

THE
GRANTS, RIGHTS AND PRIVILEGES
OF THE
Central Pacific Railroad Co.,
OF CALIFORNIA,

UNDER NATIONAL, STATE & LOCAL LEGISLATION;

The Articles of Association & By-Laws thereof,

AND THE MORTGAGES EXECUTED BY THE COMPANY

TO SECURE THEIR

FIRST MORTGAGE BONDS.

[CAREFULLY COMPILED FROM AUTHENTICATED COPIES.]

New York, 1868.

Central Pacific Shareholders' Combined
Protection Committees of 1894 & 1898.

RECEIVED
AUG 22 1898

124. Chancery Lane, Room N^o. 12

London W.C.

13. August 1898

Messrs. Harvey Fisk & Sons

31. Nassau Street

New York.

Dear Sirs,

In reply to your favor
of the 2nd inst. I have much
pleasure in forwarding you, per
Bookpost, a print of the Revised
Edition of the Report which has
recently been issued by my
committees, together with two other

documents relating to the affairs
of the Central Pacific Railroad.

I am, Dear Sirs,

Yours truly

W. C. Furness
Secretary.

TABLE OF CONTENTS.

	Page.
1 Pacific R. R. Act of Congress of July 1, 1862.....	5
2 Act of Congress (as to gauge) of March 3, 1863.....	21
3 Act of Congress of July 2, 1864, amending Act of 1862.....	23
4 Act of Congress of March 3, 1865 do do	39
5 Act of Congress of July 3, 1866 do do	41
6 Act of the State of California granting right of way to the United States for Railroad purposes, approved May 1, 1862.....	43
7 Articles of Association of the Central Pacific Railroad of California....	45
8 Railroad Law of California as amended.....	49
9 General Law of California concerning Corporations.....	81
10 Act of State of California authorizing Central Pacific R. R. Co. to relocate their road, and to amend Articles of Association.....	99
11 Amended Articles of Association.....	101
12 Act of the State of California to aid in carrying out the provisions of the Pacific Railroad Act of Congress.....	105
13 Act of the State of Nevada to aid in carrying out the provisions of the Pacific Railroad Act of Congress.....	107
14 By-Laws of the Central Pacific Railroad Co. of California.....	109
15 Act of the State of California granting certain swamp and overflowed lands to the City of Sacramento.....	121
16 Ordinance of the City of Sacramento granting the Central Pacific Railroad Co. right of way and certain privileges in said city.....	125
17 Act of State of California granting to Central Pacific Railroad Co. certain rights in Sacramento.....	129
18 Copy of the Mortgage of the Central Pacific Railroad Co. of California to secure 1st Mortgage Bonds on that portion of the Road lying in California.....	131
19 Copy of the Mortgage of said Company to secure 1st Mortgage Bonds on that portion of the Road lying in Nevada.....	143

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PACIFIC RAILROAD ACTS.

ACT OF 1862.

An Act to aid in the construction of a Rail Road and Telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for Postal, Military, and other purposes, approved July 1, 1862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled: That Walter S. Burgess, William P. Blodget, Benjamin H. Cheever, Charles Fosdick, Fletcher, of Rhode Island; Augustus Brewster, Henry P. Haven, Cornelius S. Bushnell, Henry Hammond, of Connecticut; Isaac Sherman, Dean Richmond, Royal Phelps, William H. Ferry, Henry A. Paddock, Lewis J. Stancliff, Charles A. Secor, Samuel R. Campbell, Alfred E. Tilton, John Anderson, Azariah Boody, John S. Kennedy, H. Carver, Joseph Field, Benjamin F. Camp, Orville W. Childs, Alexander J. Bergen, Ben. Holliday, D. N. Barney, S. De Witt Bloodgood, William H. Grant, Thos. W. Olcott, Samuel B. Ruggles, James B. Wilson, of New York; Ephraim Marsh, Charles M. Harker, of New Jersey; John Edgar Thompson, Benjamin Haywood, Joseph H. Scranton, Joseph Harrison, George W. Cass, John H. Bryant, Daniel J. Morell, Thomas M. Howe, William F. Johnson, Robert Finney, John A. Green, E. R. Myre, Charles F. Wells, Jr., of Pennsylvania; Noah L. Wilson, Amasa Stone, William H. Clement, S. S. L'Hommedieu, John Brough, William Dennison, Jacob Blickinsderfer, of Ohio; William M. McPherson, R. W. Wells, Willard P. Hall, Armstrong Beatty, John Corby, of Missouri; S. J. Hensley, Peter Donahue, C. P. Huntington, T. D. Judah, James Bailey, James T. Ryan,

Charles Hosmer, Charles Marsh, D. O. Mills, Samuel Bell, Louis McLane, George W. Mowe, Charles McLaughlin, Timothy Dame, John R. Robinson, of California; John Atchison and John D. Winters, of the Territory of Nevada; John D. Campbell, R. N. Rice, Charles A. Trowbridge and Ransom Gardner, Charles W. Penny, Charles T. Gorham, William McConnell, of Michigan; William F. Coolbaugh, Lucius H. Langworthy, Hugh T. Reid, Hoyt Sherman, Lyman Cook, Samuel R. Curtis, Lewis A. Thomas, Platt Smith, of Iowa; William B. Ogden, Charles G. Hammond, Henry Farnum, Amos C. Babcock, W. Seldon Gale, Nehemiah Bushnell, and Lorenzo Bull, of Illinois; William H. Swift, Samuel T. Dana, John Bertram, Franklin S. Stevens, Edward R. Tinker, of Massachusetts; Franklin Gorin, Laban J. Bradford and John T. Levis, of Kentucky; James Dunning, John M. Wood, Edwin Noyes, Joseph Eaton, of Maine; Henry H. Baxter, George W. Collamer, Henry Keyes, Thomas H. Canfield, of Vermont; William S. Ladd, A. M. Berry, Benjamin F. Harding, of Oregon; William Bunn, junior, John Catlin, Levi Sterling, John Thompson, Elihu L. Phillips, Walter D. McIndoe, T. B. Stoddard, E. H. Broadhead, A. H. Virgin, of Wisconsin; Charles Paine, Thomas A. Morris, David C. Brandham, Samuel Hanna, Jonas Votaw, Jessie L. Williams, Isaac C. Elston, of Indiana; Thomas Swan, Chauncey Brooks, Edward Wilkins, of Maryland; Francis R. E. Cornell, David Blakely, A. D. Seward, Henry A. Swift, Dwight Woodbury, John McKusick, John R. Jones, of Minnesota; Joseph A. Gilmore, Charles W. Woodman, of New Hampshire; W. H. Grimes, J. C. Stone, Chester Thomas, John Kerr, Werter R. Davis, Luther C. Challis, Josiah Miller, of Kansas; Gilbert C. Monell, and Augustus Kountz, T. M. Marquette, William H. Taylor, Alvin Saunders, of Nebraska; John Evans, of Colorado; together with five commissioners to be appointed by the Secretary of the Interior, and all persons who shall or may be associated with them, and their successors, are hereby created and erected into a body corporate and politic in deed and in law, by the name, style, and title of "The Union Pacific Rail Road Company;" and by that name shall have perpetual succession, and shall be able to sue and to be sued, plead and be impleaded, defend and be defended, in all courts of law and equity within the United States, and may make and have a common seal; and the said corporation is hereby authorized and empowered to lay out,

Same and Title.

locate, construct, furnish, maintain, and enjoy a continuous rail road and telegraph, with the appurtenances, from a point on the one-hundredth meridian of longitude west from Greenwich, between the south margin of the valley of the Republican river and the north margin of the valley of the Platte river, in the Territory of Nebraska, to the western boundary of Nevada Territory, upon the route and terms hereinafter provided, and is hereby vested with all the powers, privileges, and immunities necessary to carry into effect the purposes of this act as herein set forth. The capital stock of said company shall consist of one hundred thousand shares of one thousand dollars each, which shall be subscribed for and held in not more than two hundred shares by any one person, and shall be transferable in such manner as the by-laws of said corporation shall provide. The persons hereinbefore named, together with those to be appointed by the Secretary of the Interior, are hereby constituted and appointed commissioners, and such body shall be called the Board of Commissioners of the Union Pacific Rail Road and Telegraph Company, and twenty-five shall constitute a quorum for the transaction of business. The first meeting of said Board shall be held at Chicago, at such time as the commissioners from Illinois herein named shall appoint, not more than three nor less than one month after the passage of this act, notice of which shall be given by them to the other commissioners by depositing a call thereof in the post office at Chicago, post paid, to their address, at least forty days before said meeting, and also by publishing said notice in one daily newspaper in each of the cities of Chicago and St. Louis. Said board shall organize by the choice from its number of a president, secretary, and treasurer, and they shall require from said treasurer such bonds as may be deemed proper, and may from time to time increase the amount thereof as they may deem proper. It shall be the duty of said Board of Commissioners to open books, or cause books to be opened, at such times and in such principal cities in the United States as they or a quorum of them shall determine, to receive subscriptions to the capital stock of said corporation, and a cash payment of ten per centum on all subscriptions, and to receipt therefor. So soon as two thousand shares shall be in good faith subscribed for, and ten dollars per share actually paid into the treasury of the company, the said president and secretary of said Board of Commissioners shall appoint a time and place for the first meet-

Location, &c.

Amt. and number of Shares of Stock altered in Sec. 1. Act 1864.

Com'rs how appointed and to hold meeting.

Treasurer to give Bonds, &c.

Books to be kept open. See Sec. 2. 1864.

Com'rs to call meeting of Stock-holders.

To elect Directors.
See Sec. 13, Act. of
1864.

Books and Property
to be delivered to
Directors.

Two Directors to be
appointed by the
President of the U.
S.

By Act of 1864 al-
tered to 5, Sec. 13,
1864.

Amended by Sec. 1
1864.

Company to make
By-Laws.

