

# MAINE STATE LEGISLATURE

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NEW DRAFT SENATE DOCUMENT NO. 117.

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SEVENTY-SEVENTH LEGISLATURE

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SENATE

NO. 347

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*In Senate, March 13, 1915.*

*Reported by Senator Swift from Committee on Railroads and Expresses and ordered printed under joint rules.*

*W. E. LAWRY, Secretary.*

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STATE OF MAINE

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

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AN ACT to authorize the Maine Central Railroad Company to retire a portion of its common stock, and to issue bonds, notes or preferred stock in place thereof.

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*Be it enacted by the People of the State of Maine, as follows:*

The Maine Central Railroad Company is authorized, upon  
2 the affirmative vote of a majority in interest of its stock-  
3 holders, in addition to the affirmative vote of the stock held  
4 by the trustees of the Maine Railways Companies, from  
5 time to time to retire not exceeding in the aggregate ten  
6 million dollars (\$10,000,000), par value, of its present  
7 stock, and to issue in place thereof bonds, notes or preferred  
8 stock of the same par value in the aggregate as the stock re-

9 tired. The stockholders shall have the right to determine,  
10 in the manner aforesaid, subject to the approval of the  
11 Public Utilities Commission of the State of Maine, as here-  
12 inafter provided, which class or classes of securities shall  
13 be issued, and the amount thereof.

Whenever any such bonds, notes or preferred stock are  
15 issued, they shall be offered at par to the then existing stock-  
16 holders of said company, including the Trustees of the  
17 Maine Railways Companies, in exchange for, and in re-  
18 tirement of, an equal amount at par of common stock of said  
19 stockholders, in proportion to their holdings of such com-  
20 mon stock; or in lieu of such exchange the stockholders  
21 may purchase at not exceeding par their proportional part  
22 of the new securities so offered them for exchange by pay-  
23 ing therefor in cash, and the proceeds thereof shall be ap-  
24 plied by the Maine Central Railroad Company to the retire-  
25 ment of common stock as hereinafter provided. Any bal-  
26 ance of such bonds, notes or preferred stock as shall not be  
27 taken by the stockholders may be exchanged for common  
28 stock held by the Maine Railways Companies, or may be  
29 sold by the Maine Central Railroad Company, and the pro-  
30 ceeds used to obtain and cancel said common stock of the  
31 Maine Railways Companies of equal par value; provided  
32 that the common stock so obtained, whether through direct  
33 purchase of said stock or through the purchase or calling  
34 for payment of the notes of the Maine Railways Companies,  
35 shall be obtained at a cost not exceeding par; and provided

36 further that none of the preferred stock hereby authorized  
37 shall be sold at less than par.

The preferred stock shall have no voting power, and shall  
39 carry dividends not exceeding five per cent (5%) per an-  
40 num. All other terms and conditions under which said  
41 bonds, notes or preferred stock are to be issued shall be  
42 fixed by the stockholders, in the manner aforesaid, subject  
43 to the approval of the Public Utilities Commission of the  
44 State of Maine; and said commission shall certify in such  
45 approval that it is satisfied proper arrangements have been  
46 made in regard to the disposition of the remaining common  
47 stock held by the Trustees of the Maine Railways Com-  
48 panies to afford reasonable opportunity to the citizens of  
49 Maine to acquire the ownership of all or a substantial ma-  
50 jority of such remaining common stock.