Title 23: TRANSPORTATION

Chapter 605: MANAGEMENT AND OPERATION

Table of Contents

Part 7. RAILROADS .....

Subchapter 1. FARES AND TOLLS 3
Section 5121. FARES AND TOLLS ESTABLISHED..... 3
Section 5122. RIGHTS OF TICKET HOLDERS..... 3
Section 5123. RAILROAD TICKETS; CANCELLATION AND EXCHANGE..... 3
Section 5124. SALE OF LIMITED TICKETS..... 3
Section 5125. EVADING PAYMENT OF FARE OR RIDING FREIGHT TRAIN..... 4

Subchapter 2. SERVICES 4
Section 5141. INTERSECTING ROADS..... 4
Section 5142. TRAINS CROSSING AT SAME HOUR; EXCHANGE OF BAGGAGE..... 4
Section 5143. EQUAL FACILITIES TO ALL EXPRESSES..... 4
Section 5144. DISCONTINUANCE OF SERVICE..... 4

Subchapter 3. SHARES, COUPONS AND MORTGAGES 5
Section 5151. SHARES..... 5
Section 5152. RIGHTS OF COUPON HOLDERS..... 5
Section 5153. TRUSTEES; VACANCIES; ELECTIONS AFFIRMED; DECREES ENFORCED..... 5
Section 5154. BREACH OF MORTGAGE; MEETING OF BONDHOLDERS..... 5
Section 5155. ONE VOTE FOR EVERY $100 OF BONDS..... 6
Section 5156. TRUSTEES TAKING POSSESSION HAVE CORPORATE POWERS..... 6
Section 5157. RECEIPTS AND EXPENDITURES; TRUSTEES NOT LIABLE; ROAD SURRENDERED..... 6
Section 5158. BONDHOLDERS' MEETINGS; REPORTS; COMPENSATION AND INSTRUCTIONS FOR TRUSTEES..... 6

Subchapter 4. FORECLOSURE AND REDEMPTION OF MORTGAGES 6
Section 5161. RAILROAD MORTGAGES FORECLOSED..... 7
Section 5162. OVERDUE BONDS AND COUPONS FOR RECORD..... 7
Section 5163. SECURED CREDITORS BECOME CORPORATION AND TRUSTEES SHALL CONVEY TO IT..... 7
Section 5164. FIRST MEETING OF NEW CORPORATION; NAME; POSSESSION AND USE OF MORTGAGED PROPERTY..... 7
Section 5165. VOTE TO REDEEM PRIOR MORTGAGE AND ASSESSMENTS..... 8
Section 5166. SALE OF STOCK FOR NONPAYMENT; RIGHTS OF DELINQUENT STOCKHOLDERS..... 8
Section 5167. APPLICATION OF FUNDS..... 8
Section 5168. REDEMPTION OF PRIOR MORTGAGES BY JUNIOR MORTGAGES..... 8
Section 5169. MEETING REGARDING REDEMPTION OF PRIOR MORTGAGES; CONTRIBUTION..... 8

Section 5170. ANYONE INTERESTED IN SUBSEQUENT MORTGAGE MAY REDEEM..... 9
Section 5171. DELINQUENTS PAY PROPORTION AND RIGHTS RESTORED; NEW CORPORATION..... 9
Section 5172. REDEMPTION BY STOCKHOLDERS OF OLD CORPORATION..... 9
Section 5173. NONCONTRIBUTORS; NOTICE; RIGHTS..... 10
Section 5174. EXTENSION OF REDEMPTION TIME AFTER FORECLOSURE COMMENCED..... 10
Subchapter 5. RIGHTS OF PURCHASERS UNDER SALE 10
Section 5181. PURCHASERS AT SALE HAVE RIGHTS OF ORIGINAL CORPORATION; REDEMPTION..... 10
Section 5182. SUCCESSION TO RIGHTS AND OBLIGATIONS OF ORIGINAL CORPORATION..... 10
Section 5183. ORIGINAL CORPORATION CONTINUES, TO CLOSE BUSINESS, AND FOR ACTIONS..... 11
Section 5184. COURTS HAVE JURISDICTION OF ALL DISPUTES..... 11
Section 5185. APPLICATION OF PROVISIONS TO MORTGAGES OF CORPORATIONS GIVEN TO TRUSTEES, AS IF LEGALLY FORECLOSED..... 11
Section 5186. HOLDERS OF UNPAID SCRIP AND BONDS MAY FORECLOSE MORTGAGES..... 11
Section 5187. CAPITAL STOCK OF NEW CORPORATION; VALUE OF SHARES; NO FURTHER ASSESSMENT..... 12
Section 5188. ORGANIZATION CERTIFICATE FILED WITH SECRETARY OF STATE..... 12
Section 5189. NEW CORPORATION MAY BUY RIGHT OF REDEMPTION..... 12
Section 5190. WHEN FRANCHISE LOST; ACTION FOR DISSOLUTION..... 12