Directors to appoint
agents, &c.

ing of the subscribers to the stock of said company, and shall give notice thereof in at least one newspaper in each State in which subscription books have been opened, at least thirty days previous to the day of meeting, and such subscribers as shall attend the meeting so called, either in person or by proxy, shall then and there elect by ballot not less than thirteen directors for said corporation; and in such election each share of said capital shall entitle the owner thereof to one vote. The president and secretary of the board of commissioners shall act as inspectors of said election, and shall certify under their hands the names of the directors elected at said meeting; and the said commissioners, treasurer, and secretary shall then deliver over to said directors all the properties, subscription books, and other books in their possession, and thereupon the duties of said commissioners and the officers previously appointed by them shall cease and determine forever, and thereafter the stockholders shall constitute said body politic and corporate. At the time of the first and each triennial election of directors by the stockholders, two additional directors shall be appointed by the President of the United States, who shall act with the body of directors, and to be denominated directors on the part of the Government; any vacancy happening in the Government directors at any time may be filled by the President of the United States. The directors to be appointed by the President shall not be stockholders in the Union Pacific Rail Road Company. The directors so chosen shall, as soon as may be after their election, elect from their own number a president and vice-president, and shall also elect a treasurer and secretary. No person shall be a director in said company unless he shall be a bona fide owner of at least five shares of stock in said company, except the two directors to be appointed by the President, as aforesaid. Said company, at any regular meeting of the stockholders called for that purpose, shall have power to make by-laws, rules, and regulations, as they shall deem needful and proper, touching the disposition of the stock, property, estate, and effects of the company, not inconsistent herewith, the transfer of shares, the term of office, duties, and conduct of their officers and servants, and all matters whatsoever which may appertain to the concerns of said company; and the said board of directors shall have power to appoint such engineers, agents, and subordinates as may from time to time be necessary to carry into effect the object of this act, and to do all

acts and things touching the location and construction of said road and telegraph. Said directors may require payment of subscriptions to the capital stock after due notice, at such times and in such proportions as they shall deem necessary to complete the rail road and telegraph within the time in this act prescribed. Said president, vice-president, and directors shall hold their office for three years, and until their successors are duly elected and qualified, or for such less time as the by-laws of the corporation may prescribe; and a majority of said directors shall constitute a quorum for the transaction of business. The secretary and treasurer shall give such bonds, with such security, as the said board shall from time to time require, and shall hold their offices at the will and pleasure of the directors. Annual meetings of the stockholders of the said corporation, for the choice of officers (when they are to be chosen) and for the transaction of annual business, shall be holden at such time and place and upon such notice as may be prescribed in the by-laws.

Directors to require payment of subscriptions. Sec. 2, Act of 1864.

Officers to hold for three years, altered by Sec. 13, 1864.

SEC. 2. *And be it further enacted*, That the right of way through the public lands be, and the same is hereby, granted to said company for the construction of said rail road and telegraph line; and the right, power, and authority is hereby given to said company to take from the public lands adjacent to the line of said road, earth, stone, timber, and other materials for the construction thereof; said right of way is granted to said rail road to the extent of two hundred feet in width on each side of said rail road where it may pass over the public lands, including all necessary grounds for stations, buildings, workshops, and depots, machine shops, switches, side tracks, turntables, and water stations. The United States shall extinguish as rapidly as may be, the Indian titles to all lands falling under the operation of this act, and required for the said right of way and grants hereinafter made.

Right of way granted.

See Sec. 3, 1864.

U. S. to extinguish Indian titles. Sec. 13, 1864.

SEC. 3. *And be it further enacted*, THAT THERE BE, AND IS HEREBY, GRANTED TO THE SAID COMPANY, FOR THE PURPOSE OF AIDING IN THE CONSTRUCTION OF SAID RAIL ROAD AND TELEGRAPH LINE, AND TO SECURE THE SAFE AND SPEEDY TRANSPORTATION OF THE MAILS, TROOPS, MUNITIONS OF WAR, AND PUBLIC STORES THEREON, EVERY ALTERNATE SECTION OF PUBLIC LAND, DESIGNATED BY ODD NUMBERS, TO THE AMOUNT OF *five* ALTERNATE SECTIONS PER MILE ON EACH SIDE OF SAID RAIL ROAD, ON THE LINE THEREOF, AND WITHIN THE

Land Grants—alternate sections.

Changed to Ten by Sec. 4, 1864.

Changed to *Twenty*
Sec. 4, 1864.

LIMITS OF *ten* MILES ON EACH SIDE OF SAID ROAD, NOT SOLD, RESERVED, OR OTHERWISE DISPOSED OF BY THE UNITED STATES, AND TO WHICH A PRE-EMPTION OR HOMESTEAD CLAIM MAY NOT HAVE ATTACHED, AT THE TIME THE LINE OF SAID ROAD IS DEFINITELY FIXED: *provided*, That all *mineral lands* shall be excepted from the operation of this act; but where the same shall contain timber, the timber thereon is hereby granted to said company. And all such lands, so granted by this section, which shall not be sold or disposed of by said company within three years after the entire road shall have been completed, shall be subject to settlement and pre-emption, like other lands, at a price not exceeding one dollar and twenty-five cents per acre, to be paid to said company.

Minerals and Tim-
ber. Sec. 4, 1864.

On completion of 40
miles [changed to
twenty by Sec. 6,
1864. / U. S. Com'rs
to examine.

SEC. 4. *And be it further enacted*, That whenever said company shall have completed forty consecutive miles of any portion of said rail road and telegraph line, ready for the service contemplated by this act, and supplied with all necessary drains, culverts, viaducts, crossings, sidings, bridges, turnouts, watering places, depots, equipments, furniture, and all other appurtenances of a first class railroad, the rails and all the other irons used in the construction and equipment of said road to be American manufacture of the best quality, the President of the United States shall appoint three commissioners to examine the same and report to him in relation thereto; and if it shall appear to him that forty consecutive miles of said rail road and telegraph line have been completed and equipped in all respects as required by this act, then, upon certificate of said commissioners to that effect, patents shall issue conveying the right and title to said lands to said company, on each side of the road as far as the same is completed, to the amount aforesaid; and patents shall in like manner issue as each forty miles of said railroad and telegraph line are completed, upon certificate of said commissioners.

And patents of land
to issue.

Vacancy in Com'rs
See Sec. 8. Act of
1864.

Any vacancies occurring in said board of commissioners by death, resignation, or otherwise, shall be filled by the President of the United States: *provided, however*, That no such commissioners shall be appointed by the President of the United States unless there shall be presented to him a statement, verified on oath by the president of said company, that such forty miles have been completed, in the manner required by this act, and setting forth with certainty the points where such forty miles begin and where the same end; which oath shall be taken before a judge of a court of record.

SEC. 5. *And be it further enacted*, THAT FOR THE PURPOSES HEREIN MENTIONED, THE SECRETARY OF THE TREASURY SHALL, UPON THE CERTIFICATE IN WRITING OF SAID COMMISSIONERS OF THE COMPLETION AND EQUIPMENT OF FORTY CONSECUTIVE MILES OF SAID RAIL ROAD AND TELEGRAPH, IN ACCORDANCE WITH THE PROVISIONS OF THIS ACT, ISSUE TO SAID COMPANY BONDS OF THE UNITED STATES OF ONE THOUSAND DOLLARS EACH, PAYABLE IN THIRTY YEARS AFTER DATE, BEARING SIX PER CENTUM PER ANNUM INTEREST, (SAID INTEREST PAYABLE SEMI-ANNUALLY,) WHICH INTEREST MAY BE PAID IN UNITED STATES TREASURY NOTES OR ANY OTHER MONEY OR CURRENCY WHICH THE UNITED STATES HAVE OR SHALL DECLARE LAWFUL MONEY AND A LEGAL TENDER, TO THE AMOUNT OF SIXTEEN OF SAID BONDS PER MILE FOR SUCH SECTION OF FORTY MILES; AND TO SECURE THE REPAYMENT TO THE UNITED STATES, AS HEREINAFTER PROVIDED, OF THE AMOUNT OF SAID BONDS SO ISSUED AND DELIVERED TO SAID COMPANY, TOGETHER WITH ALL INTEREST THEREON WHICH SHALL HAVE BEEN PAID BY THE UNITED STATES, THE ISSUE OF SAID BONDS AND DELIVERY TO THE COMPANY SHALL IP SO FACTO CONSTITUTE A FIRST MORTGAGE ON THE WHOLE LINE OF THE RAIL ROAD AND TELEGRAPH, TOGETHER WITH THE ROLLING STOCK, FIXTURES, AND PROPERTY OF EVERY KIND AND DESCRIPTION, AND IN CONSIDERATION OF WHICH SAID BONDS MAY BE ISSUED; and on the refusal or failure of the said company to redeem said bonds, or any part of them, when required so to do by the Secretary of the Treasury, in accordance with the provisions of this act, the said road, with all the rights, functions, immunities, and appurtenances thereunto belonging, and also all lands granted to the said company by the United States, which, at the time of said default, shall remain in the ownership of the said company, may be taken possession of by the Secretary of the Treasury, for the use and benefit of the United States: *Provided*, this section shall not apply to that part of any road now constructed.

Government bonds, see Sec. 8, Act 1864, also Sec. 16.

Now 20 miles Sec. 10, 1864.

See Sec. 11 of this Act for \$32,000 and \$48,000 per mile.

Lien of U. S. Bonds made subordinate; see Sec. 10, Act of 1864.

See Sec. 10, Act 1864.

Modified, see Sec. 5 Act of 1864.

SEC. 6. *And be it further enacted*, That the grants aforesaid are made upon condition that said company shall pay said bonds at maturity, and shall keep said rail road and telegraph line in repair and use, and shall at all times transmit despatches over said telegraph line, and transport mails, troops, and munitions of war, supplies, and public stores upon said rail road for

Bonds, when and how paid.

the government, whenever required to do so by any department thereof, and that the government shall at all times have the preference in the use of the same for all the purposes aforesaid, (*at fair and reasonable rates of compensation, not to exceed the amounts paid by private parties for the same kind of service;*) and *all compensation for services rendered* for the government shall be applied to the payment of said bonds and interest until the whole amount is fully paid. Said company may also pay the United States, wholly or in part, in the same or other bonds, treasury notes, or other evidences of debt against the United States, to be allowed at par; and after said road is completed, until said bonds and interest are paid, at least five per centum of the net earnings of said road shall also be annually applied to the payment thereof.

Govt. bonds, transportation—half to be paid in cash See Sec. 5, Act of 1864.

SEC. 7. *And be it further enacted*, That said Company shall file their assent to this act, under the seal of said Company, in the Department of the Interior, within one year after the passage of this act, and shall complete said railroad and telegraph from the point of beginning, as herein provided, to the western boundary of Nevada Territory, before the first day of July, one thousand eight hundred and seventy-four: *Provided*, That within two years after the passage of this act said Company shall designate the general route of said road, as near as may be, and shall file a map of the same in the Department of the Interior, whereupon the Secretary of the Interior shall cause the lands within fifteen miles of said designated route or routes to be withdrawn from pre-emption, private entry, and sale; and when any portion of said route shall be finally located, the Secretary of the Interior shall cause the said lands herein before granted to be surveyed and set off as fast as may be necessary for the purposes herein named; *Provided*, That in fixing the point of connection of the main trunk with the eastern connections it shall be fixed at the most practicable point for the construction of the Iowa and Missouri branches, as hereinafter provided.

Assent of Company to be filed, &c.

Time of completion extended; See Sec. 6, 1864.

See Sec. 4, Act of 1864. Map, &c. designating route to be filed, &c.

Lands designated, &c.

From 100th meridian to Nevada.

SEC. 8. *And be it further enacted*, That the line of said rail road and telegraph shall commence at a point on the one hundredth meridian of longitude west from Greenwich, between the south margin of the valley of the Republican river and the north margin of the valley of the Platte river, in the territory of Nebraska, at a point to be fixed by the President of the

United States, after actual surveys; thence running westerly upon the most direct, central, and practicable route, through the Territories of the United States, to the western boundary of the Territory of Nevada, there to meet and connect with the line of the Central Pacific Rail Road Company of California.

See Sec. 10 of this Act.

