

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

OF THE

STATE OF MAINE

ENACTED BY THE

Seventy-Seventh Legislature

1915

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PRIVATE AND SPECIAL LAWS

OF THE

STATE OF MAINE

As Passed by the Seventy-Seventh
Legislature

1915

CHAP. 186 increase of stock shall be affected by a vote representing a majority of the stock issued, and may consist, in whole or in part, of preferred shares of such class and character as the shareholders may determine and the Public Utilities Commission approve.

Approved April 1, 1915.

Chapter 186.

An Act to Provide for a Reorganization or Consolidation of the Railroad Companies Constituting the Boston and Maine Railroad System.

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

Boston and
Maine Rail-
road Cor-
poration
may buy
property or
franchises
of or con-
solidate
with any or
all subsid-
iary com-
panies.

Section 1. The Boston and Maine Railroad is hereby authorized, subject to the provisions hereinafter contained, to buy the property and franchises or the whole or any part of the capital stock of or to consolidate with any or all of the railroad corporations (hereinafter referred to as subsidiary companies) whose roads, whether in or outside of the State, are leased to or operated by it as a part of its system of railroad, or of which it or some subsidiary as above defined owns a majority of the capital stock, and such subsidiary companies are hereby authorized to sell their properties and franchises, subject to all existing debts, liabilities and obligations to, or consolidate with the Boston and Maine Railroad and to receive payment therefor in money or in stocks or bonds of said railroad and to distribute the same, or any part thereof, among their stockholders in exchange for their present holdings of stock; but no such purchase and sale of the property and franchises of or consolidation with any subsidiary company shall be valid or binding until its terms have been agreed to by a majority of the directors, and have been approved, at meetings properly notified and called for the purpose, by a vote of two-thirds in interest of the stockholders of the Boston and Maine Railroad and of two-thirds (representing not less than a majority of the stock outstanding and having voting rights) of the stock voted of such subsidiary company. In case the Boston and Maine Railroad shall, under authority of this act, purchase the property and franchises of or consolidate with any subsidiary company, all rights or claims of either the Boston and Maine Railroad or of the subsidiary company against the other, arising out of any existing lease or operating contract, shall be deemed to be satisfied and extinguished by the said purchase and sale or the said consolidation, and the Boston and Maine

Railroad shall have the powers and privileges and shall become subject to and be held to pay all of the debts and to perform all the duties and obligations of the said subsidiary company; provided, however, that the Boston and Maine Railroad may, subject to the provisions of the general law, and with the approval of the Public Utilities Commission, but not otherwise, issue additional stock or bonds, or both, to provide means for paying for permanent additions to or improvements of the property of such subsidiary company made prior to the said purchase and sale or consolidation and for which said Boston and Maine Railroad shall not have issued stock or bonds and shall not have been reimbursed by said company; and provided, further, that this act shall not be construed as authorizing the Boston and Maine Railroad to exercise in this State any powers or privileges not specifically granted by the laws of Maine. Any debts or other obligations of other corporations assumed by the Boston and Maine Railroad under authority of this act shall constitute a direct liability of said railroad to the holders of such debts and obligations which may be enforced by direct action by such holders against said railroad. No stocks purchased under authority of this act shall thereafter be sold, transferred or pledged. Each certificate so held shall be stamped by or under the direction of the treasurer of the Boston and Maine Railroad "non-transferable."

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—may with approval of the Public Utilities Commission issue additional stocks or bonds.

Stocks, non-transferable.

Section 2. The Boston and Maine Railroad may, by a vote of two-thirds in interest of its stockholders and for the purposes of such purchases, exchanges or consolidations, issue new preferred stock which may be preferred as to dividends or in liquidation, or both, over its present preferred stock, and may issue common stock and increase the issue of its present preferred stock, provided, however, that no such stocks shall be issued until said railroad has first obtained from the Public Utilities Commission, after notice and a public hearing, a certificate that the proposed issues are lawful under the limitations of section three and other provisions of this act. Such new preferred stock may be divided into different classes bearing different rates of dividend and having different orders of preference and voting powers and may be preferred both as to dividends and in liquidation. All stock so issued under the authority of this act shall be deemed fully paid for all purposes under the general railroad law. Said Boston and Maine Railroad may also, for such purchases, exchanges or consolidations, issue bonds subject to the limitations of chapter one hundred twenty-nine, Public Laws of Maine for the year nineteen hundred thirteen, or any acts in addition thereto or amendment thereof, but

—issuance of new preferred or common stock.

