

SENATE.....

.....No. 101.

A N A C T

IN ADDITION TO AN ACT TO AID THE CONSTRUCTION

OF THE

EASTERN RAIL-ROAD.

Commonwealth of Massachusetts.

IN SENATE, April 18, 1838.

The Committee on Railways and Canals, to whom was referred the petition of B. T. Reed, in behalf of the Eastern Rail-road Company, praying for the aid of the Commonwealth, have considered the same, and ask leave to report a bill.

J. A. SHAW,

For the Committee.

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Thirty-Eight.

AN ACT

In addition to an Act to Aid the Construction of the Eastern Rail-road.

BE it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows :

1 SEC. 1. The treasurer of the Commonwealth is
2 hereby authorized and directed to issue scrip or cer-
3 tificates of debt, in the name and in behalf of the Com-
4 monwealth, for the sum of ninety thousand dollars,
5 payable to the treasurer of the Eastern Rail-road Com-
6 pany, or his order, or to the bearer thereof, and in the
7 form hereinafter mentioned. And the treasurer of the
8 Commonwealth, shall, under the conditions hereinafter
9 provided, deliver the same to the treasurer of the
10 Eastern Rail-road Company, for the purpose of ena-
11 bling said corporation to complete the Eastern Rail-
12 road.

1 SEC. 2. When the treasurer of said corporation
2 shall have furnished evidence satisfactory to the gov-
3 ernor and council, that said corporation have expend-
4 ed four hundred thousand dollars, in addition to the
5 amount of scrip heretofore received by it from the
6 Commonwealth, in the construction of said road be-
7 tween Boston and Salem, the said scrip or certificates
8 for said ninety thousand dollars, with warrants for in-
9 terest attached thereto, shall be issued as aforesaid.

1 SEC. 3. All scrip or certificates of debt hereafter
2 to be issued to said Eastern Rail-road Company, in
3 pursuance of this act, and an "Act to aid the con-
4 struction of the Eastern Rail-road," passed on the
5 eighteenth day of April, in the year one thousand eight
6 hundred and thirty-seven, may be expressed in the
7 currency of Great Britain or the United States, and
8 shall be payable to the treasurer of the Eastern Rail-
9 road Company, or his order, or to the bearer thereof, in
10 London or Boston, and bearing an interest of five per
11 cent. per annum, payable semi-annually in said Lon-
12 don or Boston, on the first days of April and October,
13 with warrants for the interest attached thereto, sign-
14 ed by the treasurer, which scrip or certificates shall
15 be payable in London or Boston aforesaid, viz. : nine-
16 ty thousand dollars at the end of three years, and the
17 remainder at the end of twenty years from the date
18 thereof, and in no case exceeding twenty years from
19 the first day of April, in the year one thousand eight
20 hundred and thirty-nine, and shall be countersigned by
21 the Governor of the Commonwealth, and be deemed
22 a pledge of the faith and credit of the Commonwealth
23 for the redemption thereof. And the treasurer of the
24 Commonwealth shall, under and pursuant to the con-

25 ditions contained in this and said-former act, deliver the
26 same to the treasurer of the said Eastern Rail-road
27 Company, for the purposes therein mentioned.

1 SEC. 4. After the Eastern Rail-road shall be open
2 for use from Boston to Salem, the whole nett income
3 of said road shall be appropriated to the payment of
4 said ninety thousand dollars and all interest due there-
5 on; and after the payment aforesaid, a sum equal to two
6 per cent on the amount of all scrip or certificates of
7 debt issued by the Commonwealth to said company,
8 remaining unpaid, shall be annually set apart from the
9 income of said road, and paid to the treasurer of the
10 Commonwealth; and the whole thereof shall be by
11 him placed at interest; and the same with the interest
12 annually accruing thereon, shall constitute a sinking
13 fund for the future purchase and final redemption of
14 all scrip or certificates of debt advanced, and which
15 shall be advanced by the Commonwealth to said East-
16 ern Rail-road Company.

1 SEC. 5. No part of said scrip shall be delivered to
2 the treasurer of said corporation until said corporation,
3 at an annual meeting, or at a special meeting duly
4 notified for that purpose, shall have assented to the
5 provisions of this act, and shall have transferred to
6 this Commonwealth three thousand shares of the cap-
7 ital stock of said corporation, to be held by the treas-
8 urer of the Commonwealth as further security for the
9 payment of said ninety thousand dollars, and all
10 interest thereon, to be sold by the said treasurer, at
11 the pleasure of the General Court, upon the failure of
12 said corporation to pay said ninety thousand dollars,
13 or the interest thereon, and shall have executed to
14 the Commonwealth such bond, and in such form as

15 the attorney general shall prescribe, conditioned that
16 said corporation shall comply with the requisitions of
17 this act, and shall faithfully expend the proceeds of
18 said scrip in the construction of their road, and shall
19 indemnify and save harmless the Commonwealth from
20 all loss or inconvenience on account of said scrip, or
21 certificates of debt; and that said corporation shall,
22 and will pay the principal sum of said scrip, or certi-
23 ficates, which may be delivered to their treasurer,
24 punctually, in London or Boston aforesaid, when the
25 same shall become due, or such part thereof as the
26 sinking fund aforesaid may prove insufficient to pay,
27 and the interest thereon, semi-annually, in London or
28 Boston aforesaid, as the same shall fall due; and shall
29 also convey to the Commonwealth, by suitable instru-
30 ments, to be prepared for that purpose under the di-
31 rection of the attorney general, their entire road, with
32 its income, and all the franchise and property to them
33 belonging, as a pledge or mortgage to secure the per-
34 formance of all the conditions of said bond: *provided*,
35 that the Commonwealth shall not take possession of
36 said pledged or mortgaged property, unless for a sub-
37 stantial breach of some condition of said bond.

1 SEC. 6. No part of the sum of one hundred thou-
2 sand dollars, nor any scrip therefor, heretofore stipula-
3 ted to be granted by the Commonwealth to said East-
4 ern Rail-road Company when it shall have completed
5 said road as far as the proposed depot in Newbury-
6 port, shall be advanced or issued, until the whole of
7 said sum of ninety thousand dollars, and all interest
8 which may grow due thereon, shall have been paid.

1 SEC. 7. Nothing contained in this act shall be
2 construed to impair or lessen the right of the Com-

3 monwealth to purchase the said rail-road, and all the
4 franchise, property, rights, and privileges of said cor-
5 poration, on the terms and conditions contained in
6 their act of incorporation.

1 SEC. 8. So much of said former act to aid the
2 construction of the Eastern Rail-road as is contrary
3 to the foregoing provisions, is hereby repealed. And
4 this act shall take effect from and after its passage.