SEC. 9. *And be it further enacted,* That the Leavenworth, Pawnee and Western Rail Road Company of Kansas are hereby authorized to construct a rail road and telegraph line from the Missouri river, at the mouth of the Kansas river, on the south side thereof, so as to connect with the Pacific Railroad of Missouri, to the aforesaid point on the one hundredth meridian of longitude west from Greenwich, as herein provided, upon the same terms and conditions in all respects as are provided in this act for the construction of the rail road and telegraph line first mentioned, and to meet and connect with the same at the meridian of longitude aforesaid; and in case the general route or line of road from the Missouri river to the Rocky Mountains should be so located as to require a departure northwardly from the proposed line of said Kansas rail road before it reaches the meridian of longitude aforesaid, the location of said Kansas road shall be made so as to confirm thereto; and said rail road through Kansas shall be so located between the mouth of the Kansas river, as aforesaid, and the aforesaid point on the one hundredth meridian of longitude, that the several rail roads from Missouri and Iowa, herein authorized to connect with the same, can make connection within the limits prescribed in this act, provided the same can be done without deviating from the general direction of the whole line to the Pacific coast. The route in Kansas west of the meridian of Fort Riley, to the aforesaid point on the one hundredth meridian of longitude to be subject to the approval of the President of the United States, and to be determined by him on actual survey. And said Kansas Company may proceed to build said rail road to the aforesaid point on the one hundredth meridian of longitude west from Greenwich, in the Territory of Nebraska.

Kansas Co. to construct road, &c.

THE CENTRAL PACIFIC RAIL ROAD COMPANY OF CALIFORNIA, A CORPORATION EXISTING UNDER THE LAWS OF THE STATE OF CALIFORNIA, ARE HEREBY AUTHORIZED TO CONSTRUCT A RAIL ROAD AND TELEGRAPH LINE FROM THE PACIFIC COAST, AT OR NEAR SAN FRANCISCO, OR THE NAVIGABLE WATERS OF THE SACRAMENTO RIVER, TO THE EASTERN BOUNDARY OF CAL-

Central Pacific R. R. Co. of California authorized to construct road on same terms and conditions.

IFORNIA, UPON THE SAME TERMS AND CONDITIONS, IN ALL RESPECTS, AS ARE CONTAINED IN THIS ACT FOR THE CONSTRUCTION OF SAID RAIL ROAD AND TELEGRAPH LINE FIRST MENTIONED, AND TO MEET AND CONNECT WITH THE FIRST MENTIONED RAIL ROAD AND TELEGRAPH LINE ON THE EASTERN BOUNDARY OF CALIFORNIA. EACH OF SAID COMPANIES SHALL FILE THEIR ACCEPTANCE OF THE CONDITIONS OF THIS ACT IN THE DEPARTMENT OF THE INTERIOR WITHIN SIX MONTHS AFTER THE PASSAGE OF THIS ACT.

Time of doing work, &c.

SEC. 10. *And be it further enacted*, That the said Company chartered by the State of Kansas shall complete one hundred miles of their said road, commencing at the mouth of the Kansas river, as aforesaid, within *two* years after filing their assent to the conditions of this act, as herein provided, and one hundred miles per year thereafter until the whole is completed; and the said Central Pacific Rail Road Company of California shall complete *fifty* miles of their said road within *two* years after filing their assent to the provisions of this act, as herein provided, and *fifty* miles per year thereafter until the whole is completed; and after completing their roads, respectively, *said companies, or either of them, may unite upon equal terms with the first named company in constructing so much of said rail road and telegraph line and branch rail roads and telegraph lines in this act herein-after mentioned, through the Territories from the State of California to the Missouri river, as shall then remain to be constructed, on the same terms and conditions as provided in this act in relation to the said Union Pacific Rail Road Company.* And the Hannibal and Saint Joseph Rail Road, the Pacific Rail Road Company of Missouri, and the first named Company or either of them, on filing their assent to this act as aforesaid, may unite upon equal terms, under this act, with the said Kansas Company, in constructing said rail road and telegraph, to said meridian of longitude, with the consent of the said State of Kansas; and in case said first named company shall complete their line to the eastern boundary of California, before it is completed across said State by the Central Pacific Rail Road Company of California, said first named Company is hereby authorized to continue in constructing the same through California, with the consent of said State, upon the terms mentioned in this act, until said roads shall meet and connect, and the whole line of said rail road and telegraph is completed;

Changed to 25 miles. See Sec. 5, Act 1864.

Companies may unite in building, on equal terms. See Sec. 15, 1864, also Sec. 16 of this Act.

AND THE CENTRAL PACIFIC RAIL ROAD COMPANY OF CALIFORNIA, AFTER COMPLETING ITS ROAD ACROSS SAID STATE, IS AUTHORIZED TO CONTINUE THE CONSTRUCTION OF SAID RAIL ROAD AND TELEGRAPH THROUGH THE TERRITORIES OF THE UNITED STATES TO THE MISSOURI RIVER, INCLUDING THE BRANCH ROADS SPECIFIED IN THIS ACT, UPON THE ROUTES HEREINBEFORE AND HEREINAFTER INDICATED, ON THE TERMS AND CONDITIONS PROVIDED IN THIS ACT IN RELATION TO THE SAID UNION PACIFIC RAIL ROAD COMPANY, UNTIL SAID ROADS SHALL MEET AND CONNECT, AND THE WHOLE LINE OF SAID RAIL ROAD AND BRANCHES AND TELEGRAPH IS COMPLETED.

Central Pacific R. R. Co. may contract, &c. to meet other road

Authority conferred. See Sec. 16, Act of 1864, last clause. Also Sec. 2, 1866.

SEC. 11. *And be it further enacted*, That for three hundred miles of said road most mountainous and difficult of construction, to wit: one hundred and fifty miles westwardly from the eastern base of the Rocky Mountains, and one hundred and fifty miles eastwardly from the western base of the Sierra Nevada mountains, said points to be fixed by the President of the United States, the bonds to be issued to aid in the construction thereof shall be *treble* the number per mile hereinbefore provided, and the same shall be issued, and the lands herein granted be set apart, upon the construction of every twenty miles thereof, upon the certificate of the commissioners as aforesaid that twenty consecutive miles of the same are completed; and between the sections last named of one hundred and fifty miles each, the bonds to be issued to aid in the construction thereof shall be *double* the number per mile first mentioned, and the same shall be issued, and the lands herein granted be set apart, upon the construction of every twenty miles thereof upon the certificate of the commissioners as aforesaid that twenty consecutive miles of the same are completed: *Provided*, That no more than fifty thousand of said bonds shall be issued under this act to aid in constructing the main line of said rail road and telegraph.

Subsidy bonds; treble over the Rocky and the Sierra Nevada Mountains.

Subsidy bonds; double between the Mountains.

SEC. 12. *And be it further enacted*, That whenever the route of said rail road shall cross the boundary of any State or Territory, or said meridian of longitude, the two companies meeting or uniting there shall agree upon its location at that point, with reference to the most direct and practicable through route, and in case of difference between them as to said location the President of the United States shall determine the said location; the companies named in each State and Territory to locate the

Location at State lines and 100 meridian.

Track to be of uniform width, &c.

To be used as continuous line, &c.

H. & St. J. road may be extended, &c.

road across the same between the points so agreed upon, except as herein provided. The track upon the entire line of rail road and branches shall be of uniform width, to be determined by the President of the United States, so that when completed, cars can be run from the Missouri river to the Pacific coast; the grades and curves shall not exceed the maximum grades and curves of the Baltimore and Ohio rail road; the whole line of said rail road and branches and telegraph shall be operated and used for all purposes of communication, travel and transportation, so far as the public and Government are concerned, as one connected continuous line; and the companies herein named in Missouri, Kansas and California, filing their assent to the provisions of this act, shall receive and transport all iron rails, chairs, spikes, ties, timber, and all materials required for constructing and furnishing said first mentioned line between the aforesaid point on the one hundredth meridian of longitude and western boundary of Nevada Territory, whenever the same is required by said first-named company, at cost, over that portion of the roads of said companies constructed under the provisions of this act.

SEC. 13. *And be it further enacted*, That the Hannibal and Saint Joseph Rail Road Company of Missouri may extend its roads from Saint Joseph, *via* Atchison, to connect and unite with the road through Kansas, upon filing its assent to the provisions of this act, upon the same terms and conditions in all respects, for one hundred miles in length next to the Missouri river, as are provided in this act for the construction of the rail road and telegraph line first mentioned, and may for this purpose use any rail road charter which has been or may be granted by the legislature of Kansas: *Provided*, that if actual survey shall render it desirable, the said company may construct their road, with the consent of the Kansas legislature, on the most direct and practicable route west from St Joseph, Missouri, so as to connect and unite with the road leading from the western boundary of Iowa at any point east of the one hundredth meridian of west longitude, or with the main trunk road at said point; but in no event shall lands or bonds be given to said company, as herein directed, to aid in the construction of their said road for a greater distance than one hundred miles. And the Leavenworth, Pawnee and Western Rail Road Company of Kansas may construct their road from Leavenworth to unite with the road through Kansas.

SEC. 14. *And be it further enacted,* That the said Union Pacific Rail Road Company is hereby authorized and required to construct a single line of rail road and telegraph from a point on the western boundary of the State of Iowa, to be fixed by the President of the United States, upon the most direct and practicable route, to be subject to his approval, so as to form a connection with the lines of said company at some point on the one hundredth meridian of longitude aforesaid, from the point of commencement on the western boundary of the State of Iowa, upon the same terms and conditions, in all respects, as are contained in this act for the construction of the said rail road and telegraph first mentioned; and the said Union Pacific Rail Road Company shall complete one hundred miles of the road and telegraph in this section provided for in two years after filing their assent to the conditions of this act, as by the terms of this act required, and at the rate of one hundred miles per year thereafter, until the whole is completed: *Provided,* that a failure upon the part of said company to make said connection in the time aforesaid, and to perform the obligations imposed on said company by this section, and to operate said road in the same manner as the main line shall be operated, shall forfeit to the Government of the United States all the rights, privileges, and franchises granted to and conferred upon said company by this act. And whenever there shall be a line of rail road completed through Minnesota or Iowa to Sioux City, then the said Pacific Rail Road Company is hereby authorized and required to construct a rail road and telegraph from said Sioux City upon the most direct and practicable route to a point on, and so as to connect with, the branch rail road and telegraph in this section hereinbefore mentioned, or with the said Union Pacific Rail Road, said point of junction to be fixed by the President of the United States, not further west than the one hundredth meridian of longitude aforesaid, and on the same terms and conditions as provided in this act for the construction of the Union Pacific Rail Road as aforesaid, and to complete the same at the rate of one hundred miles per year; and should said company fail to comply with the requirements of this act in relation to the said Sioux City rail road and telegraph, the said company shall suffer the same forfeitures prescribed in relation to the Iowa branch rail road and telegraph hereinbefore mentioned.

Iowa Road. from
Sioux City.

U. P. R. Co. re-
quired to construct
Sioux City road.
See Sec. 16, Act of
1864.

SEC. 15. *And be it further enacted,* That any other rail road Other Companies
may connect, &c.

company now incorporated, or hereafter to be incorporated, shall have the right to connect their road with the road and branches provided for by this act, at such places and upon such just and equitable terms as the President of the United States may prescribe. Wherever the word company is used in this act, it shall be construed to embrace the words their associates, successors and assigns, the same as if the words had been properly added thereto.