—issuance of bonds.

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—application for approval of Public Utilities Commission.

no such issue shall be made without the approval of the Public Utilities Commission obtained upon proceedings substantially in accordance with said chapter. The application for such approval shall set forth specifically the purpose for which such proposed bond issue is to be used; the decision of the Public Utilities Commission upon such application shall be in writing and shall assign the reasons therefor; and any order of approval shall provide for the application of such bonds or proceeds thereof to such particular purposes as the Commission may certify to be consistent with the public interest and in accordance with the provisions of this act. Nothing in this act, however, shall be construed as requiring the approval by said commission of the separate contracts made with any subsidiary companies for the purchase and sale of property and franchises or for consolidation or with individual stockholders for the purchase of their securities; but no such contract shall be valid or binding and no payment or obligation shall be made or incurred thereunder until the Boston and Maine Railroad shall have secured from the Public Utilities Commission authority to issue stock or bonds to provide for the carrying out of the terms of such contract.

—regulating the par value of stocks and bonds.

Section 3. The aggregate par value of stocks and bonds of the Boston and Maine Railroad used or contracted to be used in making such purchases, exchanges or consolidations, shall not exceed the aggregate par value of any stocks of subsidiary companies directly purchased plus the aggregate par value of the stocks which are owned or held by any such companies or companies whose franchises and properties are purchased by or which are consolidated with said railroad, but excluding any stocks which are owned or held by any such companies or by said railroad for which such companies or said railroad have issued stock or bonds or incurred debt; nor shall the Boston and Maine Railroad, for the purpose of purchasing stock of the subsidiary companies, issue stock or bonds or both which will result in a greater aggregate annual payment for dividends and interest upon such securities (reckoning dividends upon all common stock used for such purpose at the rate of four per cent. per annum) than the total amount paid in dividends, during the year ended June thirty, nineteen hundred fourteen, upon the stock so purchased; nor shall said Boston and Maine Railroad, for the purpose of purchasing the property and franchises of or consolidating with any subsidiary company issue securities which will result in a greater aggregate annual payment for dividends and interest upon the securities so issued (reckon-

—dividends limited.

ing dividends upon all common stock used for such purpose at the rate of four per cent. per annum) than the total amount paid in dividends upon the stock of such subsidiary company in the year ended June thirty, nineteen hundred fourteen. In the case of the Suncook Valley Railroad, however, the lease to the Concord Railroad and the Manchester and Lawrence Railroad, executed March eleven, eighteen hundred seventy, shall for the purpose of limiting said aggregate annual payment, be considered as if still unexpired. Nothing in this section shall prevent the issuing by said Boston and Maine Railroad, in accordance with the provisions of the general law, subject to the approval of the Public Utilities Commission, of any such stock, bonds or other securities as may be reasonably requisite for the purpose of paying, funding or refunding any debts or obligations which it may assume under the authority of this act.

—exceptions.

Section 4. The Boston and Maine Railroad may at any time prior to July first, nineteen hundred sixteen, reduce its capital stock, or its common stock only, to such amount as shall be determined by a vote of its stockholders at a meeting duly called for the purpose. Such reduction of the common stock shall require a vote of two-thirds in interest of the common stock then issued and outstanding, and if the preferred stock is to be reduced shall also require a vote of two-thirds in interest of the preferred stock then issued and outstanding. Such reduction shall take effect on the filing of duly certified copies of such votes authorizing such reduction with the Secretary of State and with the Public Utilities Commission. The directors shall have authority to prescribe the manner in which outstanding certificates shall be cancelled or reduced and new certificates representing such reduced amounts shall be issued. On such reduction, said railroad may, at a meeting duly called for the purpose and by a vote of two-thirds in interest of its stock then issued and outstanding, provide for the issue of new preferred stock to an amount not exceeding such reduction, and having such preferences, rights, privileges and voting powers as may be provided in such vote, except that the annual dividends payable thereon shall not exceed six per cent., but this shall not be construed to prevent such dividends from being made cumulative. Said railroad may also by like vote authorize the issue of new stock of each class so reduced to an aggregate amount not exceeding such reduction. Such total increase of stock shall take effect upon filing as above duly certified copies of the votes authorizing such increases. Such new preferred stock shall be offered for subscription in cash at par to its stockholders whose stock has been reduced, pro rata, and each subscrib-