Subchapter 1: FARES AND TOLLS

§5121. FARES AND TOLLS ESTABLISHED

Any railroad corporation may establish and collect for its sole benefit, fares, tolls and charges upon all passengers and property conveyed and transported on its railroad, at such rates as may be determined by the directors of the railroad corporation and shall have a lien on its freight therefor, and may from time to time regulate by its directors the use of its road. The rates of fares, tolls, charges and regulations are at all times subject to alteration by the Legislature or by such officers or persons as the Legislature may appoint for the purpose, anything in the charter of the corporation to the contrary notwithstanding. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5122. RIGHTS OF TICKET HOLDERS

No railroad company may limit the right of a ticket holder to any given train, but the ticket holder may travel on any train, whether regular or express, and may stop at any of the stations along the line of the road at which the trains stop. The ticket shall be good for passage for one year from the day it was first issued. Railroad companies may sell excursion, return or other special tickets at less than the regular rates of fare, to be used only as provided on the ticket. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5123. RAILROAD TICKETS; CANCELLATION AND EXCHANGE

Section 5122 shall not prevent railroad corporations from establishing necessary rules and regulations for the cancellation of tickets and exchange of partially used tickets, but the rules and regulations shall be publicly posted at each ticket office and on all passenger trains and, when practicable, printed upon the tickets. Any ticket or check given in exchange for the unused portion of a partially used ticket continues in force for the full term of the original ticket, as provided in section 5122. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5124. SALE OF LIMITED TICKETS

No person, other than a duly authorized agent of the railroad company issuing a railroad ticket, may sell, offer for sale or loan any railroad ticket limited to the use of a person or persons specified on the ticket at the time of its issuance by the railroad company, under a penalty of not less than $10 nor more than $100, for each offense, to be recovered on complaint. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5125. EVADING PAYMENT OF FARE OR RIDING FREIGHT TRAIN

No person is entitled to transportation over a steam railroad or upon any ferry or in a taxicab or public automobile, who does not on demand first pay the established fare. Whoever, while being transported over any steam railroad, ferry or in a taxicab or public automobile, willfully refuses on demand to pay the established fare and whoever fraudulently evades payment of the established fare by giving a false answer, by traveling beyond the place to which the person has paid or by leaving a train, ferry, taxicab or public automobile without paying the established fare, whether that fare is demanded or not, forfeits not less than $5 nor more than $20, to be recovered on complaint. No person, without right, may loiter or remain or place or cause to be placed any property or obstruction on the right-of-way of a railroad corporation or on land owned by a railroad corporation adjoining or adjacent to its right-of-way or, without right, may board or attempt to board or remain on any railroad freight train, freight car, caboose, locomotive or work equipment. Any person violating this portion of this section is guilty of a Class E crime. [2013, c. 2, §35 (COR).]

SECTION HISTORY
1987, c. 141, §A4 (NEW). RR 2013, c. 2, §35 (COR).

Subchapter 2: SERVICES

§5141. INTERSECTING ROADS

Railroads intersecting or crossing each other shall be deemed, for all business purposes, connecting roads. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5142. TRAINS CROSSING AT SAME HOUR; EXCHANGE OF BAGGAGE

When railroads cross each other and passenger trains are due at the crossing at the same hour, the train first arriving shall wait for the arrival of the other, if it comes within 20 minutes. Each shall afford suitable opportunity for passengers desiring to change with their baggage from one train to the other. The superintendent, conductor and engineer of the road violating this provision forfeits to the State for each offense not less than $10 nor more than $50, to be recovered on complaint. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5143. EQUAL FACILITIES TO ALL EXPRESSES

Every railroad operating in the State shall furnish reasonable and equal facilities and accommodations to all persons engaged in express business for transportation of themselves, agents, servants, merchandise and other property; for the use of their stations, buildings and grounds; and for exchanges at points of junction with other roads, under a penalty of not more than $500, to be recovered by indictment and are liable to the aggrieved party in a civil action for damages. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5144. DISCONTINUANCE OF SERVICE

