

MAINE STATE LEGISLATURE

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Seventieth Legislature.

SENATE.

No. 86

STATE OF MAINE.

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

AN ACT to amend chapter 186 of the Public Laws of the year
1897, relating to Railroads.

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

Section 1. Chapter 186 of the Public Laws of the year
2 1897 is hereby amended by striking out section 6 of said
3 chapter and substituting the following in place thereof:

‘Sect. 6. Whenever a railroad corporation increases its
5 capital stock under the provisions of this act, the new shares
6 to the number necessary to produce the amount necessary for
7 the purposes for which such increase is authorized shall be
8 offered proportionately to its stockholders at not less than
9 the market value thereof at the time of increase, as shall be

10 determined by the board of railroad commissioners, taking
11 into account previous sales of stock of the corporation and
12 other pertinent conditions.

The directors shall cause written notice of such increase to
14 be given to each stockholder who was such at the date of the
15 vote to increase, stating the amount of such increase and the
16 proportion thereof in shares or portions of shares which he
17 would be entitled to receive on a division of the same, and the
18 price fixed by the railroad commissioners as hereinbefore
19 provided at which he is entitled to take the same, and fixing
20 a time, not less than fifteen days from the date of such notice,
21 within which he may subscribe for such additional stock; and
22 each stockholder may, within the time fixed, subscribe for
23 his portion of such stock, and the same shall be paid for in
24 cash on the issue of a certificate therefor: Provided, that
25 when the increase in the capital stock does not exceed four
26 per cent of the existing capital stock of the corporation, the
27 directors may dispose of the same in the manner hereinafter
28 provided in this section without first offering the same to the
29 stockholders. If, after the expiration of the notice above
30 provided for, any shares of such stock remain unsubscribed
31 for by the stockholders entitled to take them, the directors
32 shall sell the same at auction. All shares of stock to be dis-
33 posed of at auction under the provisions of this act shall be
34 offered for sale to the highest bidder in the city of Boston, or
35 in such city or town as may be prescribed by the railroad
36 commissioners; and notice of the time and place of such sale
37 shall be published at least five times during the ten days

38 immediately preceding the time fixed for the sale, in such
39 daily newspapers, not less than three in number, as may be
40 prescribed by the commissioners. No shares shall be sold
41 or issued for a less sum, to be actually paid in cash, than the
42 par value thereof.'

Sect. 2. All acts or parts of acts inconsistent with this act
2 are hereby repealed.

STATE OF MAINE.

IN SENATE, February 28, 1901.

Reported by Mr. WHITEHOUSE, from Committee on Railroads, Telegraphs and Expresses, and laid on table to be printed under joint rules.

KENDALL M. DUNBAR, *Secretary*.