

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

Eighty-fifth Legislature

OF THE

STATE OF MAINE

1931

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PUBLIC LAWS
OF THE
STATE OF MAINE

As Passed by the Eighty-fifth Legislature

1931

[supplied from page 1 of volume]

Chapter 162.

AN ACT to Provide Uniform Jurisdiction for Municipal Courts.

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

Sec. 1. Jurisdiction of municipal courts. All municipal courts shall have jurisdiction, concurrent with the superior court and with any other municipal courts in the counties where they are located, of all crimes and offenses not punishable by imprisonment in the state prison, and may for such crimes and offenses impose any of the fines or sentences provided by law to be imposed therefor.

Sec. 2. Municipal court terms. All municipal courts shall have terms for the transaction of criminal business, which terms shall commence on the return days of the civil terms as set forth in their respective charters and shall continue to and include the days prior to the next civil return days.

Sec. 3. Repealing clause. All acts or parts of acts, either of the general laws or private and special laws, inconsistent herewith are hereby repealed.

Approved April 2, 1931.

Chapter 163.

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:

Sec. 1. R. S., c. 63, sec. 21; relating to increase in capital stock, amended. The first sentence of section twenty-one of chapter sixty-three of the revised statutes is hereby amended by striking out said sentence which now reads 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.”

and substituting therefor the following sentence:

“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 subject to the exceptions hereinafter in this section set forth; shares of stock to which the stockholders may be entitled to subscribe shall be offered to the stockholders at such

price as may be determined by them or as shall be determined by the board of directors if the stockholders, by majority vote, delegate such authority to the board.'

Sec. 2. R. S., c. 63, sec. 21; relating to control of public utilities commission, amended. Section twenty-one of said chapter sixty-three is further amended by striking out the sixth sentence of said section now reading as follows:

"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,"

and substituting therefor the following:

'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, or by the board of directors, and the said commission shall refuse to approve any particular issue of stock if, in their opinion, the price approved by the stockholders or by the board of directors is unreasonably low, 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.'

Sec. 3. R. S., c. 63, sec. 21; relating to issue of stock, amended. Section twenty-one of said chapter sixty-three is further amended by adding to said section the following additional new paragraphs:

"When any class of stock is increased for the purpose of retiring interest bearing obligations, at or before maturity, or for the purpose of retiring preferred capital stock, such stock need not be offered to the stockholders but may be issued in exchange for interest bearing obligations or the preferred stock to be retired, in such amounts, at such prices and on such terms and conditions as shall be determined by a majority vote of the stockholders, or as shall be determined by the board of directors if the stockholders, by a majority vote, delegate such authority to the board. When bonds or other interest bearing obligations maturing at periods of more than twelve months after the date thereof hereafter are issued, or when any class of preferred stock hereafter is issued, there may be attached thereto warrants entitling the holder thereof to subscribe, at

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some future date or dates, for shares of common stock in such amounts, at such time or times, at such price or prices and under such terms and conditions as the stockholders, by majority vote, shall determine or as shall be determined by the board of directors if the stockholders, by majority vote, delegate such authority to the board; such securities so issued with such warrants attached need not be offered to the stockholders unless the stockholders, by majority vote, shall so require, and common stock authorized to be issued to meet the purchase rights of such warrants shall be wholly exempt from any provisions of this section requiring that increases in capital stock shall be offered to the stockholders. Bonds or other interest bearing obligations maturing at periods of more than twelve months after the date thereof and any class of preferred stock may be issued with provision that such bonds or other interest bearing obligations and such stock may be converted into common stock, in such amounts, at such future date or dates, at such price or prices and on such terms and conditions as the stockholders, by majority vote, shall determine or as shall be determined by the board of directors if the stockholders, by majority vote, delegate such authority to the board; such securities so issued with such convertible provisions need not be offered to the stockholders unless the stockholders, by majority vote, shall so require and common stock authorized for issuance in exchange for any such convertible bond or other interest bearing obligations, or any such convertible preferred stock, shall be wholly exempt from any provisions of this section requiring that increases in capital stock shall be offered to the stockholders.