No railroad or railroad company may discontinue service to any point served prior to January 1, 1982, unless the railroad or railway company has filed with the Department of Transportation and with any municipality affected by the discontinuance of service and, in the case where service is discontinued solely to one shipper, with that shipper, a written notice of intention to discontinue that service. The written notice

shall be given at least 30 days prior to discontinuing the service. This section does not apply to any railroad corporation engaged in interstate commerce while and so long as that corporation is required by federal law to make application to and procure consent from the Interstate Commerce Commission as a condition precedent to any such abandonment of property or discontinuance of service as is contemplated in this section. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

Subchapter 3: SHARES, COUPONS AND MORTGAGES

§5151. SHARES

Shares in the capital of railroad corporations are personal estate and may be transferred in the same manner and with the same rights as shares in other corporations are transferred. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5152. RIGHTS OF COUPON HOLDERS

When coupons for interest issued with bonds are, for a valuable consideration, detached and assigned by delivery, the assignee may maintain a civil action upon them in his own name against the corporation engaging to pay them. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5153. TRUSTEES; VACANCIES; ELECTIONS AFFIRMED; DECREES ENFORCED

When a railroad corporation mortgages its franchise for the payment of its bonds or coupons and trustees are appointed by the corporation, by special law or by the mortgage, the bondholders, at a regular meeting called for the purpose and notified as provided may, from time to time, elect by ballot new trustees to fill vacancies, when no other method for filling vacancies is specifically provided in the appointment, special law or mortgage. Any party interested may present the proceedings of the meeting to the Superior Court. The court shall appoint a time of hearing and order such notice to parties interested as it deems proper, and may affirm the elections and make and enforce any decrees necessary for the transfer of the trust property to the new trustees. The decrees shall be filed with the clerk of the judicial court where the hearing is had and be recorded by him. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5154. BREACH OF MORTGAGE; MEETING OF BONDHOLDERS

The neglect of the corporation to pay any overdue bonds or coupons secured by a mortgage, for 90 days after presentment and demand on the treasurer or president of the corporation, is a breach of the conditions of the mortgage. Upon such a breach, the trustees shall call a meeting of the bondholders, by publishing the time and place of the meeting for 3 weeks successively in the state paper and in some paper in the county where the road lies, the last publication to be at least one week before the time of the meeting. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY

1987, c. 141, §A4 (NEW).

§5155. ONE VOTE FOR EVERY $100 OF BONDS

At such a meeting and all others, each bondholder present shall have one vote for each $100 of bonds held by him or represented by proxy. They may organize by the choice of a moderator and clerk and determine whether the trustees shall take possession of the road and manage and operate it in their behalf. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5156. TRUSTEES TAKING POSSESSION HAVE CORPORATE POWERS

If the bondholders so determine, the trustees shall take possession of the road and all other property covered by the mortgage and have all the rights and powers and be subject to all the obligations of the directors and corporation of the road and may prosecute and defend suits in their own name as trustees. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5157. RECEIPTS AND EXPENDITURES; TRUSTEES NOT LIABLE; ROAD SURRENDERED

The trustees shall keep an accurate account of the receipts and expenditures of the road and exhibit it, on request, to any officer of the corporation or other person interested. They shall, from the receipts, keep the road, buildings and equipment in repair, furnish such new rolling stock as is necessary and the balance, after paying running expenses, shall be applied to the payment of any damages arising from misfeasance in the management of the road and after that, according to the rights of parties under the mortgage. They are not personally liable except for malfeasance or fraud. When all overdue bonds and coupons secured by the mortgage are paid, they shall surrender the road and other property to the parties entitled to them. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5158. BONDHOLDERS' MEETINGS; REPORTS; COMPENSATION AND INSTRUCTIONS FOR TRUSTEES

The trustees shall annually, and at other times on written request of 1/5 of the bondholders in amount, call a meeting of the bondholders in the manner prescribed in the bylaws of the corporation for calling a meeting of stockholders and report to them the state of the property, the receipts, expenses and the application of the funds. At the meeting, the bondholders may fix the compensation of the trustees; instruct them to contract with the directors of the corporation or other competent party to operate the road while the trustees have the right of possession, if approved by the bondholders at a regular meeting, otherwise not exceeding 2 years and to pay them the net earnings; or may give them any other instruction that they deem advisable; and the trustees shall conform thereto, unless inconsistent with the terms of the trust. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