Word Company explained.

Companies authorized to Consolidate See Sec. 16, Act of 1864. Also Sec. 10 of this Act.

SEC. 16. *And be it further enacted*, That at any time after the passage of this act all of the rail road companies named herein, and assenting hereto, or any two or more of them, are authorized to form themselves into one consolidated company; notice of such consolidation, in writing, shall be filed in the Department of the Interior, and such consolidated company shall thereafter proceed to construct said rail road and branches and telegraph line, upon the terms and conditions provided in this act.

Congress may complete completion of Road.

SEC. 17. *And be it further enacted*, That in case said company or companies shall fail to comply with the terms and conditions of this act, by not completing said road and telegraph and branches within a reasonable time, or by not keeping the same in repair and use, but shall permit the same for an unreasonable time to remain unfinished or out of repair and unfit for use, Congress may pass any act to insure the speedy completion of said road and branches, or put the same in repair and use, and may direct the income of said rail road and telegraph line to be thereafter devoted to the use of the United States, to repay all such expenditures caused by the default and neglect of such company or companies: *Provided*, That if said roads are not completed, so as to form a continuous line of rail road, ready for use, from the Missouri river to the navigable waters of the Sacramento river, in California, by the first day of July, eighteen hundred and seventy-six, the whole of all said rail roads before mentioned, and to be constructed under the provisions of this act, together with all their furniture, fixtures, rolling stock, machine shops, lands tenements, and hereditaments, and property of every kind and character, shall be forfeited to and be taken possession of by the United States; *Provided*, That of the bonds of the United States in this act provided to be delivered for any and all parts of the roads to be constructed east of the one hundredth meridian of west longitude from Greenwich, and for

Main line to be finished in 1867. See Secs. 5 and 7, Act of 1864.

any part of the road west of the west foot of the Sierra Nevada mountains, there shall be reserved of each part and instalment twenty-five per centum, to be and remain in the United States Treasury, undelivered, until said road, and all parts thereof provided for in this act, are entirely completed; and of all the bonds provided to be delivered for the said road, between the two points aforesaid, there shall be reserved out of each instalment fifteen per centum, to be and remain in the Treasury until the whole of the road provided for in this act is fully completed; and if the said road, or any part thereof, shall fail of completion at the time limited therefor in this act, then and in that case the said part of said bonds so reserved shall be forfeited to the United States.

Repealed. See Sec. 7, Act 1864.

SEC. 18. *And be it further enacted*, That whenever it appears that the net earnings of the entire road and telegraph, including the amount allowed for services rendered for the United States, after deducting all expenditures—including repairs and the furnishing, running and managing of said road—shall exceed ten per centum upon its cost, (exclusive of the five per centum to be paid to the United States,) Congress may reduce the rates of fare thereon, if unreasonable in amount, and may fix and establish the same by law. And the better to accomplish the object of this act—namely, to promote the public interest and welfare by the construction of said rail road and telegraph line, and keeping the same in working order, and to secure to the Government at all times (but particularly in time of war) the use and benefits of the same for postal, military, and other purposes, Congress may at any time—having due regard for the rights of said companies named herein—add to, alter, amend, or repeal this act.

Under certain circumstances Congress may reduce rates of fare.

SEC. 19. *And be it further enacted*, That the several rail road companies herein named are authorized to enter into an arrangement with the Pacific Telegraph Company, the Overland Telegraph Company, and the California State Telegraph Company, so that the present line of telegraph between the Missouri river and San Francisco may be moved upon or along the line of said rail road and branches as fast as said roads and branches are built; and if said arrangement be entered into, and the transfer of said telegraph line be made in accordance therewith to the line of said rail road and branches, such transfer shall, for all purposes of this act, be held and considered a fulfillment,

May arrange with Telegraph Companies now existing.

See S. c. 15, Act of 1864.

on the part of said rail road companies, of the provisions of this act in regard to the construction of said line of telegraph. And in case of disagreement, said telegraph companies are authorized to remove their line of telegraph along and upon the line of rail road herein contemplated, without prejudice to the rights of said rail road companies named herein.

Companies to make
Annual Report.

SEC. 20. *And be it further enacted,* That the corporation hereby created and the roads connected therewith under the provisions of this act, shall make to the Secretary of the Treasury an annual report, wherein shall be set forth :

First. The names of the stockholders and their places of residence, so far as the same can be ascertained.

Second. The names and residences of the directors, and all other officers of the company.

Third. The amount of stock subscribed, and the amount thereof actually paid in.

Fourth. A description of the lines of road surveyed, of the lines thereof fixed upon for the construction of the road, and the cost of such survey.

Fifth. The amount received from passengers on the road.

Sixth. The amount received for freight thereon.

Seventh. A statement of the expense of said road and its fixtures.

Eighth. A statement of the indebtedness of said company, setting forth the various kinds thereof; which report shall be sworn to by the president of the said company, and shall be presented to the Secretary of the Treasury on or before the first day of July in each year.

ACT OF 1863.

AN ACT

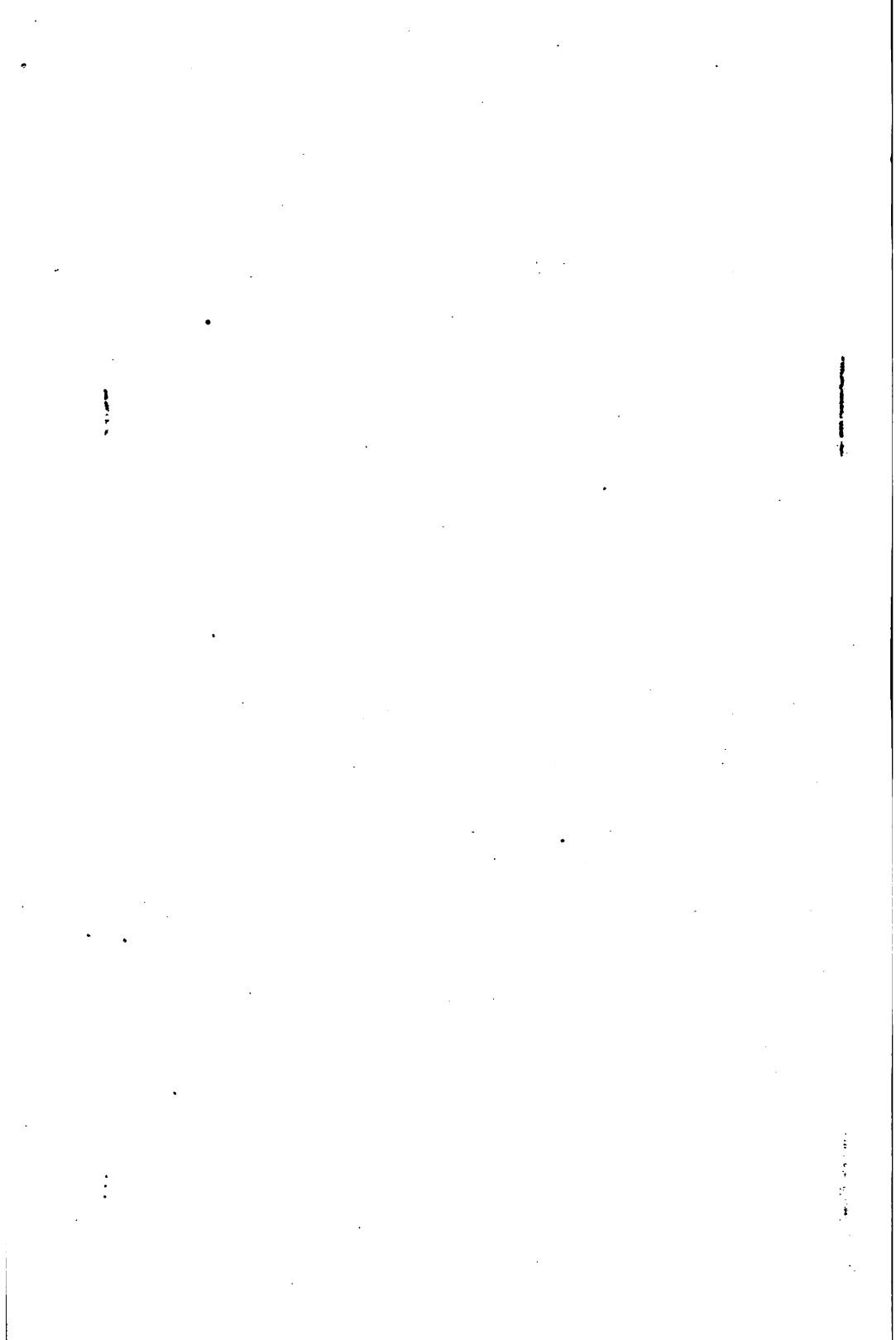
TO ESTABLISH THE GAUGE OF THE PACIFIC
RAILROAD AND ITS BRANCHES.

[*Chap. CXII.*]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the gauge of the Pacific Rail Road and its branches throughout their whole extent, from the Pacific coast to the Missouri river, shall be, and hereby is, established at four feet, eight and one-half inches.

Gauge to be 4 feet,
8 1-2 inches

Approved, March 3. 1863.



AMENDMENT OF 1864.

AN ACT

1

To amend an Act entitled "An Act to aid in the construction of a Rail Road and Telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for Postal, Military, and other purposes," approved July first, eighteen hundred and sixty-two.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the capital stock of the company entitled the Union Pacific Rail Road Company, authorized by the act of which this act is amendatory, shall be in shares of one hundred dollars, instead of one thousand dollars, each; that the number of shares shall be one million, instead of one hundred thousand; and that the number of shares which any person shall hold to entitle him to serve as a director in said company (except the five directors to be appointed by government) shall be fifty shares, instead of five shares; and that every subscriber to said capital stock for each share of one thousand dollars, heretofore subscribed, shall be entitled to a certificate for ten shares of one hundred dollars each; and that the following words in section first of said act: "which shall be subscribed for and held in not more than two hundred shares by any one person," be, and the same are hereby repealed.

Shares of U. P. R. R.
Co. changed from
\$1000 to \$100.

SEC. 2. *And be it further enacted,* That the Union Pacific Rail Road Company shall cause books to be kept open to receive subscriptions to the capital stock of said company, (until the entire capital of one hundred millions of dollars shall be subscribed,) at the general office of said company in the city of

Books to be kept
open in several
cities, 1860, Sec. 2.

New York, and in each of the cities of Boston, Philadelphia, Baltimore, Chicago, Cincinnati, and St. Louis, at such places as may be designated by the President of the United States, and in such other localities as may be directed by him. No subscription for said stock shall be deemed valid unless the subscriber therefor shall, at the time of subscribing, pay or remit to the treasurer of the company an amount per share subscribed by him equal to the amount per share previously paid by the then existing stockholders. The said company shall make assessments upon its stockholders of not less than five dollars per share, and at intervals of not exceeding six months from and after the passage of this act, until the par value of all shares subscribed shall be fully paid; and money only shall be receivable for any such assessment, or as equivalents for any portion of the capital stock hereinbefore authorized. The capital stock of said company shall not be increased beyond the actual cost of said road. And the stock of the company shall be deemed personal property, and shall be transferable on the books of the company, at the general office of said company in the City of New York, or at such other transfer office as the company may establish.

