

HOUSE....No. 24.

MEMORIAL.

*To the Honorable the Senate and House of Representatives in
General Court assembled :*

Respectfully represent your memorialists, that they are stockholders in the South Reading Branch Railroad Company; that the said company was incorporated by an act approved on the twenty-sixth day of April, in the year eighteen hundred and forty-eight; that said act of incorporation was granted after very grave and mature deliberation, for the purpose of allowing your memorialists and others, to obtain for themselves and the public the advantage of railroad communication between Danvers, Lynnfield, South Reading and Boston, and other places :

And your memorialists further represent, that after they had obtained said act of incorporation, a company was duly organized under the same. That the stock in said corporation was taken by persons resident on or near the line of said railroad, and in order to obtain for themselves the benefits of railroad communication in some degree equal to that enjoyed by adjacent towns. That by great efforts and labors and expenses, on the part of your memorialists, they were enabled to construct said road, and the same was opened for public travel on the thirty-first day of August, in the year eighteen hundred and fifty :

And your memorialists further represent, that the said railroad thenceforth and before the grievances hereinafter com-

plained of, was conducted to the satisfaction of the stockholders and the public, and was affording that accommodation and benefit which your memorialists sought, and which they believe your honorable body intended to afford in granting the said charter :

And your memorialists further represent, that when they petitioned your honorable body for said charter, the Eastern Railroad Corporation appeared and remonstrated against the granting of said petition, and that when your memorialists asked leave to run their cars upon the track of the Essex Railroad into Salem, the Eastern Railroad Corporation then again appeared and remonstrated against the granting of such leave: and your memorialists further say that said Eastern Railroad Company remonstrated against the granting of the aforesaid petitions, on the ground that the railroad of your memorialists would be a rival road to theirs, and would tend to take away from said Eastern Railroad business which belonged to them; but after their remonstrances aforesaid had been fully heard and considered by your honorable body, the said petitions were granted notwithstanding their said remonstrances :

And your memorialists further represent and complain that, after such remonstrances and such decision, and as your memorialists are informed contrary to law, the said Eastern Railroad Company, although they were chartered solely with authority to construct and maintain a railroad from Boston to Salem, Newburyport and the State line, did by their agents during the year 1851 proceed to purchase, at prices far beyond the real and par value thereof, a large number, to wit, about twelve hundred and fifty-four shares of the capital stock of the railroad of your memorialists; that said number is more than one half of the whole number of shares of the capital stock subscribed for on the books of the company of your memorialists,—that they caused the said shares, when purchased, to be entered upon the books of your memorialists' corporation, as the property of various individuals, thereby attempting to conceal their ownership of said shares, and their acts and doings herein complained of, and to deceive your memorialists and to evade the laws of this Commonwealth, and that said Eastern Railroad Company then were and still are, the real and true owners of the same. That on the 17th day of September the annual meeting of the stockholders of the company of your memorialists was holden;

that certain persons were present and voted on the said shares so held by said Eastern Railroad Company, and by means of their votes prevented the re-election of the then board of directors, and elected in place of the same, a board of directors, a majority of whom were in the interest of said Eastern Railroad; that said board, so elected, proceeded forthwith to elect the president of the Eastern Railroad Company to be president of the company of your memorialists; that they removed the superintendent of the road of your memorialists and appointed the superintendent of the Eastern Railroad in his place; that they elected the treasurer of the Eastern Railroad to be treasurer of the company of your memorialists; that they removed the clerk of your memorialists' corporation and of the board of the directors of the same, and appointed the clerk of the Eastern Railroad to be clerk in those places; that they removed from said railroad, without cause, a conductor who was well known and popular, for the purpose of removing that inducement to the public to travel over your memorialists' road; that said board of directors proceeded to sell at private sale, the furniture, cars, engines, &c. of the said company of your memorialists, and the Eastern Railroad purchased the same; that they then entered into a contract with said Eastern Railroad, by which said Eastern Railroad had, and still has, the control of the running of the said South Reading Branch Railroad; that they diminished the number of trains run before upon said road; that they suppressed the advertising as before of the times of running trains and other things; that they have endeavored by improper and compulsory methods to compel freight upon the line of road of your memorialists, to be transported circuitously by way of Salem, in order to bring the same over the Eastern Railroad, to the benefit of said Eastern Railroad, but to the injury of your memorialists and the public, in contravention of the charters granted by, and the policy of your honorable body; and that they have in divers other ways and by divers other means, intentionally, as your memorialists believe, injured the franchise and property of your memorialists, contravened the acts and intentions of your honorable body, and have exercised over the affairs of your memorialists' corporation an illegal, improper, unfriendly and unfair control, intending by their said acts and doings to destroy the use and value of the

franchise granted by your honorable body to said South Reading Branch Railroad Company, all which said acts and doings are in direct contravention of the acts and intentions of your honorable body, in violation of the chartered rights of said Eastern Railroad, a fraud upon your memorialists, contrary to equity and good faith, and against the public welfare :

And your memorialists further represent to your honorable body, that since said Eastern Railroad Company have wrongfully, and as they believe illegally, obtained the control of the affairs of the corporation of your memorialists as hereinbefore stated, they have so mismanaged and abused such control that they have caused the receipts of the said road to be reduced to about one half their former amount; and while they have deprived your memorialists in a great degree of the railroad facilities which your honorable body had granted to them, and for which they have invested their property in this enterprise, they have already greatly reduced the value of the property of your memorialists, and if not restrained will still further reduce the same, if not render it valueless :

Wherefore, your memorialists respectfully pray your honorable body, that in your wisdom you will cause inquiry to be made in the premises, and whether the said Eastern Railroad Company have not violated and forfeited their charter and its privileges, and whether an information ought not to be filed, and especially that you would pass an act prohibiting the said Eastern Railroad from directly or indirectly voting upon shares so held by them directly or indirectly, at any meeting of the stockholders of the South Reading Branch Railroad Company; and that you will authorize a meeting of the South Reading Branch Railroad Company to be called forthwith, and a new election of directors for said corporation to be had, and that you will do and order such things as shall relieve your memorialists entirely from the improper, unfriendly, and unjust control of their affairs by the said Eastern Railroad Company; and that your honorable body would pass such other acts and do such other things in the premises as to right and justice appertain.

And as in duty bound will ever pray.

THOMAS EMERSON, *and others.*

DANVERS, January, 1852.