Subchapter 4: FORECLOSURE AND REDEMPTION OF MORTGAGES

§5161. RAILROAD MORTGAGES FORECLOSED

The trustees, on application of 1/3 of the bondholders in amount to have railroad mortgage foreclosed, shall immediately give notice thereof, by publishing it 3 weeks successively in the state paper and in some paper, if any, in each county into which the road extends, stating the date and conditions of the mortgage, the claims of the applicants under it, that the conditions of the mortgage have been broken and that for that reason they claim a foreclosure. They shall cause a copy of the notice and the name and date of each newspaper containing it to be recorded in the registry of deeds in every such county within 60 days from the first publication. Unless, within 3 years from the first publication, the mortgage is redeemed by the mortgagors or those claiming under them or equitable relief as in cases of the redemption of mortgage lands is sought, founded on payment or a legal tender of the amount of overdue bonds and coupons or containing an averment that the complainants are ready and willing to redeem on the rendering of an account, the right of redemption shall be forever foreclosed. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5162. OVERDUE BONDS AND COUPONS FOR RECORD

Each holder of overdue bonds or coupons shall present them to the trustees at least 30 days before the right of redemption expires, to be recorded by them. That right is not lost by the nonpayment of any claims not so presented. The parties having the right to redeem shall have free access to the record of the claims. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5163. SECURED CREDITORS BECOME CORPORATION AND TRUSTEES SHALL CONVEY TO IT

The foreclosure of the mortgage shall inure to the benefit of all the holders of bonds, coupons and other claims secured thereby. They, their successors and assigns are constituted a corporation as of the date of the foreclosure, for all the purposes and with all the rights and powers, duties and obligations of the original corporation by its charter. The trustees shall convey to that new corporation by deeds all the right, title and interest which they had by the mortgage and the foreclosure, and thereupon they shall be discharged. If they neglect or refuse so to convey, the court, on application for equitable relief, may compel them to do so. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5164. FIRST MEETING OF NEW CORPORATION; NAME; POSSESSION AND USE OF MORTGAGED PROPERTY

The new corporation may call its first meeting in the manner provided for calling the first meeting of the original corporation, and may use for that purpose the old name, or by a notice, signed by one or more of the bondholders, setting forth the time, place and purpose of the meeting, a copy of which is to be published in a newspaper in the county, if any, otherwise in the state paper, 7 days before the meeting. At that meeting, it may adopt a new name by which it shall be known. It may take and hold the possession and have the use of the mortgaged property, although an action for equitable relief to redeem is pending, and it may become a party defendant to the action. This section applies to all corporations mentioned in section 5185. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5165. VOTE TO REDEEM PRIOR MORTGAGE AND ASSESSMENTS

If any part of the property or franchise is subject to a prior mortgage, the new corporation, at a legal meeting called for that purpose, may vote to redeem the property or franchise and make an assessment on all holders of stock, certificates for fractions of stock, bonds or coupons in the corporation in proportion to their amounts. The directors shall immediately assess the sum and fix a time and place for the payment of it to the treasurer, who shall publish notice accordingly 6 weeks successively in some newspaper, if any, in each of the counties where the road extends, the last publication to be at least 2 weeks before the time fixed for payment. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5166. SALE OF STOCK FOR NONPAYMENT; RIGHTS OF DELINQUENT STOCKHOLDERS

If any person fails to pay his assessment within the time fixed, the treasurer shall sell enough of his stock at auction to pay the same, with 12% interest and the cost of advertising and selling, by first publishing notice of the sale 3 weeks successively in a newspaper printed in the county where the sale is to be, if any, and if not, in an adjoining county. Upon sale the president and treasurer shall issue a new certificate of stock to the purchaser and the delinquent stockholder shall surrender his certificate to be canceled and may have a new one for his unsold shares. If he held bonds, coupons or certificates for fractions of stock, he shall not be entitled to commute them or to receive any dividends on them until he has paid his assessment, with 12% interest. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5167. APPLICATION OF FUNDS

The directors shall apply the money realized from the assessments solely to the redemption of the prior mortgage until it is fully paid and then all the property, rights and interests secured by the mortgage vest in the new corporation. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5168. REDEMPTION OF PRIOR MORTGAGES BY JUNIOR MORTGAGES

When a subsequent mortgage of a railroad, its franchise or any part of its other property contains no provision for a sale, or contains a conditional provision depending on the application of a majority in amount of the claims secured thereby and no such application has been made to the trustees, the holder of the mortgage may redeem a prior mortgage on the same property which is under process of foreclosure at any time before it becomes absolute and hold it in trust for those who contributed thereto in proportion to the amount paid by each. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5169. MEETING REGARDING REDEMPTION OF PRIOR MORTGAGES; CONTRIBUTION