—may reduce capital or common stock.

—reduction, when to take effect.

Authority of the directors over such reduction.

—exception.

—new stock limited.

—privileges of

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stockholders to buy new stock.

—stock not taken by stockholders, how disposed of.

—proceeds, how expended.

—may renew contract or make new contract.

—proviso.

—Authorized to make contracts with corporations organized under laws of states named herein.

—proviso.

ing stockholder shall also be entitled to receive, without further payment, a proportionate part of such new stock of the class in which his reduction has been made. All rights of stockholders to subscribe as aforesaid shall be assignable.

Any such preferred and common stocks not so taken by the stockholders within such reasonable time as may be limited in such vote, may be disposed of on the same terms to persons or corporations who may have agreed to underwrite the subscription or may be sold on the same terms at such time and in such manner as the directors may determine. All stock so issued and disposed of shall be deemed to be fully paid for all purposes under the general railroad law. The proceeds of such stocks so issued may be applied to the payment of the unfunded debt of the corporation, to the expenses of effecting the consolidation and underwriting such subscription, and to such other lawful corporate purposes as the directors may determine.

Section 5. The Boston and Maine Railroad and any subsidiary company may modify or renew any existing contract for the lease or operation of the road of such subsidiary company by said railroad or make a new contract by which said railroad shall perform all the transportation upon and over such road, provided, however, that no such new contract or modification or renewal of existing contract shall be valid or binding until the terms thereof shall have been agreed to by a majority of the directors and have been approved, at meetings called for the purpose, by a vote of two-thirds in interest of the stockholders of the Boston and Maine Railroad and of two-thirds (representing not less than a majority of the stock outstanding and having voting rights) of the stock voted of such subsidiary company, and by the Public Utilities Commission, after notice and a public hearing as consistent with the public interest.

Section 6. If any subsidiary company is a corporation organized under the laws of the State of Vermont, the State of New York or the Dominion of Canada, the Boston and Maine Railroad is also hereby authorized to purchase the property and franchises of or to consolidate with such corporation, and to make contracts in regard to the property of the same, in such manner in each case as the laws of the state or country of such corporation may authorize or prescribe, and in reference to such transactions shall have all the powers and privileges conferred upon it by the laws of the state and country of such corporation; provided, however, that no such contract shall be valid until, after notice and a public hearing, the same shall

have been approved, as consistent with the public interest and substantially in accordance with the general purposes and limitations of this act by the Public Utilities Commission.

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Section 7. The Boston and Maine Railroad may issue stocks, common or preferred, or bonds, or both, subject to the provisions of chapter one hundred twenty-nine of the acts of the year nineteen hundred thirteen, or any acts in addition thereto or in amendment thereof, and with the approval of the Public Utilities Commission, but not otherwise, for the purpose of paying or funding its floating debt outstanding on the thirty-first day of March in the year nineteen hundred fifteen, and any debt of any of said subsidiary companies which it shall lawfully assume under the provisions of this act in connection with the purchase of the property and franchises of or consolidation with such subsidiary companies. Any preferred stocks issued for said purposes may be of any of the classes and may have any of the preferences and privileges prescribed for such stocks issued under the provisions of section two; provided, however, that in any order approving an issue of stocks or bonds, or both, for the purpose of funding such debt, there shall be contained a provision requiring the deficit of the Boston and Maine Railroad as the same shall be as of June thirtieth, nineteen hundred fifteen, to be charged and set off as against the premiums realized on the common stock of said Boston and Maine Railroad sold since July ninth, eighteen hundred ninety-four, amounting as of June thirtieth, nineteen hundred fourteen to the sum of six million five hundred one thousand six hundred twenty dollars and fourteen cents. Such premium account shall thereupon for rate-making and for all other corporate purposes, to the amount of such deficit as of June thirtieth, nineteen hundred fifteen, be deemed to be cancelled and absorbed by such deficit.

