

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

115

PASSED BY THE

FORTY-FIFTH LEGISLATURE

OF THE

STATE OF MAINE.

1866.

Published by the Secretary of State, agreeably to Resolves of June 28, 1820,
February 26, 1840, and March 16, 1842.

AUGUSTA:
STEVENS & SAYWARD, PRINTERS TO THE STATE.
1866.

PUBLIC LAWS

OF THE

STATE OF MAINE.

1866.

Chapter 25.

An act additional concerning the redemption of railroad mortgages.

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

Redemption of prior mortgages by assessment on stock, bonds, &c., authorized.

SECT. 1. When the foreclosure of any railroad mortgage has been completed and a new corporation has been organized from the holders of the bonds and the coupons secured by said mortgage, or whenever such foreclosure shall hereafter be completed and such new corporation shall have been organized as aforesaid, if the railroad described and conveyed by such foreclosed mortgage, or any part of said railroad, is subject or shall be subject to any prior mortgage or mortgages, put upon foreclosure, such new corporation in any legal meeting duly called for that purpose, may vote to redeem such prior mortgage or mortgages, and may further vote to lay an assessment upon all stock, bonds, coupons and certificates for fractions of stock of all persons interested in such foreclosed mortgage for the purpose of redeeming such prior mortgage or mortgages, to an amount not exceeding the amount required for such redemption.

Stockholders to vote on question of redemption and assessment, and directors to assess.

SECT. 2. Whenever in a legal meeting, the stockholders of such new corporation have voted to redeem such prior mortgage or mortgages and to make an assessment for that purpose, it shall be the duty of the directors of such new corporation forthwith to assess such a sum, not exceeding the amount required, for the redemption of such prior mortgage or mortgages.

Assessments, how made.

SECT. 3. Such sum shall be assessed upon all interests in said foreclosed mortgage in proportion to their several amounts, whether stock, or certificates for fractions arising in commutation of bonds and coupons for stock, or bonds and coupons not commuted for stock.

Treasurer to give notice of percentage, time and place of assessment, by publication.

SECT. 4. The said directors shall fix a time and place for the payment of said assessment to the treasurer of said corporation, and said treasurer shall give notice of said assessment ; of the percentage laid upon those interested by the same, and of the time and place fixed by the directors for the payment of the same, and shall call upon all persons liable to the payment of said assessment, by publishing an advertisement of the same six weeks successively, in one newspaper published in each of the counties where the railroad conveyed by said foreclosed mortgage, is situated, the last of said publications to be two weeks, at least, before the time fixed for the payment of said assessment.

Stock of delinquent stockholders may be sold at auction.

SECT. 5. If any stockholder in said new corporation shall fail to pay his proportion of said sum, on or before the day fixed for the payment by said directors, the treasurer of said corporation shall sell the stock of such delinquent stockholder at public auction, or

enough of said stock to pay the amount of said delinquent's assessment with twelve per cent. interest thereon, by the year, from the day fixed by said directors for the payment of the same, and the cost of advertising and selling; the said treasurer first giving notice of the time and place of said sale by publishing an advertisement of the same three weeks successively before the day of sale, in some newspaper printed in the county where said sale shall be appointed, if any, if not, then in an adjoining county.

Treasurer to advertise sale of such stock.

SECT. 6. The president and treasurer of such corporation shall give to the purchaser of the shares so sold a certificate for the same, and the said certificate shall confer upon him a good title to the same, and said delinquent stockholder shall surrender his certificate to be cancelled, and may have a new certificate for any number of his said shares, not sold at said auction, by paying for the excise stamp required.

Certificate of president, &c., shall constitute title to shares so purchased, &c.

SECT. 7. If the delinquent shall be the holder of bonds or coupons secured by such foreclosed mortgage, or of a certificate or certificates for fractions arising in commutation, he shall not be entitled to commute such bonds, coupons or certificates for fractions, for a certificate of stock, until he shall have paid to the treasurer of such new corporation, the full amount due upon the said assessment, with twelve per cent. interest by the year, from the time fixed by the directors for the payment thereof.

Delinquents not entitled to certificates until assessments and interest is paid.

SECT. 8. No holder of any bonds or coupons secured by such foreclosed mortgage, or of any certificate or certificates for fractions arising upon commutation, shall be entitled to have such bonds, coupons or certificates for fractions, share in any dividend of profits, that may be declared by the directors of such new corporation before he shall have satisfied and paid his proportion of the sum assessed, with interest at the rate of twelve per cent., by the year, from the time fixed for the payment of the same by said directors, nor unless he shall previously have commuted his said bonds, coupons and certificates for fractions and taken a certificate of stock.

Holders of bonds, &c., not to share in dividends until proportional part of assessments, &c., is paid.

SECT. 9. The directors of such new corporation shall apply all moneys realized from said assessment, to redeem such prior mortgage or mortgages and for no other purpose, until the same are fully redeemed.

Moneys realized to be applied to redemption of prior mortgage.

SECT. 10. And on the redemption of such prior mortgage or mortgages, all the property, rights and interests, secured thereby, shall vest in such new corporation.

When redeemed, all property, &c., to vest in new corporation.