For such a purpose, the trustees of the subsequent mortgage, on application of one or more persons interested in the mortgage, made 6 months prior to the absolute foreclosure of the prior mortgage and on payment of reasonable expenses to be incurred thereby, shall call a meeting of all interested and publish a

notice of the meeting, stating the time, place and purpose, 3 weeks successively in the state paper and such other papers as they think proper. If at that meeting, or one called by the trustees without application, the holders of a majority of the interests there represented vote to redeem the prior mortgage, each one may contribute his proportion to the redemption. The trustees shall give immediate notice of the vote by publishing it as above and shall in the notice state the time and place of payment and the amount to be paid on each $100 as nearly as may be. If anyone fails to pay his proportion, any other person interested in the subsequent mortgage may pay it and succeed to all his rights except as otherwise provided. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5170. ANYONE INTERESTED IN SUBSEQUENT MORTGAGE MAY REDEEM

If no meeting is called or it is voted not to redeem, one or more of the persons interested in the subsequent mortgage may pay to the trustees the amount required to redeem the prior mortgage, and the trustees shall redeem it accordingly and then hold it in trust for the person so paying. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5171. DELINQUENTS PAY PROPORTION AND RIGHTS RESTORED; NEW CORPORATION

When a prior mortgage has been redeemed in either mode, and all persons interested in the subsequent mortgage have not paid their proportions, the trustees shall publish a notice 10 weeks successively in the state paper, the first publication not to be until the right of redeeming the prior mortgage would have expired, that delinquents may pay the same to them or their agents, with 12% interest, within one year from the first publication of the notice. Any person so paying has the same rights as if he had paid originally and those not paying are barred. Money so paid shall be divided ratably to those who advanced the redemption money and they may become a new corporation and new certificates of stock or fractions of stock may be issued in the manner and with the rights, powers and obligations provided. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5172. REDEMPTION BY STOCKHOLDERS OF OLD CORPORATION

When a prior mortgage is redeemed, any number of the stockholders of the old corporation may redeem it within 2 years thereafter by paying to the trustees of the subsequent mortgage the amount paid, with 10% interest, and the amount secured by the subsequent mortgage due to those who had contributed to redeem the prior mortgage, after deducting the net earnings of the road or adding the net deficiencies, if operated by the trustees of the subsequent mortgage. The stockholders may demand of the trustees an accurate account of the receipts and expenditures and amount due on the mortgage and have the same remedies for a failure as in case of mortgages of real estate. After the redemption, the redeeming stockholders have all the rights of those from whom they redeemed. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5173. NONCONTRIBUTORS; NOTICE; RIGHTS

The stockholders, redeeming, shall give notice to the stockholders who have not contributed to the redemption and the latter shall have the same rights as provided in the case of bondholders. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5174. EXTENSION OF REDEMPTION TIME AFTER FORECLOSURE COMMENCED

The persons interested in a prior mortgage on which a foreclosure is commenced, at a meeting called for the purpose, may extend the time of redemption. Thereupon the trustees of the mortgage, by a suitable writing, delivered to the party entitled to redeem, shall extend the time accordingly. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

Subchapter 5: RIGHTS OF PURCHASERS UNDER SALE

§5181. PURCHASERS AT SALE HAVE RIGHTS OF ORIGINAL CORPORATION; REDEMPTION

When the franchise of a railroad and its road, wholly or partly constructed, or the right of redeeming the same from a mortgage, are sold by a decree of court by a power of sale in a mortgage, or on execution, the purchasers have all the rights, powers and obligations of the corporation under its charter and may form a new corporation in the manner provided. If the original corporation or those claiming under it have a right to redeem, they may do so in the manner provided for the redemption of mortgaged real estate, but shall pay, in addition to the amount of the sale and interest, the reasonable expenditures made by the new corporation in completing, repairing and equipping the road, and in the purchase of necessary property, after deducting the net earnings. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5182. SUCCESSION TO RIGHTS AND OBLIGATIONS OF ORIGINAL CORPORATION

The trustees of bondholders or other parties under contract with them operating a railroad and all corporations formed in the modes provided have the same rights, powers and obligations as the old corporation had by its charter and the general laws. All rights and privileges are subject to amendment, alteration or repeal by the Legislature and to all the general laws concerning railroads, notwithstanding anything to the contrary in the original charter. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5183. ORIGINAL CORPORATION CONTINUES, TO CLOSE BUSINESS, AND FOR ACTIONS