—may issue stock for paying or refunding of floating debt.

—classes of preferred stock.

—proviso.

Section 8. Except as herein specifically provided said Boston and Maine Railroad shall be and remain subject to all provisions of the general railroad law. The special powers granted said railroad under the first seven sections shall end in one year from the date when this act takes effect; provided, however, that the Public Utilities Commission, on application of said railroad, may extend the operation of said sections for a further period not exceeding one year, if such commission finds it probable that within such extended time a reorganization of the Boston and Maine Railroad system consistent with the public interest may be effected. If and when a charter for a new corporation is issued in accordance with the subsequent

—special powers to be limited to one year.

—exception.

CHAP. 186 provisions of this act, said first seven sections shall not thereafter authorize any further action thereunder by the Boston and Maine Railroad.

Directors may declare a new corporation, if reorganization is impracticable.

Section 9. If the directors of the Boston and Maine Railroad shall hereafter deem it impracticable to reorganize said Boston and Maine Railroad system under the foregoing provisions of this act, they may, by vote, declare that a new corporation is necessary in the public interest to purchase or take over the property and franchises of the Boston and Maine Railroad either before or after a sale or other disposition of it under order of any court and to obtain for reorganization or consolidation with said property and franchises the properties and franchises of some or all of the subsidiary companies, and may designate certain named persons, not less than fifteen in number, at least one of whom shall be a citizen of New Hampshire, one of Maine and one of Massachusetts, (including, if thought desirable, any of said directors) to be the organizers of such new corporation.

—organizers of new corporation.

—filing of agreement of association.

Section 10. Such designated organizers shall thereupon file in the office of the Secretary of State a written agreement of association which shall set forth:

—purpose.

(a) That the subscribers associate themselves with the intention of forming a railroad corporation to be named the Boston and Maine Railroad Company (hereinafter referred to as the new corporation).

—description of property.

(b) A brief description of the property of the Boston and Maine Railroad (hereinafter referred to as the old corporation) and of its subsidiary companies proposed to be acquired.

—sale.

(c) If a sale of the property and franchises of the Boston and Maine Railroad has been or is expected to be made under order of a court, the name of the court and, so far as practicable, the terms of such sale.

—capital stock.

(d) The amount of the proposed capital stock of the new corporation, which, except as hereinafter provided, may equal but shall not exceed the amount of the outstanding capital stock of the Boston and Maine Railroad.

—par value.

(e) The par value of the shares, which shall be one hundred dollars.

—subscribers.

(f) The names and residences of at least five subscribers, one of whom shall be a resident of Maine, who shall act as directors until others are chosen and qualified in their stead.

—appointment of officers.

The directors shall appoint a clerk and treasurer who shall hold their respective offices until a clerk and treasurer of the new corporation are chosen and qualified in their stead, and

said directors may fill any vacancy in their board or in the office of clerk or treasurer before the organization of the new corporation.

Section 11. When it is shown to the satisfaction of the Public Utilities Commission that the requirements of this act preliminary to the incorporation of such new railroad corporation have been complied with, and that the subscribers intend in good faith to obtain for such new corporation the railroad properties described in such agreement of association, they shall make certificate to that effect, which certificate shall thereupon be duly filed by the directors in the office of the Secretary of State, who shall receive and preserve the same in form convenient for reference and open to public inspection and shall thereupon issue a certificate of incorporation substantially in the form prescribed by the statutes of this State except that in stating the purpose of the corporation the word 'purchasing' shall be inserted before the words "building and operating." Such certificate, duly signed and sealed, shall have the force and effect of a special charter. Further proceedings for the organization of said corporation shall be in accordance with the provisions of the Revised Statutes and said corporation shall have all the powers and privileges and be subject to all the restrictions and limitations of the general law except as herein otherwise expressly provided.