Per cent. to be paid

Assessments of Stockholders.

How paid.

Amt. of Capital.

Stock personal property.

Additional right of way granted. See Sec. 2, 1862.

Assessment of Damages.

SEC. 3. *And be it further enacted,* That the Union Pacific Rail Road Company, and all other companies provided for in this act and the act to which this is an amendment be, and hereby are, empowered to enter upon, purchase, take, and hold any lands or premises that may be necessary and proper for the construction and working of said road, not exceeding in width one hundred feet on each side of its centre line, unless a greater width be required for the purpose of excavation or embankment; and also any lands or premises that may be necessary and proper for turnouts, standing places for cars, depots, station houses, or any other structures required in the construction and operating of said road. And each of said companies shall have the right to cut and remove trees or other materials that might by falling encumber its roadbed, though standing or being, more than one hundred feet therefrom. And in case the owner or claimant of such lands or premises and such company cannot agree as to the damages, the amount shall be determined by the appraisal of three disinterested commissioners, who may be appointed upon application by any party to any judge of a court of record in any of the Territories in which the lands or premises to be taken

lie; and said commissioners, in their assessments of damages, shall appraise such premises at what would have been the value thereof if the road had not been built; and upon return into court of such appraisalment, and upon the payment to the clerk thereof of the amount so awarded by the commissioners for the use and benefit of the owner thereof, said premises shall be deemed to be taken by said company, which shall thereby acquire full title to the same for the purposes aforesaid. And either party feeling aggrieved by said assessment may, within thirty days, file an appeal therefrom, and demand a jury of twelve men to estimate the damage sustained: but such appeal shall not interfere with the rights of said company to enter upon the premises taken, or to do any act necessary in the construction of its road. And said party appealing shall give bonds with sufficient surety or sureties for the payment of any costs that may arise upon such appeal. And in case the party appealing does not obtain a more favorable verdict, such party shall pay the whole cost incurred by the appellee as well as its own. And the payment into court for the use of the owner or claimant, of a sum equal to that finally awarded shall be held to vest in said company the title of said land, and the right to use and occupy the same for the construction, maintaining and operating of the road of said company. And in case any of the lands to be taken as aforesaid shall be held by any person residing without the Territory or subject to any legal disability, the court may appoint a proper person who shall give bonds with sufficient surety or sureties, for the faithful execution of his trust, and who may represent in court the person disqualified or absent as aforesaid, when the same proceeding shall be had in reference to the appraisalment of the premises to be taken and with the same effect as have been already described. And the title of the company to the land taken by virtue of this act shall not be affected nor impaired by reason of any failure by any guardian to discharge faithfully his trust. And in case it shall be necessary for either of the said companies to enter upon lands which are unoccupied, and of which there is no apparent owner or claimant, it may proceed to take and use the same for the purpose of its said railroad and may institute proceedings in manner described for the purpose of ascertaining the value of and acquiring a title to the same; and the court may determine the kind of notice to be served on such owner or owners, and may

Payment and title.

Appeal.

Bonds on Appeal.

Costs of Appeal.

Title after Appeal.

Absentees and Infants.

Unoccupied lands—
how acquired.

in its discretion appoint an agent or guardian to represent such owner or owners in case of his or their incapacity or non-appearance. But in case no claimant shall appear within six years from the time of the opening of said road across any land, all claim to damages against said company shall be barred. It shall be competent for the legal guardian of any infant or any other person under guardianship to agree with the proper company as to damages sustained by reason of the taking of any lands of any such person under disability, as aforesaid, for the use as aforesaid; and upon such agreement being made, and approved by the court having supervision of the official acts of said guardian, the said guardian shall have full power to make and execute a conveyance thereof to the said company which shall vest the title thereto in the said company.

Damages, how disposed of.

Sec. 8, 1862, amended, doubling grant of land.

Sec. 7, 1862, amended, withdrawing land from sale.

Coal and iron not minerals.

Certain lands not to be granted.

160 acres only exempted.

Timber to be Company's. Sec. 8, 1862.

SEC. 4. *And be it further enacted*, That section three of said act be hereby amended by striking out the word "five," where the same occurs in said section, and by inserting in lieu thereof the word "ten;" and by striking out the word "ten," where the same occurs in said section, and by inserting in lieu thereof the word "twenty." And section seven of said act is hereby amended by striking out the word "fifteen," where the same occurs in said section, and inserting in lieu thereof the word "twenty-five." And the term "mineral land," wherever the same occurs in this act, and the act to which this is an amendment, shall not be construed to include coal and iron land. And any lands granted by this act or the act to which this is an amendment, shall not defeat or impair any pre-emption, homestead, swamp land, or other lawful claim, nor include any government reservation or mineral lands, or the improvements of any bona fide settler, or any lands returned and denominated as mineral lands, and the timber necessary to support his said improvements as a miner or agriculturalist, to be ascertained under such rules as have been or may be established by the Commissioner of the General Land Office, in conformity with the provisions of the pre-emption laws: *Provided*, that the quantity thus exempted by the operation of this act and the act to which this act is an amendment, shall not exceed 160 acres for each settler who claims as an agriculturalist, and such quantity for each settler who claims as a miner, as the said Commissioner may establish by general regulation: *Provided*, also, that the phrase, "but where the same shall contain timber,

the timber thereon is hereby granted to said company," in the proviso to said section three shall not apply to the timber growing or being on any land farther than ten miles from the centre line of any one of said roads or branches mentioned in said act, or in this act. And all lands shall be excluded from the operation of this act, and of the act to which this act is an amendment, which were located, or selected to be located, under the provisions of an act entitled "An act donating lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts;" approved July 2, 1862, and notice given thereof at the proper land office.

SEC. 5. *And be it further enacted,* That the time for designating the general route of said rail road, and of filing the map of the same, and the time for the completion of that part of the rail roads required by the terms of said act of each company, be, and the same is hereby, extended one year from the time in said act designated; and that the Central Pacific Rail Road Company of California shall be required to complete twenty-five miles of their said road in each year thereafter, and the whole to the State line within four years, AND THAT ONLY ONE-HALF OF THE COMPENSATION FOR SERVICES RENDERED FOR THE GOVERNMENT BY SAID COMPANIES SHALL BE REQUIRED TO BE APPLIED TO THE PAYMENT OF THE BONDS ISSUED BY THE GOVERNMENT IN AID OF THE CONSTRUCTION OF SAID ROADS.

SEC. 6. *And be it further enacted,* That the proviso to section four of said act is hereby modified as follows, viz: And the President of the United States is hereby authorized, at any time after the passage of this act, to appoint for each and every of said roads three commissioners, as provided for in the act to which this is amendatory; and the verified statement of the president of the California Company, required by said section four, shall be filed in the office of the United States surveyor general for the State of California, instead of being presented to the President of the United States; and the said surveyor general shall thereupon notify the said commissioners of the filing of such statement, and the said commissioners shall thereupon proceed to examine the portion of said rail road and telegraph line so completed, and make their report thereon to the President of the United States, as provided by the act of which this is amendatory. And such statement may be filed and such rail road and telegraph line be examined and reported on by the

Other lands exempted.

Time extended one year. Sec. 10, 1862, amended.

25 miles per year. 4 years to State line

Government to pay one-half for services.

Sec. 4, 1862, modified, three Commissioners, &c.

Affidavit, &c. of C. P. R. Co. to be filed in California.

Lands patented See
Sec. 4, 1862. Also
Sec. 8, this Act.

said commissioners, and the requisite amount of bonds may be issued and the lands appertaining thereto may be set apart, located, entered, and patented, as provided in this act and the act to which this is amendatory, upon the construction by said rail road company of California of any portion of not less than twenty consecutive miles of their said rail road and telegraph line, upon the certificate of said commissioners that such portion is completed as required by the act of which this is amendatory. And section ten of the act of which this is amendatory is hereby amended by inserting, after the words "United States," in the last clause, the words "and States intervening."

Sec. 10, 1862,
amended.

Reservation of
Bonds by Sec. 17,
1862, repealed.

SEC. 7. *And be it further enacted*, That so much of section seventeen of said act as provides for a reservation by the government of a portion of the bonds to be issued to aid in the construction of the said rail roads is hereby repealed. And the failure of any one company to comply fully with the conditions and requirements of this act, and the act to which this is amendatory, shall not work a forfeiture of the rights, privileges, or franchise of any other company or companies that shall have complied with the same.

Failure of one
Company not to
effect others. Sec.
17, 1862, altered.

SEC. 8. *And be it further enacted*, That for the purpose of facilitating the work on said rail road, and of enabling the said company as early as practicable to commence the grading of said rail road in the region of the mountains, between the eastern base of the Rocky Mountains and the western base of the Sierra Nevada Mountains, so that the same may be finally completed within the time required by law, it is hereby provided that whenever the chief engineer of the said company, and said commissioners, shall certify that a certain proportion of the work required *required* to prepare the road for the superstructure on any such section of twenty miles is done, (which said certificate shall be duly verified,) the Secretary of the Treasury is hereby authorized and required, upon the delivery of such certificate, to issue to said company a proportion of said bonds, not exceeding two-thirds of the amount of bonds authorized to be issued under the provisions of the act, to aid in the construction of such section of twenty miles, nor in any case exceeding two-thirds of the value of the work done. The remaining one-third to remain until the said section is fully completed and certified by the commissioners appointed by the President, according to the terms and provisions of the said act. And no such bonds

Partial issue of
Bonds on uncom-
pleted work.
Sec. 11 1862. modi-
fied.

Two-thirds on
grade 1 portions.
See Sec. 6, of this
Act.

shall issue to the Union Pacific Rail Road Company for work done west of Salt Lake City under this section, more than three hundred miles in advance of the completed continuous line of said rail road from the point of beginning on the one hundredth meridian of longitude.

U. P. R. R. Co. cannot receive for more than 300 miles in advance west of Salt Lake City.

SEC. 9. *And be it further enacted,* That to enable any one of said corporations to make convenient and necessary connections with other roads, it is hereby authorized to establish and maintain all necessary ferries upon and across the Missouri river and other rivers which its road may pass in its course ; and authority is hereby given said corporation to construct bridges over said Missouri river and all other rivers for the convenience of said road : *Provided,* That any bridge or bridges it may construct over the Missouri river, or any other navigable river on the line of said road, shall be constructed with suitable and proper draws for the passage of steamboats, and shall be built, kept, and maintained, at the expense of said company in such manner as not to impair the usefulness of said rivers for navigation to any greater extent than such structures of the most approved character necessarily do : *And provided further,* That any company authorized by this act to construct its road and telegraph line from the Missouri river to the initial point aforesaid may construct its road and telegraph line so as to connect with the Union Pacific rail road at any point westwardly of such initial point, in case such company shall deem such westward connection more practicable or desirable ; and in aid of the construction of so much of its road and telegraph line as shall be a departure from the route hereinbefore provided for its road, such company shall be entitled to all the benefits and be subject to all the conditions and restrictions of this act : *Provided further, however,* That the bonds of the United States shall not be issued to such company for a greater amount than is hereinbefore provided, if the same had united with the Union Pacific rail road on the one hundredth degree of longitude ; nor shall such company be entitled to receive any greater amount of alternate sections of public lands than are also herein provided.