The original corporation shall exist, after the foreclosure of the mortgage, for the sole purpose of closing its unsettled business and the right of action against it or its stockholders is not impaired. In actions founded on any of the bonds or coupons secured by the mortgage, the proportional actual value of the property taken under the mortgage shall be deducted. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5184. COURTS HAVE JURISDICTION OF ALL DISPUTES

The Supreme Judicial Court and the Superior Court, in addition to the jurisdiction specifically conferred by this chapter, have jurisdiction of all other matters in dispute, arising under this chapter relating to trustees, mortgages and the redemption and foreclosure of mortgages; but not to take away any rights or remedies that any party has and may elect to enforce by any civil action. In all proceedings relating to trustees or to mortgages, their foreclosure and redemption, not otherwise specifically provided for, the law relating to trusts and mortgages of real estate may be applied. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5185. APPLICATION OF PROVISIONS TO MORTGAGES OF CORPORATIONS GIVEN TO TRUSTEES, AS IF LEGALLY FORECLOSED

This subchapter and subchapters III and IV apply to and include all mortgages of franchises, lands, property, hereditaments and rights of property of every kind whatever, whether previously given or to be given by any corporation to trustees, to secure the payment of scrip or bonds of the corporation, in all cases in which the principal of the scrip or bonds has been due and payable for more than 3 years, and remains unpaid in whole or in part, or on which no interest has been paid for more than 3 years, in the same way and to the same extent as if the mortgage had been legally foreclosed, subject to all rights of redemption, as provided in section 5165. The holders of the scrip or bonds shall have the benefit of this subchapter and subchapters III and IV and all the rights and powers of the corporation under its charter and may form a new corporation in the manner provided in this chapter whenever the holders of the scrip or bonds to an amount exceeding 1/2 of the same so elect in writing. Any subsequent foreclosure, in any method provided by law, of the mortgage given to secure the bonds or scrip, shall inure at once for the benefit of the corporation and vest in the corporation the title acquired by the foreclosure. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5186. HOLDERS OF UNPAID SCRIP AND BONDS MAY FORECLOSE MORTGAGES

A corporation formed by the holders of the scrip or bonds, or if no such corporation has been formed, the holders of not less than a majority of the scrip or bonds, may commence a civil action to foreclose the mortgage and the court may decree a foreclosure thereof, unless the arrears are paid within such time as the court orders. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5187. CAPITAL STOCK OF NEW CORPORATION; VALUE OF SHARES; NO FURTHER ASSESSMENT

The capital stock of the new corporation shall be equal to the amount of unpaid bonds and overdue coupons secured by the mortgage, taken at their face value at the time of the organization of the new corporation, together with the amount required to redeem any prior mortgage and shall be divided into shares of $100 each. All stock issued shall be taken and considered as paid for in full and shall not be liable to further assessment. No person, taking or holding the stock, may by reason of the taking or holding be liable for the debts of the corporation. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5188. ORGANIZATION CERTIFICATE FILED WITH SECRETARY OF STATE

Whenever a corporation is organized under section 5163, 5181 or 5185, or under any other law by which a return is not specifically required, the corporation shall file with the Secretary of State a certificate signed and sworn to by the president, treasurer and a majority of the directors of that corporation, setting forth the name of the corporation and all facts as to that organization which are necessary to give full information in relation to that organization. The organization of that corporation shall date from, and it shall have the authority and rights of a corporation, only after filing the certificate. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5189. NEW CORPORATION MAY BUY RIGHT OF REDEMPTION

Any corporation formed under this chapter by the holders of railroad bonds may acquire, by purchase, the right of redemption under the mortgage securing the bonds. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

§5190. WHEN FRANCHISE LOST; ACTION FOR DISSOLUTION

Whenever any railroad corporation, by foreclosure of a mortgage or in any other method authorized by law, has finally parted with its franchise to construct, operate and maintain the railroad described in its charter, any stockholder may maintain a civil action in the Superior Court for the winding up of the affairs and dissolution of that corporation. In such case the court shall order such notice to all parties interested as it may deem proper and proceed according to the usual course of civil actions. No trustee may be appointed, except upon motion of some party to the proceedings and then only in the discretion of the court. [1987, c. 141, Pt. A, §4 (NEW).]

SECTION HISTORY
1987, c. 141, §A4 (NEW).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 127th Maine Legislature and is current through October 1, 2016. The text is subject to

change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.