

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

Eighty - Third Legislature

OF THE

STATE OF MAINE

1927

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PUBLIC LAWS
OF THE
STATE OF MAINE

As Passed by the Eighty-third Legislature

1927

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utes is hereby amended by adding thereto the following sentence: 'And no action of debt in behalf of the state against sureties and recognizances in criminal cases shall be brought unless within one year after default of principal'; so that said section, as amended, shall read as follows:

'Sec. 88. Actions of debt against sureties limited to one year. No scire facias shall be served on bail unless within one year after judgment was rendered against the principal; nor on sureties in recognizances in criminal cases unless within one year after default of the principal; nor against any person adjudged trustee, unless within one year from the expiration of the first execution against the principal and his goods, effects and credits in the hands of the trustee. And no action of debt in behalf of the state against sureties and recognizances in criminal cases shall be brought unless within one year after default of principal.'

Approved April 1, 1927.

Chapter 43.

An Act Relating to Increases in the Capital Stock of Railroad Corporations.

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

R. S., c. 56, sec. 21; relating to increasing capital stock of railroad companies and the sale of such shares, amended. Section twenty-one of chapter fifty-six of the revised statutes is hereby amended:

(A) by striking out in the first sentence thereof, the words "under the provisions of the preceding section," and also by striking out the words "at such price, not less than the par value thereof, as shall be determined by its stockholders" and by substituting therefor the following:

'at such price as shall be approved by them and by the public utilities commission.'

so that, as amended, said sentence shall read as follows:

'Whenever a railroad corporation which is in actual possession of and operating a railroad increases its capital stock, the new shares shall be offered proportionately to its stockholders at such price as shall be approved by them and by the public utilities commission.'

(B) by striking out in the second sentence thereof, the words "upon the approval of such increase as provided in the preceding section," so that, as amended, said sentence shall read as follows:

'The directors shall cause written notice of such increase to be given to each stockholder of record upon the books of the company at the date of the vote to increase, stating the amount of the increase, the number of shares or fraction of shares to which, according to the proportionate

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number of his shares at the date of the vote to increase, he is entitled, the price at which he is entitled to take them, and fixing a time not less than fifteen days after the date of such vote to increase within which he may subscribe for such additional stock.'

(C) by striking out the period at the end of the third sentence thereof, substituting a semi-colon therefor and by adding the following:

'in the absence of charter provisions to the contrary, subscriptions may not be made for fractions of shares, but rights to subscribe for such fractions may be combined to create rights of subscription to full shares.'

(D) by striking out in the fourth sentence thereof the words "may sell the same at auction to the highest bidder at not less than the par value thereof," and substituting therefor the following:

'may sell the same in such manner, under such conditions, at such price and on such terms as the public utilities commission shall approve in an order issued pursuant to a petition or application filed with it under the requirements of the preceding section.'

(E) by striking out the fifth, sixth and seventh sentences thereof and substituting therefor the following:

'If, after the expiration of the notice above provided for, any shares of such stock remain unsubscribed for by the stockholders, or their assignees, entitled to take them, the directors may sell the same in such manner, under such conditions, at such price and on such terms as the public utilities commission shall approve in an order issued pursuant to a petition or application filed with it under the requirements of the preceding section.'

(F) by striking out in the last sentence thereof the word "fixed" wherever it appears in said sentence and substituting therefor the word 'approved,' and also by striking out the period at the end of said sentence and substituting therefor a comma and by adding the following:

'or the said commission may make its approval conditional upon such stock being issued or sold at a price not less than that which the commission shall determine.'

So that said section twenty-one of chapter fifty-six of the revised statutes, as amended, shall read as follows:

Sec. 21. Price of stock subject to approval of stockholders and public utilities commission; notice of increase to be given stockholders; subscriptions to fractions of shares prohibited; increases of less than four per cent may be sold as ordered by public utilities commission; unsubscribed stock may be sold as public utilities commission may order. When-

ever a railroad corporation which is in actual possession of and operating a railroad increases its capital stock the new shares shall be offered proportionately to its stockholders at such price as shall be approved by them and by the public utilities commission. The directors shall cause written notice of such increase to be given to each stockholder of record upon the books of the company at the date of the vote to increase, stating the amount of the increase, the number of shares or fraction of shares to which, according to the proportionate number of his shares at the date of the vote to increase, he is entitled, the price at which he is entitled to take them, and fixing a time not less than fifteen days after the date of such vote to increase within which he may subscribe for such additional stock. Each stockholder may, within the time limited, subscribe for his portion of such stock, which shall be paid for in cash before the issue of a certificate therefor; in the absence of charter provisions to the contrary, subscriptions may not be made for fractions of shares, but rights to subscribe for such fractions may be combined to create rights of subscription to full shares. Provided, that when the increase in the capital stock does not exceed four per cent of the existing capital stock of the corporation, the directors, without first offering the same to the stockholders, may sell the same in such manner, under such conditions, at such price and on such terms as the public utilities commission shall approve in an order issued pursuant to a petition or application filed with it under the requirements of the preceding section. If, after the expiration of the notice above provided for, any shares of such stock remain unsubscribed for by the stockholders, or their assignees, entitled to take them, the directors may sell the same in such manner, under such conditions, at such price and on such terms as the public utilities commission shall approve in an order issued pursuant to a petition or application filed with it under the requirements of the preceding section. Provided, further, that the determination by the public utilities commission, under the provisions of the preceding section as to the amount of such increase, shall be based upon the price at which such stock is to be issued as approved by the stockholders, and the said commission shall refuse to approve any particular issue of stock if, in their opinion, the price approved by the stockholders is so low as to be inconsistent with the public interest, or the said commission may make its approval conditional upon such stock being issued or sold at a price not less than that which the commission shall determine.'

Approved April 1, 1927.