9 meetings, respectively, voting by ballot at such meetings,  
10 in regard to said agreement, either in person or by proxy,  
11 each share of such capital stock being entitled to one vote ;  
12 and when such agreement of the directors has been sanc-  
13 tioned and approved by each of the meetings of the respec-  
14 tive stockholders separately, after being submitted to such  
15 meetings in the manner above mentioned, then such agree-  
16 ment of the directors shall be deemed to be the agreement  
17 of the said several corporations ; and a sworn copy of the  
18 proceedings of such meetings, made by the clerks thereof  
19 respectively, and attached to said agreement, shall be  
20 evidence of the holding and of the action of such meetings  
21 in the premises.

SECT. 4. Upon the making the said agreement, men-  
2 tioned in the preceding section, in the manner required  
3 therein, and filing a duplicate, or a counter part thereof,  
4 in the office of the Secretary of State, and immediately

5 upon and after the first election of directors of said new  
6 corporation, the said corporations, so making said agree-  
7 ment, shall be consolidated, and together constitute the  
8 new corporation provided for in said agreement, to be  
9 known by the corporation name therein mentioned; and  
10 the details of such agreement shall be carried into effect  
11 as provided therein; and such new corporation shall have  
12 all the powers, privileges and immunities, possessed by  
13 each of the corporations so entering into said agreement,  
14 and be subject to all the legal obligations now resting on  
15 them respectively; provided, however, that nothing in  
16 this act shall be construed as extinguishing said consoli-  
17 dated corporations, or annulling their charters; but  
18 they shall severally be regarded as still subsisting, so far  
19 as their continuance for the purpose of upholding any  
20 right, title or interest, power, privilege or immunity, ever  
21 possessed, exercised or enjoyed by either of them, may  
22 be necessary for the protection of the creditors or mort-  
23 gagees of either of them, or of such new corporation; the  
24 separate exercise of their respective powers, and the  
25 separate enjoyment of their respective privileges and  
26 immunities, being suspended until the protection of such  
27 creditors or mortgagees shall require their resumption,  
28 when such suspension shall cease, so far and for such time  
29 as the protection of such creditors or mortgagees may  
30 require.

SECT. 5. Upon the election of the first board of direct-  
2 ors of the said new corporation, created by the agreement  
3 of the several companies, all and singular, the rights,  
4 franchise and interest of the said several corporations, so  
5 consolidated, in and to every species of property, real, per-

6 sonal and mixed, and things in action, thereunto belonging,  
7 shall be deemed to be transferred to and vested in such  
8 new corporation, without any other deed or transfer; and  
9 such new corporation shall hold and enjoy the same,  
10 together with the rights of way, and all other rights of prop-  
11 erty, franchise and interest, in the same manner and to the  
12 same extent as if the said several corporations, so consol-  
13 idated, should have continued to retain the title and tran-  
14 sact the business of such corporation; and the title and  
15 real estate acquired by either of said corporations shall  
16 not be deemed to revert or be impaired by means of such  
17 act of consolidation, or anything relating thereto; and all  
18 suits that either of said corporations so consolidated,  
19 could have maintained, shall survive to, and may be  
20 brought in the name of said new corporation.

SECT. 6. The rights of creditors of any corporation  
2 that shall be consolidated shall not in any manner be im-  
3 paired by any act of consolidation, not shall any liability  
4 or obligation for the payment of any money now due, or  
5 hereafter to become due, to any individual person or cor-  
6 poration, or any claim for damage for any act done, or  
7 neglect suffered by any such corporation, be in any man-  
8 ner released or impaired; but such new corporation is  
9 declared to succeed to such obligations and liabilities, and  
10 be held liable to pay and discharge all the debts and  
11 liabilities of each of the corporations that shall be so con-  
12 solidated, whether on contract, or for misconduct or neg-  
13 lect, either to the State or to individuals, or to any  
14 municipal or other corporation; and it shall be liable to  
15 have an action brought against it to enforce the payment  
16 of any money or damages, or the performance of any duty

