

MAINE STATE LEGISLATURE

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NEW DRAFT.

Seventy-first Legislature.

HOUSE.

No. 207

STATE OF MAINE.

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

AN ACT to incorporate the Kennebec Valley Railroad Company.

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

Section 1. William M. Ayer and A. R. Small both of Oak-
2 land, Maine, and R. W. Dunn and William T. Haines, both
3 of Waterville, Maine, their associates, successors and assigns
4 are hereby made a corporation by the name of the Kennebec
5 Valley Railroad Company, for the purpose of buying or leas-
6 ing the property, capital stock, rights, privileges, immunities
7 and franchises of the Somerset Railway, and of thereafter-
8 wards exercising the powers of this act.

Sect. 2. The capital stock of said corporation shall consist
2 of not more than ten thousand shares of the par value of one

3 hundred dollars each, the amount to be fixed from time to
4 time by the corporation. The immediate government of its
5 affairs shall be vested in a board of directors to be chosen as
6 the by-laws of said corporation may provide, not in conflict
7 with the general laws of the State, who shall hold their offices
8 until others are chosen and qualified in their places. It shall
9 have power to make, ordain and establish all necessary by-
10 laws not inconsistent with said general laws.

Sect. 3. The said corporation is authorized to hold for the
2 purposes of this act so much real and personal estate as may
3 be necessary and convenient therefor.

Sect. 4. The said corporation is further authorized to pur-
2 chase or lease the property, capital stock, rights, privileges,
3 immunities and franchises of the Somerset Railway upon
4 such terms as may be mutually agreed upon. And upon such
5 purchase or lease the said Kennebec Valley Railroad Com-
6 pany shall have, hold, possess, exercise and enjoy all the loca-
7 tions, powers, privileges, rights, immunities, franchises, prop-
8 erty and assets which at the time of such transfers shall then
9 be had, held, and possessed or enjoyed by said Somerset Rail-
10 way, and shall be subject to all the duties, restrictions and
11 liabilities to which the said Somerset Railway shall then be
12 subject by reason of any charter, contract or general or special
13 law or otherwise.

Sect. 5. The Somerset Railway is hereby authorized to sell
2 or lease its property, capital stock, rights, privileges, immuni-
3 ties and franchises to the said Kennebec Valley Railroad
4 Company or to any other connecting railroad company upon
5 such terms as may be mutually agreed upon, but any such
6 sale or lease shall be made subject to all the outstanding
7 liabilities of the said Somerset Railway. In case of such
8 sale or lease to the said Kennebec Valley Railroad Company
9 it may mortgage the franchises and property so acquired for
10 the security of any bonds, or other indebtedness authorized by

11 this act, but all such mortgages shall be subject to the out-
12 standing bonds or other indebtedness of the said Somerset
13 Railway existing at the time of said sale or lease.

Sect. 6. All proceedings, suits at law or in equity, which
2 may be pending at the time of any such sale or lease, to which
3 the said Somerset Railway may be a party, may be prosecuted
4 or defended by the said Kennebec Valley Railroad Company
5 in like manner and with like effect as if such transfer had not
6 been made. All claims, contracts, rights and causes of action
7 of or against said Somerset Railway, at law or in equity, may
8 be enforced by an action to be begun or prosecuted by or
9 against said Kennebec Valley Railroad Company.

Sect. 7. Said Kennebec Valley Railroad Company may
2 issue its stock and bonds in payment and exchange for the
3 stock, franchises and property of the Somerset Railway in
4 such manner and in such amounts as may be agreed upon.

Sect. 8. When the transfer authorized by this act is carried
2 out and fully completed the Kennebec Valley Railroad Com-
3 pany shall be liable for the then legal existing debts and obli-
4 gations of said Somerset Railway.

Sect. 9. Upon and after the completion of the aforesaid
2 sale or lease the said Kennebec Valley Railroad Company
3 shall be and hereby is authorized to locate, construct, equip,
4 maintain and operate a railroad from some point in the town
5 of Bingham, in the county of Somerset, by the most feasible
6 route within the valley of the Kennebec river, by such course
7 within said territory to some point or place on the west shore
8 of Moosehead lake, as the directors of said corporation in the
9 exercise of their best judgment shall deem most favorable and
10 best calculated to promote public convenience, with all the
11 powers and subject to all the liabilities incident to railroad
12 corporations under the general laws of the State.

Sect. 10. Said corporation is further authorized to carry
2 on the business of an express company upon its own lines,

3 and also to maintain and operate telegraph and telephone lines
4 for public use along its location and to its principal offices as
5 the same may be located. It may also erect and maintain
6 hotels, cottages and pleasure grounds, own and operate steam-
7 boats upon any lakes and ponds near its location, acquire and
8 own interests in timber lands and water powers, operate and
9 manage the same either alone or in connection with others,
10 build dams, improve streams and do all things necessary,
11 proper and convenient in connection with the ownership and
12 management of timber lands or water powers, but the right
13 to take land or other property shall not extend to property to
14 be used for the purposes authorized by this section, except for
15 telegraph and telephone lines, and all such land or property
16 so to be used shall be acquired by purchase and in no other
17 way.