Ferries and bridges

Roads may connect west of initial point

No increased amount of Bonds, &c.

SEC. 10. *And be it further enacted,* THAT SECTION FIVE OF SAID ACT BE SO MODIFIED AND AMENDED THAT THE UNION PACIFIC RAIL ROAD COMPANY, THE CENTRAL PACIFIC RAIL ROAD COMPANY, AND ANY OTHER COMPANY AUTHORIZED TO PARTICIPATE IN THE CONSTRUCTION OF SAID ROAD, MAY, ON

First Mortgage Bonds may have lien, prior to Government.

Sec. 5, 1862, modified.

THE COMPLETION OF EACH SECTION OF SAID ROAD AS PROVIDED IN THIS ACT AND THE ACT TO WHICH THIS ACT IS AN AMENDMENT, ISSUE THEIR FIRST MORTGAGE BONDS ON THEIR RESPECTIVE RAIL ROAD AND TELEGRAPH LINES TO AN AMOUNT NOT EXCEEDING THE AMOUNT OF THE BONDS OF THE UNITED STATES, AND OF EVEN TENOR AND DATE, TIME OF MATURITY, RATE AND CHARACTER OF INTEREST WITH THE BONDS AUTHORIZED TO BE

See Sec. 1, Act of 1863.

ISSUED TO SAID RAIL ROAD COMPANIES RESPECTIVELY. AND THE LIEN OF THE UNITED STATES BONDS SHALL BE SUBORDINATE TO THAT OF THE BONDS OF ANY OR EITHER OF SAID COMPANIES HEREBY AUTHORIZED TO BE ISSUED ON THEIR RESPECTIVE ROADS, PROPERTY AND EQUIPMENTS, except as to the provisions of the sixth section of the act to which this act is an amendment, relating to the transmission of despatches and the transportation of mails, troops, munitions of war, supplies, and public stores for the Government of the United States. And said section is further amended by striking out the word "forty," and inserting in lieu thereof the words "on each and every section of not less than twenty."

Lien of U. S. Bonds to be subordinate, &c.

20 miles instead of 40 miles, as in Sec. 5, Act of 1862.

Provision for bonds already issued by any Companies.

SEC. 11. *And be it further enacted*, That if any of the rail road companies entitled to bonds of the United States or to issue their first mortgage bonds herein provided for, has, at the time of the approval of this act, issued or shall thereafter issue any of its own bonds or securities in such form or manner as in law or equity to entitle the same to priority or preference of payment to the said guaranteed bonds, or said first mortgage bonds, the amount of such corporate bonds outstanding and unsatisfied, or uncanceled, shall be deducted from the amount of such government and first mortgage bonds which the company may be entitled to receive and issue; and such an amount only of such government bonds and such first mortgage bonds, shall be granted, or permitted, as added to such outstanding, unsatisfied, or uncanceled bonds of the company, shall make up the whole amount per mile to which the company would otherwise have been entitled: *And provided further*, That before any bonds shall be so given by the United States, the company claiming them shall present to the Secretary of the Treasury an affidavit of the president and secretary of the company, to be sworn to before the judge of a court of record, setting forth whether said company has issued any such bonds or securities, and, if so, particularly describing the same, and such other evidence as the

Affidavit of Am't of outstanding Co. Bonds.

Secretary may require, so as to enable him to make the deduction herein required; and such affidavit shall then be filed and deposited in the office of the Secretary of the Interior, and any person swearing falsely to any such affidavit, shall be deemed guilty of perjury, and on conviction thereof, shall be punished as aforesaid: *Provided also*, That no land granted by this act shall be conveyed to any party or parties, and no bonds shall be issued to any company or companies, party or parties, on account of any road, or part thereof, made prior to the passage of the act to which this act is an amendment, or made subsequent thereto, under the provisions of any act or acts other than this act and the act amended by this act.

No land or bonus to go to any Co. on road, made prior to Act of 1862.

SEC. 12. *And be it further enacted*, That the Leavenworth, Pawnee, and Western Rail Road Company, now known as the Union Pacific Rail Road Company, eastern division, shall build the rail road from the mouth of Kansas river, by the way of Leavenworth, or, if that be not deemed the best route, then the said company shall, within two years, build a rail road from the City of Leavenworth to unite with the main stem at or near the City of Lawrence; but to aid in the construction of said branch the said Company shall not be entitled to any bonds. And if the Union Pacific Rail Road Company shall not be proceeding in good faith to build the said rail road through the Territories when the Leavenworth, Pawnee, and Western Rail Road Company, now known as the Union Pacific Rail Road Company, eastern division, shall have completed their road to the hundredth degree of longitude, then the last named Company may proceed to make said road westward until it meets and connects with the Central Pacific Rail Road Company on the same line. And the said rail road from the mouth of Kansas river to the one hundredth meridian of longitude shall be made by the way of Lawrence and Topeka, or on the bank of the Kansas river opposite said towns: *Provided*, That no bonds shall be issued or land certified by the United States to any person or company for the construction of any part of the main trunk line of said rail road west of the one hundredth meridian of longitude and east of the Rocky Mountains, until said road shall be completed from or near Omaha, on the Missouri river, to the said one hundredth meridian of longitude.

Leavenworth and Lawrence Roads, no bonds.

If built to 100th meridian may proceed in default of U. P. R. R.

By way of Lawrence and Topeka, or opposite, to 100th meridian. West of that line no bonds shall be issued, &c.

SEC. 13. *And be it further enacted*, That at and after the next election of directors, the number of directors to be elected

Directors 15. Gov-
ernment Directors
5 Sec. 1, 1862, mod-
ified.

One Government
Director on com-
mittees.

Government Direc-
tors to report, &c.

To visit Road, &c.

Directors, when
elected, and where.
(Sec. 1, 1862,) for
one year.

Road to be used as
one continuous line
See Sec. 12, Act of
1862.

Must telegraph for
all persons. See
Sec. 13, Act of 1862

by the stockholders shall be fifteen; and the number of directors to be appointed by the President shall be five; and the President shall appoint three additional directors to serve until the next regular election, and thereafter five directors. At least one of said government directors shall be placed on each of the standing committees of said company, and at least one on every special committee that may be appointed. The government directors shall, from time to time, report to the Secretary of the Interior, in answer to any inquiries he may make of them, touching the condition, management, and progress of the work; and shall communicate to the Secretary of the Interior, at any time, such information as should be in the possession of the department. They shall, as often as may be necessary to a full knowledge of the condition and management of the line, visit all portions of the line of road, whether built or surveyed; and while absent from home, attending to their duties as directors, shall be paid their actual traveling expenses, and be allowed and paid such reasonable compensation for their time actually employed as the board of directors may decide.

SEC. 14. *And be it further enacted*, That the next election for directors of said rail road shall be held on the first Wednesday of October next, at the office of said company in the city of New York, between the hours of ten o'clock a. m. and four o'clock p. m. of said day; and all subsequent regular elections shall be held annually thereafter at the same place; and the directors shall hold their offices for one year, and until their successors are qualified.

SEC. 15. *And be it further enacted*, That the several companies authorized to construct the aforesaid roads are hereby required to operate and use said roads and telegraph for all purposes of communication, travel and transportation, so far as the public and the government are concerned, as one continuous line; and, in such operation and use, to afford and secure to each equal advantages and facilities as to rates, time, and transportation, without any discrimination of any kind in favor of the road or business of any or either of said companies, or adverse to the road or business of any or either of the others. And it shall not be lawful for the proprietors of any line of telegraph authorized by this act, or the act amended by this act, to refuse or fail to convey for all persons requiring the transmission of news and messages of like character, on pain of forfeiting

to the person injured, for each offense, the sum of one hundred dollars, and such other damage as he may have suffered on account of said refusal or failure, to be sued for and recovered in any court of the United States, or of any State or Territory of competent jurisdiction.

SEC. 16. *And be it further enacted*, That any two or more of the companies, authorized to participate in the benefits of this act, are hereby authorized at any time to unite and consolidate their organizations, as the same may or shall be, upon such terms and conditions, and in such manner as they may agree upon, and as shall not be incompatible with this act or the laws of the State or States in which the roads of such companies may be, and to assume and adopt such corporate name and style as they may agree upon, with a capital stock not to exceed the actual cost of the roads so to be consolidated, and shall file a copy of such consolidation in the Department of the Interior; and thereupon such organization, so formed and consolidated, shall succeed to, possess, and be entitled to receive from the government of the United States, all and singular the grants, benefits, immunities, guarantees, acts, and things to be done and performed, and be subject to the same terms, conditions, restrictions, and requirements which said companies, respectively, at the time of such consolidation, are or may be entitled or subject to under this act, in place and substitution of said companies so consolidated, respectively. And all other provisions of this act, so far as applicable, relating or in any manner appertaining to the companies so consolidated, or either thereof, shall apply and be of force as to such consolidated organization. And in case, upon the completion by such consolidated organization of the roads or either of them, of the companies so consolidated, any other of the road or roads of either of the other companies authorized as aforesaid, (and forming, or intended or necessary to form a portion of a continuous line from each of the several points on the Missouri river, hereinbefore designated, to the Pacific coast,) shall not have constructed the number of miles of its said road within the time herein required, such consolidated organization is hereby authorized to continue the construction of its road and telegraph in the general direction and route upon which such incomplete or unconstructed road is hereinbefore authorized to be built, until such continuation of the road of such consolidated organization shall reach the constructed road

Companies may
consolidate. See
Sec. 16, Act of 1862,
also Sec. 10, Act of
1862.