17 which any corporation consolidated into such new corpora-  
18 tion was liable to pay or perform in the same manner as  
19 if such new corporation had itself incurred the obligation  
20 or liability to pay such money or damages, or perform  
21 such duty ; and no suit, action, or other proceeding now  
22 pending before any court or tribunal in which any rail-  
23 road company that may be so consolidated is a party shall  
24 be deemed to have abated or discontinued by reason of  
25 any such agreement of consolidation ; but the same may  
26 be prosecuted to final judgment in the same manner as if  
27 the said corporation had not entered into such agreement  
28 of consolidation ; or the said new corporation may be sub-  
29 stituted as a party in the place of any corporation of  
30 which it shall be composed, by order of the court in  
31 which such action, suit or proceeding may be pending,  
32 and with the consent of the other party.

SECT. 7. In the event of a failure of said new corpora-  
2 tion to perform any of the terms or conditions of any  
3 mortgage given by either of said consolidated corporations,  
4 or the terms or conditions of any act of the legislature  
5 authorizing such mortgage, any notice to the officers or  
6 stockholders, of either of such consolidated corporations  
7 required by the terms of such mortgage or act, shall be  
8 given in the same manner, and with the same effect, to  
9 the like officers or stockholders of such new corporation ;  
10 and in case the mortgagees therein named shall elect to  
11 take possession of the property mortgaged, as provided  
12 therein, or in any act authorizing the same, the corporation  
13 which executed said mortgage shall again exercise and  
14 possess separately, all its original powers, privileges and  
15 immunities, so far as the protection of the interests of

16 such mortgagees may require; and the said mortgagees  
17 shall have all the rights and powers which they would  
18 have possessed had this act not been passed, and shall be  
19 entitled to take immediate possession of all the real estate  
20 and fixtures on that part of the line covered by their  
21 mortgages, respectively, owned or used for the purpose  
22 of working such road, by such new corporation, and to  
23 use the same, so long as they shall rightfully retain pos-  
24 session of the road; *provided, however*, that on the full  
25 performance of the condition of such mortgage, for the  
26 breach of which such entry shall have been made, prior to  
27 the foreclosure thereof, such new corporation may resume  
28 possession of such mortgaged premises, and the exercise  
29 and enjoyment of all the powers and rights which it pos-  
30 sessed before such breach of condition.

SECT. 8. Any railroad constructed under the laws of  
2 this State, is hereby authorized to connect with or cross  
3 the railroad or railroads of any company to be formed under  
4 this act, and in case of such connection or crossing, all such  
5 arrangements shall be made and allowed by the respective  
6 companies owning or operating the connecting or crossing  
7 roads, and by such consolidated company, as shall best pro-  
8 mote the public convenience and the mutual interests of  
9 the roads.

SECT. 9. Either corporation named in this act and any  
2 corporation formed under it is hereby authorized to let or  
3 lease its roads, franchises and property for hire, or to con-  
4 tract for the running and managing the same with any  
5 individual or other railroad corporation for a term of  
6 years, and such lease or contract so made with such indi-  
7 vidual or corporation, shall be deemed valid and binding



8 upon the parties entering into the same, and either or both  
9 of said corporations may consolidate with any connecting  
10 railroad or railroads. And all such corporations are here-  
11 by authorized to make such sales, leases or consolidations ;  
12 provided, however, that by reason of such contracts, sales,  
13 leases or consolidations the corporations owning the sev-  
14 eral roads shall not be released from any of their corpo-  
15 rate liabilities.

SECT. 10. Any corporation formed under the pro-  
2 visions of this act is hereby authorized to issue its bonds  
3 from time to time to such amount as may be required by  
4 the corporation, in such form as the directors may deem  
5 advisable, and to secure the same by mortgage of its road,  
6 franchise and property, or in any other manner.

SECT. 11. This act shall take effect and be in force  
2 from and after its approval by the governor.

STATE OF MAINE.

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IN SENATE, February 13, 1891.

Presented by Mr. SPEAR of Kennebec, and on motion by same senator laid on table to be printed pending reference to Committee on Railroads, Telegraphs and Expresses.

KENDALL M. DUNBAR. *Secretary.*