'None of the provisions of chapter sixty-two of the revised statutes requiring approval of the public utilities commission as a condition precedent to the issuing of any class of securities shall apply to any railroad corporation engaged in interstate commerce, or to the securities issued or to be issued by such corporation, while and so long as such corporation is required by federal law to make application to and procure consent from the interstate commerce commission as a condition precedent to the issuing of the securities proposed to be issued by such railroad corporation.'

Sec. 4. R. S., c. 63, sec. 21; relating to when stock is increased, amended. Section twenty-one of chapter sixty-three of the revised statutes as amended shall read as follows:

'Sec. 21. When stock is increased, how to be offered for sale; sale of shares unsubscribed for. 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 subject to the exceptions hereinafter in this section set forth; shares of stock to which the stockholders may be entitled to subscribe shall be offered to the

stockholders at such price as may be determined by them or as shall be determined by the board of directors if the stockholders, by majority vote, delegate such authority to the board. The stockholders who shall be entitled to subscribe to such new shares shall be the stockholders of record upon the books of the company at such date as the stockholders may determine or at such date as the directors may determine, provided the stockholders shall delegate the determination of the date to the directors; the directors shall cause written notice of such increase to be given to each stockholder entitled to subscribe for the new shares, 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 accrual of his rights he is entitled, the price at which he is entitled to take them, and fixing a date 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, or by the board of directors, and the said commission shall refuse to approve any particular issue of stock if, in their opinion, the price approved by the stockholders or by the board of directors is unreasonably low, 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.

When any class of stock is increased for the purpose of retiring interest bearing obligations, at or before maturity, such stock need not be offered

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to the stockholders but may be issued in exchange for the interest bearing obligations to be retired, in such amounts, at such prices and on such terms and conditions as shall be determined by majority vote of the stockholders, or as shall be determined by the board of directors if the stockholders, by majority vote, delegate such authority to the board. When bonds or other interest bearing obligations maturing at periods of more than twelve months after the date thereof hereafter are issued, or when any class of preferred stock hereafter is issued, there may be attached thereto warrants entitling the holder thereof to subscribe, at some future date or dates, for shares of common stock in such amounts, at such time or times, at such price or prices and under such terms and conditions as the stockholders, by majority vote, shall determine or as shall be determined by the board of directors if the stockholders, by majority vote, delegate such authority to the board; such securities so issued with such warrants attached need not be offered to the stockholders unless the stockholders, by majority vote, shall so require, and common stock authorized to be issued to meet the purchase rights of such warrants shall be wholly exempt from any provisions of this section requiring that increases in capital stock shall be offered to the stockholders. Bonds or other interest bearing obligations maturing at periods of more than twelve months after the date thereof and any class of preferred stock may be issued with provision that such bonds or other interest bearing obligations and such stock may be converted into common stock, in such amounts, at such future date or dates, at such price or prices and on such terms and conditions as the stockholders, by majority vote, shall determine or as shall be determined by the board of directors if the stockholders, by majority vote, delegate such authority to the board; such securities so issued with such convertible provisions need not be offered to the stockholders unless the stockholders, by majority vote, shall so require and common stock authorized for issuance in exchange for any such convertible bond or other interest bearing obligations, or any such convertible preferred stock, shall be wholly exempt from any provisions of this section requiring that increases in capital stock shall be offered to the stockholders.

None of the provisions of chapter sixty-two of the revised statutes requiring approval of the public utilities commission as a condition precedent to the issuing of any class of securities shall apply to any railroad corporation engaged in interstate commerce, or to the securities issued or to be issued by such corporation, while and so long as such corporation is required by federal law to make application to and procure consent from the interstate commerce commission as a condition precedent to the issuing of the securities proposed to be issued by such railroad corporation.'

Approved April 2, 1931.