

# ACTS

OF THE

One Hundred and Twelfth Legislature

OF THE

STATE OF NEW JERSEY

AND

Forty-fourth Under the New Constitution.



TRENTON, N. J.:  
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1888

## CHAPTER CCXVII.

An Act to authorize canal companies in certain cases to surrender their franchise of navigation and be released from public obligation in respect thereto.

1. BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey*, That any canal company organized or incorporated under or by any general or special law of this state, and any lessee of the franchises and works of any such corporation, may and shall be released and discharged from any and every obligation at law or in equity, to maintain and operate the works of such company for navigation purposes, upon such company and lessee, or if the lease be perpetual then upon such lessee filing in the office of the secretary of state a certificate of intention to cease the operation of the said works for navigation purposes, which certificate shall state the date on which such operation shall cease; *provided*, that nothing herein contained shall operate to divest the lien of any mortgage or other lien obligation of such corporation in respect to the portion of the franchise of such corporation so surrendered, nor shall the provisions of this act take effect in such case without the consent of the bondholders secured by such mortgage and of such other lienholders, or in case the consent of any such bondholder secured by mortgage cannot be obtained, until there shall be deposited with the trustee or trustees of the mortgage an amount of money equal to the principal and interest due and to become due on all the bonds of such dissenting bondholders; and in case of such payment to such trustee or trustees the said company or lessee paying the amount of any principal or interest on any such bond to the holder thereof shall, on making satisfactory proof to said trustee or trustees of such payment, be entitled to receive from such trustee or trustees the amount of such payment from time to time as occasion may require; *and provided further*, that this act shall not affect any suit or legal proceedings.

Company may be released from obligation to maintain works for navigation purposes.

Upon filing certificate with secretary of state.

Proviso.

Proviso.

now pending against any canal company, nor apply to any company which has not heretofore exercised the franchise of navigation conferred by its charter or any supplement or supplements thereto; *and provided further*, that any canal company, or its lessee, desiring to take advantage of the provisions of this act shall file its certificate of intention as herein provided, within five years after the approval of this act. Proviso.

2. *And be it enacted*, That the obligation of any such lessee to pay the rentals or payments called for by such lease for and during all the term thereof shall in nowise be impaired or affected by such release, and that any and all contracts and obligations to be performed by or with such company or lessee at the time of such release and the title of such company to the real and personal property and rights embraced and covered by the lien of any mortgage or mortgages of such company, existing at the time of such release, shall not be impaired thereby, and subject to the lien and trusts of any such mortgage or other lien then existing as aforesaid, such company and any lessee of its works and franchises may hold, use, lease, sell or otherwise dispose of all or any part of the real and personal estate, waters and rights now or hereafter owned, possessed and used by such company and its lessee, and may exercise and enjoy all and singular the remaining powers, franchises and rights conferred by the charter and supplements thereto regulating such company or any such lessee at the time of such release. Obligations and contracts not impaired

3. *And be it enacted*, That if any stockholder or stockholders of such canal company, being such at the time of the filing of the certificate provided for in the first section of this act, shall be dissatisfied therewith, and shall give written notice of his, her or their dissatisfaction to such company or lessee filing such certificate within three months after the cessation of navigation operations hereinbefore provided, such company or lessee as aforesaid shall pay to such dissatisfied stockholder or stockholders the full market value of his, her or their stock, which it bore immediately prior to the filing of the certificate provided for in the first section of this act, to be appraised by three commissioners appointed for that purpose by the chancellor or any justice of the supreme court of this Dissatisfied stockholders to receive full market value of stock.

state, on the application either of such stockholder or stockholders, or of such company or lessee, on such notice to the other party as the said chancellor or justice may direct; and if such company shall pay to any dissatisfied stockholder or stockholders the value of his, her or their stock so appraised, such stock shall not be thereby canceled or retired except at the option of such company, but the said stock may be sold or re-issued by such company as its directors may deem expedient.

Act not to apply  
until agreement  
filed.

4. *And be it enacted*, That this act shall not apply to any corporation unless such corporation shall first, and as a condition precedent to the exercise by such corporation or its lessee of any power granted by this act, file in the office of the secretary of state an agreement, to be approved by the governor and the attorney-general, waiving all rights of exemption from taxation, and from privileges and advantages arising from any law or contract (if any there be) establishing any special mode of taxation of any such corporation, and further agreeing to be bound by any general law of this state now in existence, or that may hereafter be passed, taxing such corporations as are now authorized to be taxed by the legislature of the state under any general law; and upon the filing of any such agreement the state agrees to release its right to take or become the owner of the property of any such corporation under any law now existing, and such release shall take effect upon the filing of the aforesaid agreement without any further action by the state in the premises.

5. *And be it enacted*, That this act shall take effect immediately.

Approved March 28, 1888.