If a statute like this in its substantive features, authorizing the organization of a corporation of the same name and for the same purpose and with the same general powers is enacted in the states of New Hampshire and Massachusetts, or either of them, and if an agreement of association of the same purport as that entered into under this act is signed and filed by the same persons, and if similar or analogous proceedings are had thereon in one or both of said states, under the requirements similar or analogous to the foregoing provisions of the general law of Maine, then said corporation may be organized at a meeting held in either of the states where the certificate of incorporation is filed.

Upon the organization of this corporation as above provided, and the organization with it, by joint proceedings, at the same time and place, of the corporations established in like manner with the same name under a like statute of one or both of these two states, this corporation and the other corporation or corporations shall be deemed to be one corporation for general purposes, existing in each of the states, whose business shall be conducted by one board of directors, in which each state shall be represented by the membership of at least one of its citizens,

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Public Utilities Commission shall make certificate to be filed with Sec. of State.

Sec. of State shall issue certificate of incorporation.

—further proceedings.

—if states of New Hampshire and Massachusetts pass like measure.

May organize in any of the states where certificate is filed.

One board of directors.

—each state shall be represented on board.

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--meetings,
where held.

Shall
submit
plan of
purchase to
the Public
Utilities
Commis-
sion.

--provi-
sions of
the plan,
submitted.

--con-
tracts may
accom-
pany plan.

--approval
of plan.

--filing of
objections.

--may ap-
prove in
whole or in
part.

and whose corporate property in the different states shall be held for and controlled by the same stockholders. Subsequent meetings of the corporation may be held and its records may be kept in any of the three states.

Section 12. As soon as may be after the organization of said new corporation its directors shall prepare and submit to the Public Utilities Commission a plan for the purchase of the property and franchises of the old corporation and for the reorganization and consolidation of some or all of the properties embraced in the Boston and Maine Railroad system. Such plan shall be in as complete a form as is practicable; shall definitely state the terms or proposed terms of the purchase by said new corporation of the property and franchises of the old corporation, including the specific rights proposed to be given to the stockholders of said old corporation to subscribe for and to take stock in said new corporation; and shall also definitely state with respect to each subsidiary company and the stockholders thereof the terms of any contract made or offered to be made by said new corporation with such company or for the purchase or exchange of shares of stock with the stockholders of such company. Contracts contingent upon the approval by the Public Utilities Commission as hereinafter provided, with some or all of the corporations or the stockholders thereof affected by such plan may, but need not, accompany such plan on its filing. But no such contract shall be valid until such plan has been approved as hereinafter provided and such contract shall have been found to be in conformity with such approved plan. After notice and public hearing, said Public Utilities Commission shall approve said plan; provided the Commission finds the same is in conformity with law, and that there is reasonable ground to believe the plan or the substance thereof may be made effective, unless, the Commission shall find that said plan is unjust or inequitable to some subsidiary company or other party in interest that shall within such reasonable time as may be limited by the Commission, file with the Commission objections specifically setting forth grounds upon which such plan is alleged to be unjust or inequitable to such party in interest. The Commission shall proceed in as summary and speedy fashion as is practicable to determine whether said plan is in conformity to the law, and whether the objections set forth as above provided are valid. The Commission may approve or disapprove the plan as a whole, or in part, or may approve the same conditionally upon the making and acceptance of certain designated modifications to meet objections made and sustained in

behalf of any such party in interest. In case of the disapproval of said plan, a new or amended plan may be filed within such time as the Commission may limit. The plan after filing may be permitted to be amended by the Commission. Additional and supplementary plans for such reorganization may be submitted and approved or disapproved from time to time on like procedure.

Section 13. Subject to the limitations and provisions of this act said new corporation is hereby authorized to buy the property and franchises of the old corporation, and said old corporation is hereby authorized to sell its property and franchises to such new corporation upon such terms and conditions as may be specified in said approved plan of reorganization. But no such purchase and sale shall be valid and binding until its terms have been agreed to by a majority of the directors and have been approved at a meeting properly called for the purpose by a vote of two-thirds in interest of the stockholders of the old corporation, nor until the Public Utilities Commission shall have approved a plan of reorganization as provided in the preceding section and has certified that the terms of said purchase and sale conform to such plan.