Sect. 12. A toll is hereby granted for the benefit of said
2 corporation upon all passengers and property which may be
3 carried over its railroads or in any of its steamboats, and upon
4 all telephone and telegraph messages which may be trans-
5 mitted over its lines, at such rates as may be established by
6 its directors, subject to such general laws as are or may from
7 time to time be established.

Sect. 13. Said corporation may make connections with any
2 other railroad or railroads on such terms as may be mutually
3 agreed upon. It may also sell or lease its railroad, fran-
4 chises, and property, either before or after its road shall have
5 been completed, upon such terms as it may determine, sub-
6 ject in all cases to the approval of a majority of the outstand-
7 ing stock in each corporation.

Sect. 14. Said corporation may purchase or lease the prop-
2 erty and franchises of any connecting railroad in this State,
3 or purchase or hold the stock and bonds of any such corpora-
4 tion, and all such connecting corporations or any corporation,
5 association or persons claiming rights in stock, bonds, mort-

6 gages or franchises of any such corporation are hereby
7 authorized to make such sale or lease. All such property,
8 franchises, stock, bonds or lease-hold interests so acquired
9 may be pledged or mortgaged to secure the bonds herein
10 authorized, or any other lawful indebtedness.

Sect. 15. Said corporation shall organize, and the location
2 of its railroad, according to actual survey, shall be filed with
3 the county commissioners of Somerset county on or before the
4 first day of December, A. D. 1906, and if it shall, before the
5 thirty-first day of December of the same year complete, equip
6 and operate ten miles of said railroad within its said location,
7 then the said corporation shall be and hereby is given until
8 the thirty-first day of December, A. D. nineteen hundred and
9 sixteen, within which to build and operate the remaining por-
10 tion of its said railroad within its said location.

Sect. 16. If the said railroad company shall build as afore-
2 said at least ten miles of its railroad within its location afore-
3 said under the rights given to it by this act, within and during
4 the period expiring on said thirty-first day of December,
5 A. D. nineteen hundred and six, no railroad shall be built
6 parallel to said railroad which shall be at any time within five
7 miles from the line of said railroad so located. It is the
8 intention of this section to encourage the building of said rail-
9 road within the location as herein provided, and to prevent
10 its paralleling by any other railroad within the time within
11 which it is authorized to build its said railroad within the
12 location hereinbefore provided, but not to prohibit the build-
13 ing of any railroad which may in good faith be built to con-
14 nect with or cross said railroad without running in the same
15 general direction as the location aforesaid.

Sect. 17. The said corporation is hereby authorized to enter
2 into a contract with the State of Maine for the transportation
3 over its said railroad of troops and munitions of war free of
4 charge, other than as herein provided, for a period of twenty

5 years after the construction and operation of the aforesaid
6 first ten miles of railroad by this corporation, and to receive
7 thereafter from the State annually for such term of twenty
8 years an amount which shall equal ninety-five per cent of the
9 tax collected in the corresponding year by said State from
10 said corporation upon its railroad and other real and personal
11 property used in connection with the maintenance and opera-
12 tion of said railroad, including its stock and franchises but
13 not including timber lands, water powers, hotels, cottages or
14 steamboat property. Whenever such contract shall be pre-
15 pared and signed by the president and directors of said rail-
16 railroad company and approved by a majority of its stock-
17 holders at a meeting duly called for that purpose, it shall be
18 presented to the State treasurer and it is hereby made the
19 duty of said treasurer to execute said contract in behalf of
20 said State, and thereafterwards the State treasurer shall pay
21 over to the said corporation each year during the term of said
22 contract the amount provided in this section.

Sect. 18. Said corporation may issue its bonds from time
2 to time upon such rates and times as may be deemed expe-
3 dient, and in such amounts as may be required for the pur-
4 poses of this act, and secure the same by appropriate mort-
5 gages upon its franchises and property.

Sect. 19. The first meeting of said corporation may be
2 called by any corporator within named by notice thereof in
3 writing signed by said corporator and given in hand or mailed
4 to each of the other corporators, at least seven days before
5 said meeting, and any corporator may act at said meeting by
6 written proxy.

Sect. 20. Nothing in this act shall be construed as affecting
2 the rights as now provided by law for minority stockholders
3 in any company or corporation to be affected hereby.

Sect. 21. This act shall take effect when approved.

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES,

AUGUSTA, February 26, 1903.

Reported by Mr. BOYD of Linneus, from Committee on Railroads,
Telegraphs and Expresses, and ordered printed under joint rules.

W. S. COTTON, *Clerk.*