Consolidated Com-
panies may build
portion of the line
left incomplete by
any Company.

and telegraph of said other company, and at such point to connect and unite therewith; and for and in aid thereof the said consolidated organization may do and perform, in reference to such portion of road and telegraph as shall so be in continuation of its constructed road and telegraph, and to the construction and equipment thereof, all and singular the several acts and things hereinbefore provided, authorized, or granted to be done by the company hereinbefore authorized to construct and equip the same, and shall be entitled to similar and like grants, benefits, immunities, guarantees, acts, and things to be done and performed by the government of the United States, by the President of the United States, by the Secretaries of the Treasury and Interior, and by commissioners, in reference to such company, and to such portion of the road hereinbefore authorized to be constructed by it, and upon the like and similar terms and conditions, so far as the same are applicable thereto. And said consolidated company shall pay to said defaulting company, the value, to be estimated by competent engineers, of all the work done and material furnished by said defaulting company, which may be adopted and used by said consolidated company in the progress of the work under the provisions of this section: *Provided, nevertheless,* That said defaulting company may at any time before receiving pay for its said work and material, as hereinbefore provided, on its own election, pay said consolidated company the value of the work done and material furnished by said consolidated company, to be estimated by competent engineers, necessary for and used in the construction of the road of said defaulting company, and resume the control of its said road; and all the rights, benefits, and privileges which shall be acquired, possessed, or exercised, pursuant to this section, shall be to that extent an abatement of the rights, benefits, and privileges hereinbefore granted to such other company. And in case any company authorized thereto, shall not enter into such consolidated organization, such company, upon the completion of its road as hereinbefore provided, shall be entitled to, and is hereby authorized to, continue and extend the same under the circumstances, and in accordance with the provisions of this section, and to have all the benefits thereof, as fully and completely as are herein provided, touching such consolidated organization. And in case more than one such consolidated organization shall be made, pursuant to this act, the terms and condi-

Powers and duties
of consolidated
organization.

tions of this act, hereinbefore recited as to one, shall apply in like manner, force, and effect to the other: *Provided, however,* That rights and interests at any time acquired by one such consolidated organization shall not be impaired by another thereof. IT IS FURTHER PROVIDED THAT, SHOULD THE CENTRAL PACIFIC RAIL ROAD COMPANY OF CALIFORNIA COMPLETE THEIR LINE TO THE EASTERN LINE OF THE STATE OF CALIFORNIA BEFORE THE LINE OF THE UNION PACIFIC RAIL ROAD COMPANY SHALL HAVE BEEN EXTENDED WESTWARD SO AS TO MEET THE LINE OF SAID FIRST-NAMED COMPANY, SAID FIRST-NAMED COMPANY MAY EXTEND THEIR LINE OF ROAD EASTWARD ONE HUNDRED AND FIFTY MILES, ON THE ESTABLISHED ROUTE, SO AS TO MEET AND CONNECT WITH THE LINE OF THE UNION PACIFIC ROAD, COMPLYING IN ALL RESPECTS WITH THE PROVISIONS AND RESTRICTIONS OF THIS ACT AS TO SAID UNION PACIFIC ROAD, AND UPON DOING SO SHALL ENJOY ALL THE RIGHTS, PRIVILEGES, AND BENEFITS CONFERRED BY THIS ACT ON SAID UNION PACIFIC RAIL ROAD COMPANY.

When Central Pacific Road shall reach Eastern line of said State may go on 150 miles if road not met. Sec. 10, 1862, amended. Also see Sec. 2, 1866.

SEC. 17. *And be it further enacted,* That so much of section fourteen of said act as relates to a branch from Sioux City be, and the same is hereby, amended so as to read as follows: That whenever a line of rail road shall be completed through the States of Iowa or Minnesota to Sioux City, such company, now organized or may hereafter be organized under the laws of Iowa, Minnesota, Dakota, or Nebraska, as the President of the United States, by its request, may designate or approve for that purpose, shall construct and operate a line of rail road and telegraph from Sioux City, upon the most direct and practicable route, to such a point on, and so as to connect with, the Iowa branch of the Union Pacific Rail Road from Omaha, or the Union Pacific Rail Road, as such company may select, and on the same terms and conditions as are provided in this act and the act to which this is an amendment, for the construction of the said Union and Pacific Rail Road and telegraph line and branches; and said company shall complete the same at the rate of fifty miles per year: *Provided,* That said Union Pacific Rail Road Company shall be, and is hereby, released from the construction of said branch. And said company constructing said branch shall not be entitled to receive in bonds an amount larger than the said Union Pacific Rail Road Company would

Sec. 14, 1862 amended as to Sioux City Branch Road.

be entitled to receive if it had constructed the branch under this act and the act to which this is an amendment; but said company shall be entitled to receive alternate sections of land for ten miles in width on each side of the same along the whole length of said branch; *And provided, further,* That if a rail road should not be completed to Sioux City, across Iowa or Minnesota, within eighteen months from the date of this act, then said company designated by the President, as aforesaid, may commence, continue, and complete the construction of said branch as contemplated by the provisions of this act: *Provided, however,* That if the said company so designated by the President as aforesaid shall not complete the said branch from Sioux City to the Pacific Rail Road within ten years from the passage of this act, then, and in that case, all of the rail road which shall have been constructed by said company shall be forfeited to and become the property of the United States.

Burlington and M.
E. R. R. Co. may
extend Road, &c.

SEC. 18. *And be it further enacted,* That the Burlington and Missouri River Rail Road Company, a corporation organized under and by virtue of the laws of the State of Iowa, be, and hereby is, authorized to extend i[t]s road through the Territory of Nebraska from the point where it strikes the Missouri river, south of the mouth of the Platte river, to some point not further west than the one hundredth meridian of west longitude, so as to connect, by the most practicable route, with the main trunk of the Union Pacific Rail Road, or that part of it which runs from Omaha to the said one hundredth meridian of west longitude. And for the purpose of enabling said Burlington and Missouri River Rail Road Company to construct that portion of their road herein authorized, the right of way through the public lands is hereby granted to said company for the construction of said road. And the right, power, and authority is hereby given to said company to take from the public lands adjacent to the line of said road, earth, stone, timber, and other materials for the construction thereof. Said right of way is granted to said company to the extent of two hundred feet where it may pass over the public lands, including all necessary grounds for stations, buildings, workshops, depots, machine shops, switches, side tracks, turn tables, and water stations. And the United States shall extinguish, as rapidly as may be, consistent with public policy and the welfare of the said Indians, the Indian titles to all lands falling

Right of way, &c.

U. S. to extinguish
Indian titles. Sec.
2, 1862.

under the operation of this section and required for the said right of way and grant of land herein made.

SEC. 19. *And be it further enacted*, That for the purpose of aiding in the construction of said road, there be, and hereby is, granted to the said Burlington and Missouri River Rail Road Company, every alternate section of public land (excepting mineral lands as provided in this act) designated by odd numbers, to the amount of ten alternate sections per mile on each side of said road, on the line thereof, and not sold, reserved, or otherwise disposed of by the United States, and to which a pre-emption or homestead claim may not have attached at the time the line of said road is definitely fixed: *Provided*, That said company shall accept this grant within one year from the passage of this act, by filing such acceptance with the Secretary of the Interior, and shall also establish the line of said road, and file a map thereof with the Secretary of the Interior within one year of the date of said acceptance, when the said Secretary shall withdraw the lands embraced in this grant from market

Land grants to Burlington and M. R. R. Co.

SEC. 20. *And be it further enacted*, That whenever said Burlington and Missouri River Rail Road Company shall have completed twenty consecutive miles of the road mentioned in the foregoing section, in the manner provided for other roads mentioned in this act and the act to which this is an amendment, the President of the United States shall appoint three commissioners to examine and report to him in relation thereto; and if it shall appear to him that twenty miles of said road have been completed as required by this act, then, upon certificate of said commissioner[s] to that effect, patents shall issue conveying the right and title to said lands to said company on each side of said road, as far as the same is completed, to the amount aforesaid; and such examination, report, and conveyance, by patents, shall continue from time to time, in like manner, until said road shall have been completed. And the President shall appoint said commissioners, to fill vacancies in said commission, as provided in relation to other roads mentioned in the act to which this is an amendment. And the said company shall be entitled to all the privileges and immunities granted to the Hannibal and St. Joseph's Rail Road Company by the said last mentioned act, so far as the same may be applicable: *Provided*, That no Government bonds shall be issued to the said Burlington and Missouri River Rail Road Company

Burlington and M. R. R. Co., lands, &c.

Roads.

to aid in the construction of said extension of its road; and provided further, that said extension shall be completed within the period of ten years from the passage of this act.

And not to be conveyed to any Company until they pay cost of survey. &c. Sec. 4, 1862, Sec. 6, 1864.

SEC. 21. *And be it further enacted,* That before any land granted by this act shall be conveyed to any company or party entitled thereto under this act, there shall first be paid into the Treasury of the United States the cost of surveying, selecting, and conveying the same by the said company, or party in interest as the titles shall be required by said company, which amount shall, without any further appropriation, stand to the credit of the proper account, to be used by the Commissioner of the General Land Office, for the prosecution of the survey of the public lands along the line of said road, and so from year to year, until the whole shall be completed, as provided under the provisions of this act.

Sec. 18, 1864.

SEC. 22. *And be it further enacted,* That Congress may at any time, alter, amend, or repeal this act.

Approved, July 2, 1864.

AMENDMENT OF 1865.

AN ACT

To amend an act entitled "An act to aid in the construction of a Rail Road and Telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for Postal, Military and other purposes," approved July first, eighteen hundred and sixty-two, and to amend an Act amendatory thereof, approved July second, eighteen hundred and sixty-four.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section ten of said act of July second, eighteen hundred and sixty-four, be so modified and amended as to allow the CENTRAL PACIFIC RAIL ROAD COMPANY, AND THE WESTERN PACIFIC RAIL ROAD COMPANY, OF CALIFORNIA, THE UNION PACIFIC RAIL ROAD COMPANY, THE UNION PACIFIC RAIL ROAD COMPANY, EASTERN DIVISION, AND ALL OTHER COMPANIES PROVIDED FOR IN THE SAID ACT OF THE SECOND OF JULY, EIGHTEEN HUNDRED AND SIXTY-FOUR, TO ISSUE THEIR SIX PER CENTUM THIRTY YEARS' BONDS, INTEREST PAYABLE IN ANY LAWFUL MONEY OF THE UNITED STATES, UPON THEIR SEPARATE ROADS. And the said companies are hereby authorized to issue, respectively, their bonds to the extent of one hundred miles in advance of a continuous completed line of construction.

SEC. 2. *And be it further enacted, That the assignment made by the Central Pacific Rail Road Company of California to the Western Pacific Rail Road Company of said State, of the right to construct all that portion of said rail road and telegraph from the city of San Jose to the city of Sacramento is*

May issue bonds 100 miles in advance of completed line, int. payable in any lawful money. Sec. 10 1864.

Assignment confirmed to San Jose and Sacramento and E. ad

hereby ratified and confirmed to the said Western Pacific Rail Road Company, with all the privileges and benefits of the several acts of Congress relating thereto, and subject to all the conditions thereof: *Provided*, That the time within which the said Western Pacific Rail Road Company shall be required to construct the first twenty miles of their said road, shall be one year from the first day of July, eighteen hundred and sixty-five, and that the entire road shall be completed from San Jose to Sacramento, connecting at the latter point with the said Central Pacific Rail Road, within four years thereafter.

Approved, March 3, 1865.

AMENDMENT OF 1866.

AN ACT

To amend an Act entitled "An Act to amend an Act entitled 'An Act to aid in the construction of a rail road and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes,' approved July first, eighteen hundred and sixty-two," approved July second, eighteen hundred and sixty-four.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Union Pacific Railway Company, eastern division, is hereby authorized to designate the general route of their said road, and to file a map thereof, as now required by law, at any time before the first day of December, eighteen hundred and sixty-six; and upon the filing of the said map, showing the general route of said road, the lands along the entire line thereof, so far as the same may be designated, shall be reserved from sale by order of the Secretary of the Interior: *Provided*, That said company shall be entitled to only the same amount of the bonds of the United States to aid in the construction of their line of rail road and telegraph as they would have been entitled to if they had connected their said line with the Union Pacific rail road on the one hundredth degree of longitude, as now required by law: *And provided further*, That said Company shall connect their line of rail road and telegraph with the Union Pacific rail road, but not at a point more than fifty miles westwardly from the meridian of Denver in Colorado.*

SEC. 2. *And be it further enacted*, That the Union Pacific U. P. R. R. to proceed till met.