Upon such purchase and sale of the property and franchises of the old corporation said new corporation may issue amounts of preferred and common stock equal respectively to the present outstanding preferred and common stock of the old corporation, or may issue an amount of common stock equal to the aggregate amount of outstanding preferred and common stock. Any preferred stock issued in lieu of the present outstanding preferred stock shall bear no higher rate of dividend and shall have no greater rights of preference than said present preferred stock. Such preferred and common stock so issued shall be deemed to be fully paid by the transfer to the new corporation of the property and franchises of the old corporation, and shall not thereafter be subject to any assessment by the new corporation; but such stock of the new corporation may be exchanged for the stock of the old corporation upon such terms and conditions as the plan of reorganization approved by the Public Utilities Commission may provide; but all stockholders of the old corporation shall have like opportunity to exchange their present holdings of stock for holdings of stock in the new corporation. Any right of stockholders of the old corporation to exchange their stock share for share for stock of the new corporation may be made contingent upon the payment of a cash assessment or a subscription payable in cash for additional stock

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—submitting of new plan.

—additional and supplementary plans.

May buy property and franchises of old corporation.

—approval of directors.

—approval of stockholders.

New corporation may issue preferred or common stock.

—preferred stock, how to be issued.

—exchange of stock.

—assessment.

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which the new corporation shall or may be authorized to issue. It shall also be provided that stockholders of the old corporation who do not elect to pay such cash assessment, or to subscribe and pay for such new stock may be entitled to receive such a proportionally less amount, of their holdings of stock in the old corporation as the Public Utilities Commission shall, on hearing, determine and order. Any of the common and preferred stock (if preferred stock shall be issued in lieu of the present preferred stock of the old corporation) in said new corporation not taken by the stockholders of the old corporation within such reasonable time as may be limited in said approved plan of reorganization, may be disposed of in such manner and on such terms as shall be set forth in such plan or reorganization. The proceeds from such cash assessment and from the sale of such common or preferred stock, or both, as shall not be taken by the stockholders of the old corporation in exchange as above provided, may be applied by the new corporation as the directors may determine and as may be set forth in such approved plan of reorganization: in part payment of the purchase price of the property and franchises of the old corporation, to the payment of any of the indebtedness of the old corporation assumed by the new corporation, to the payment of necessary underwriting commissions to persons, firms or corporations that may provide or guarantee the amount of cash which may be required under the terms of the plan of reorganization, or may otherwise assume risks with reference to the performance of any or all contracts provided for by such plan, or for any other lawful purposes of the new corporation. But the proceeds of the sale of any additional stock authorized shall be applied only to such lawful purposes as may be designated in the order of the Public Utilities Commission approving such issue and in accordance with the provisions of the general law.

—disposal of common and preferred stock not taken by stockholders of the old corporation. Proceeds from cash assessments or sales of new stock, how applied.

Shall be liable for debt of old corporation, not agreed upon in sale.

Section 14. Upon such purchase and sale said new corporation shall also succeed to the powers and privileges of the Boston and Maine Railroad, shall become subject to and be held to pay any outstanding funded or unfunded debt of said railroad the payment of which is not provided for as a part of the agreement of purchase and sale; shall likewise become subject to all liabilities incurred by said old corporation in connection with its business as a common carrier, and shall be held to perform all the duties and obligations of such old corporation with respect to the properties so purchased and sold. But said new corporation shall not become subject to, nor be held to pay, any debts, obligations or liabilities of the old corporation

—exceptions.

except as expressly provided in this act, or in some contract or agreement made pursuant thereto. Said new corporation shall have the same right to issue securities for the purpose of paying, funding or refunding any floating indebtedness of the old corporation or of any subsidiary company whose indebtedness it may assume in accordance with the provisions of this act as is given to the old corporation under section seven of this act; but subject to approval by the Public Utilities Commission. Said new corporation shall also have the same authority to purchase the property and franchises or the whole or any part of the capital stock of, or to consolidate or make other contracts with, the subsidiary companies, and said subsidiary companies shall have the same authority to sell their properties and franchises to or to consolidate or make other contracts with said new corporation as is granted to the old corporation and to the subsidiary companies respectively by the first seven sections of this act and subject to the same limitations and restrictions, except the time limit provided in section eight; provided, however, that no such purchase and sale or consolidation or other contract shall be valid and binding until the Public Utilities Commission shall have approved the plan of reorganization provided for in section twelve and has certified that such contract conforms to such plan.

Section 15. If the new corporation does not purchase the property and franchises of the Boston and Maine Railroad within two years after the date of its certificate of incorporation, its corporate powers and existence shall cease.

Section 16. In case of the sale of the property and franchises of the Boston and Maine Railroad or of any subsidiary company under order of court, said new corporation is hereby authorized to purchase such property and franchises; and except as otherwise required by such order of court, the foregoing provisions, limitations and restrictions as to the purchase of the property and franchises of said Boston and Maine Railroad and the reorganization of its system of railroads shall be applicable.

Section 17. In case of any purchase of the property and franchises or consolidation of either the Boston and Maine Railroad or of any subsidiary company under the provisions of this act, unless such purchase be in accordance with the provisions of some order of court, the rights of any stockholders voting against such sale or consolidation shall be determined as follows: At any time within three months from the date of the vote from which he dissents, but not thereafter,

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—rights to
issue se-
curities.

Authority
to pur-
chase prop-
erty and
franchises
of or con-
solidate
with sub-
sidiary
companies
granted.

—proviso.

—must
make pur-
chase
within two
years.

—in case of
sale by
order of
court.

Rights of
stockhold-
ers to vote
against sale
or consoli-
dation, how
determined.

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—petition
to court.

Commis-
sioner to
ascertain
value of
shares.

—report to
the court.

—may ap-
point legal
represent-
ative.

Liability of
purchas-
ing or con-
solidated
corporation.

Holding of
joint hear-
ings of com-
missions of
the differ-
ent states.

such stockholder may file a petition in the Supreme Judicial court, in term time or vacation, within and for the county in this State, where he resides, setting forth the material facts, and asking that the value of his shares may be determined. Thereupon, and upon such notice to all parties concerned as it may deem proper, the court shall pass an order requiring the certificate or certificates evidencing such shares, duly endorsed, to be deposited with the clerk of the court, and shall appoint a commissioner to ascertain and report the value of the shares. Report shall be made to the court as soon as is practical, and, after due notice to the parties in interest, shall be confirmed by the court unless some error of law be made to appear upon the face of the report, in which event it shall be recommitted to the commissioner with such order as the court may make, or unless either of the parties to said proceedings shall claim a trial by jury, in which latter event the court shall order the question of the value of the shares to be tried and determined as speedily as may be in said Supreme Judicial court in the same manner in which other cases are tried in that court. Any stockholder voting against such sale and consolidation, who during said three months' period above provided for is legally incapacitated from acting for himself and has no legal representative, may file such petition in the Supreme Judicial court within ninety days after the removal of such incapacity by the appointment of a legal representative or otherwise.

The purchasing or consolidated corporation shall be liable for and shall pay all sums due and payable to all holders of shares in the proceedings aforesaid including such interest, cost and expenses as the court may order, and shall likewise furnish such security for the said payment as the court may order. Upon payment or tender or deposit with the clerk of the court of the value of such shares fixed as aforesaid, such shares and the certificate or certificates thereof shall become the property of and be delivered to the purchasing or consolidated company, whose right and title to receive the same and to hold possession thereof may be enforced by the court by any appropriate process; and the said purchasing or consolidating company shall, upon payment or tender or deposit, have the same right to hold and cancel or otherwise use such shares as would have accrued to such purchasing or consolidated company in case such shares had been originally voted in favor of such purchase or consolidation.

Section 18. Wherever in this act application is required to be made to the Public Utilities Commission for the authorizing or approval of any act done or proposed to be done, it shall be

understood that said Public Utilities Commission shall hold such joint hearings for the taking of evidence and such conferences in regard to conclusions with the Public Service Commission of Massachusetts and the Public Service Commission of New Hampshire, or either of said Commissions, as it may deem necessary and expedient, providing similar or analogous action is authorized by similar or analogous legislation in said states or either of them.

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Section 19. Bonds and notes and any renewal or extension of the same, which have been issued by any subsidiary companies whose properties and franchises are purchased by or which are consolidated with the Boston and Maine Railroad or with the new corporation under the provisions of this act, and which are now a legal investment for Maine savings banks or insurance companies, shall remain so until January one in the year nineteen hundred eighteen, or longer if the investment is then permissible under the general laws; and all bonds issued or assumed by the Boston and Maine Railroad or by the new corporation shall be a legal investment for Maine savings banks or insurance companies, provided the said issuing or assuming company, in the fiscal year previous to such investment, has paid dividends upon its capital stock equal in the aggregate to four per cent. upon one-half of the sum of its bonded debt and notes.

Bonds and notes of subsidiary companies, how provided for.

—proviso.

Section 20. Any director or other officer of the Boston and Maine Railroad or of the Boston and Maine Railroad Company or of any subsidiary company who knowingly violates any of the provisions of this act shall be punished by a fine not exceeding one thousand dollars or by imprisonment not exceeding one year or by both such fine and imprisonment.

Penalty for violation of provisions of this act.

Section 21. If the provisions hereinbefore made for capitalization of the Boston and Maine Railroad, or of the new corporation for the purpose of reorganization, prove insufficient, so that in the opinion of the Public Utilities Commission there is an imperative requirement of additional capital to enable the corporation to effect a reorganization under this act, and to provide the necessary means for the proper operation of the railroad system in the interest of the public, said Commission may authorize the issue of additional stock or bonds by the corporation to such an amount as is necessary, and their order shall contain a statement of the facts and circumstances upon which it is founded. They may also prescribe how and upon what terms stock or other securities of the corporation may be disposed of to promote the interest of the public.

Public Utilities Commission may authorize issuing of additional stock or bonds.

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—exempt from incorporation tax.

—liable for expenses of the commission.

—payment of costs.

—costs, how disposed of.

Section 22. The Boston and Maine Railroad Company shall not be required to pay any incorporation tax under the provisions of chapter forty-seven, section five of the Revised Statutes and acts additional thereto and amendatory thereof. But whenever application shall be made to the Public Utilities Commission under the provisions of this act for the issuance of any certificate, or for the approval of any act done or proposed to be done, whether by the Boston and Maine Railroad or by the Boston and Maine Railroad Company, the petitioner shall become liable to the State of Maine for all expenses incurred by the Commission in attending or holding hearings and conferences and in making investigations preliminary to passing upon such application and in the discharge of any other duties incident thereto, including reasonable counsel fees, which items shall be taxed by the Commission in its report thereon as costs and certified by the Commission to the petitioner and the treasurer of this State. If such sums so taxed are not paid into the State Treasury within thirty days after such certification, the State Treasurer is hereby given authority, and it shall be his duty, to collect the same for and in the name of the State of Maine, in an action of debt, jurisdiction being hereby conferred upon the Supreme Judicial court for that purpose. Such costs when paid, in whatever manner collected, shall become a part of and be added to the appropriation for the use of the Public Utilities Commission and are hereby appropriated for that purpose.

Approved April 2, 1915.

Chapter 187.

An Act to Incorporate the Oquossoc Light and Power Company.

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

Incorporators.

—corporate name.

—location of corporation.

Section 1. F. B. Colby, H. C. Riddle, W. D. Quimby, F. G. MacKenzie, John A. Russell, R. H. Ellis and W. S. Marble of Rangeley, in the county of Franklin and State of Maine, their associates, successors and assigns, are hereby incorporated under the name of the Oquossoc Light and Power Company, with all the rights and privileges and subject to all the obligations incident to corporations organized under the general law, except as otherwise herein provided.

Section 2. The location and principal office of said corporation shall be in the town of Rangeley in Franklin county.