Rail Road Company, with the consent and approval of the Secretary of the Interior, are hereby authorized to locate, construct, and continue their road from Omaha, in Nebraska Territory, westward, according to the best and most practicable route and without reference to the initial point on the one hundredth meridian of west longitude, as now provided by law, in a continuous completed line, until they shall meet and connect with the Central Pacific Rail Road Company of California; AND THE CENTRAL PACIFIC RAIL ROAD COMPANY OF CALIFORNIA, WITH THE CONSENT AND APPROVAL OF THE SECRETARY OF THE INTERIOR, ARE HEREBY AUTHORIZED TO LOCATE, CONSTRUCT, AND CONTINUE THEIR ROAD EASTWARD, IN A CONTINUOUS COMPLETED LINE, UNTIL THEY SHALL MEET AND CONNECT WITH THE UNION PACIFIC RAIL ROAD: *Provided*, That each of the above-named companies shall have the right, when the nature of the work to be done, by reason of deep cuts and tunnels, shall for the expeditious construction of the Pacific Rail Road require it, to work for an extent of not to exceed three hundred miles in advance of their continuous completed lines.

Approved, July 3, 1866.

Central Pacific may continue their road eastward, with consent of Secretary of the Interior. All met by U. R. R. Co. Sec. 10, 1862, and Sec. 16, 1864, amended.

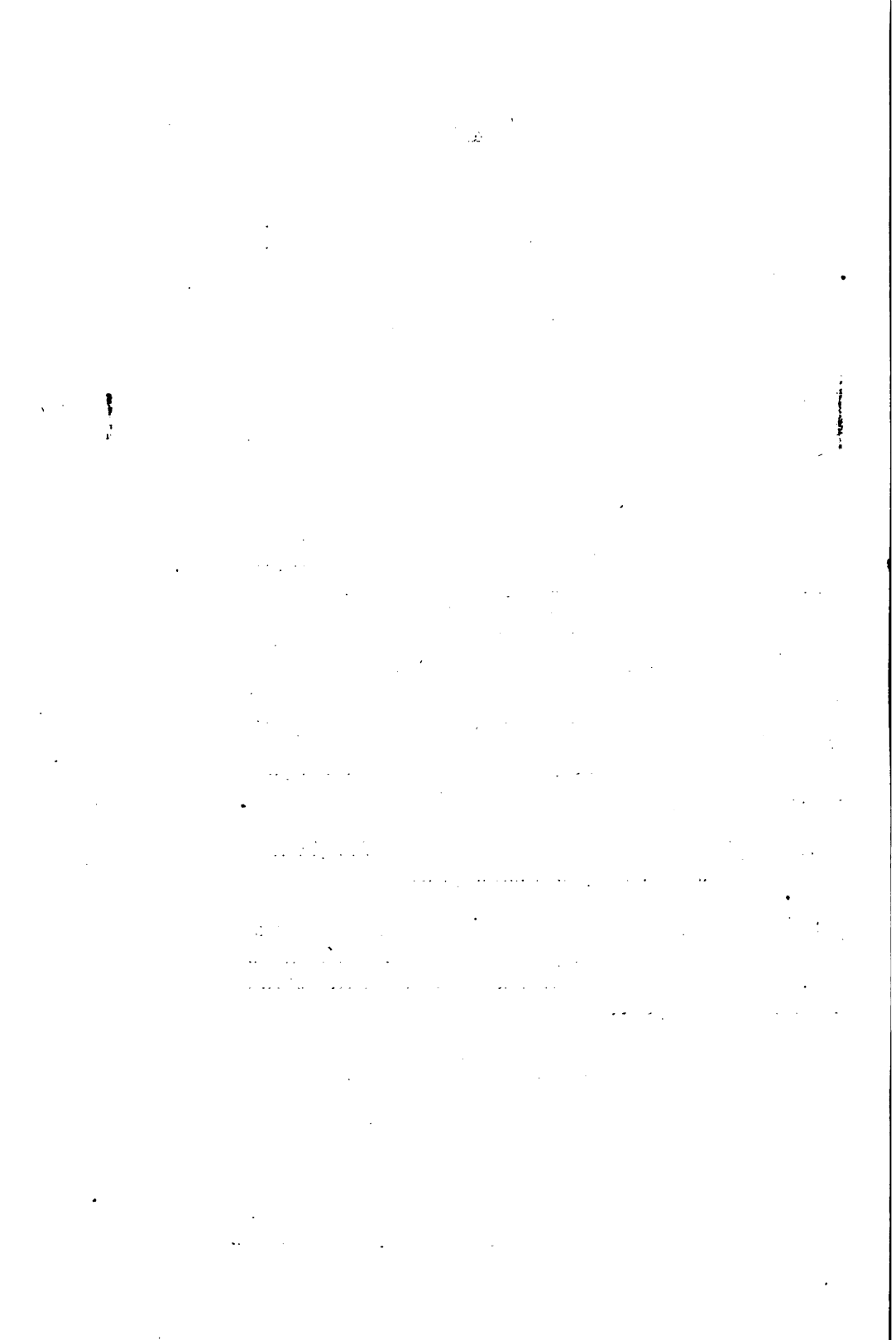
ACT OF 1852. CALIFORNIA.

AN ACT to grant the right of way to the United States for railroad purposes. Approved May 1, 1852; 150.

Whereas, the interests of this State, as well as those of the whole Union, require the immediate action of the Government of the United States for the construction of a national thoroughfare connecting the navigable waters of the Atlantic and Pacific oceans, for the purposes of national safety, in the event of war, and to promote the highest commercial interests of the Republic; therefore,

The People of the State of California represented in Senate and Assembly, do enact as follows:

SECTION 1. THE RIGHT OF WAY THROUGH THIS STATE IS HEREBY GRANTED TO THE UNITED STATES FOR THE PURPOSE OF CONSTRUCTING A RAILROAD FROM THE ATLANTIC TO THE PACIFIC OCEANS. [OCEAN.]



ARTICLES OF ASSOCIATION.

First.—The name of this Association shall be the “CENTRAL PACIFIC RAILROAD COMPANY OF CALIFORNIA.”

Name of Association.

Second.—The number of years the same shall continue is fifty years.

Continue fifty years.

Third.—The amount of the capital stock of this Company shall be eight millions five hundred thousand dollars, divided into shares of one hundred dollars each.

Amount of Capital Stock.

Fourth.—The names of nine Directors to manage the concerns of the Company are—

Names of Directors,

- LELAND STANFORD SACRAMENTO.
- CHARLES CROCKER..... “
- JAMES BAILEY..... “
- THEODORE D. JUDAH..... “
- L. A. BOOTH..... “
- C. P. HUNTINGTON..... “
- MARK HOPKINS..... “
- D. W. STRONG DUTCH FLAT.
- CHARLES MARSH..... NEVADA.

Fifth.—The places from and to which the proposed road is to be constructed, are the City of Sacramento and the eastern boundary of the State of California.

Commencement and termination of road.

Sixth.—The counties into and through which this road is intended to pass, are Sacramento, Placer and Nevada.

Counties to pass through.

Seventh.—The length of road, as near as may be, is one hundred and fifteen miles.

Length of road.

Eighth.—The names of five Commissioners to open books of subscription to the stock, are—

Five Commissioners.

B. F. MOORE,.....Dutch Flat,
 EDWARD J. BRICKELL.....Illinoistown.
 E. G. WAITE.....Nevada.
 E. McLAUGHLIN.....Grass Valley.
 SAMUEL CROSS.....Sacramento.

Names of subscribers and amounts of stock.

Ninth.—We, the undersigned, do hereby subscribe to the above Articles of Association our names, and the amounts of stock taken by us respectively in said Central Pacific Railroad Company of California.

Subscribers' Names.	Residence.	Number of Shares.
JAMES BAILEY.....	Sacramento.....	150
MARK HOPKINS.....	Sacramento.....	150
C. P. HUNTINGTON.....	Sacramento.....	150
CHARLES MARSH.....	Nevada.....	50
THEO. D. JUDAH.....	Nevada.....	150
D. W. STRONG.....	Dutch Flat.....	50
N. W. BLANCHARD.....	Dutch Flat.....	10
C. COLE.....	Sacramento.....	10
JOHN F. MORSE.....	Sacramento.....	5
P. H. RUSSELL.....	Sacramento.....	5
N. L. DREW.....	Sacramento.....	5
WM. G. ENGLISH.....	Sacramento.....	10
CHAS. G. HOOKER.....	Sacramento.....	10
MILLIKIN BROS.....	Sacramento.....	10
LORD, HOLBROOK & CO.....	Sacramento.....	10
LUCIUS A. BOOTH.....	Sacramento.....	10
E. J. BRICKELL.....	Illinoistown.....	40
B. BRICKELL.....	Illinoistown.....	20
B. F. MOORE.....	Dutch Flat.....	10
P. T. MATHEWSON.....	Dutch Flat.....	5
E. L. BRADLEY.....	} Dutch Flat.....	25
R. M. TRIM.....		
E. G. WAITE.....	Nevada.....	10
JOHN WILLIAMS.....	Nevada.....	10
T. ELLARD BEANS.....	Nevada.....	10
J. N. LUMAY.....	Nevada.....	10
E. McLAUGHLIN.....	Grass Valley.....	10
WM. LOUTZENHEIM.....	Grass Valley.....	5
LELAND STANFORD.....	Sacramento.....	150
C. CROCKER.....	Sacramento.....	150
SAMUEL CROSS.....	Sacramento.....	10

STATE OF CALIFORNIA, }
 CITY AND COUNTY OF SACRAMENTO. } ss.

Affidavit of Directors.

Be it Remembered, That on this 27th day of June, 1861, personally appeared before the undersigned, a Notary Public in and for said city and county, Leland Stanford, Mark Hopkins,

and C. P. Huntington, three of the Directors of the within named "Central Pacific Railroad Company of California," and being by me duly sworn, say, that the stock to the amount of at least one thousand dollars for every mile of the Railroad intended to be built by said company, to wit: an amount of stock exceeding one hundred and fifteen thousand dollars, has been in good faith subscribed by the members of said company, and that ten per cent. on the amount of stock subscribed as aforesaid, has been actually and in good faith paid in cash to Mark Hopkins, the Treasurer appointed by the Directors named in the within articles of association, and that the subscribers to said articles of association are all known by some one of said affiants, to be subscribers thereto, and to be the persons so represented.

LELAND STANFORD.
MARK HOPKINS,
C. P. HUNTINGTON.

I hereby Certify, that the foregoing affidavit was duly subscribed and sworn to by said Leland Stanford, Mark Hopkins, and C. P. Huntington; by and before me the day and year aforesaid.

Certificate of
Notary Public.

In testimony whereof, I have hereunto set my hand and official seal this 27th day of June, A. D. 1861.

ELIJAH SWIFT,
Notary Public.

[SEAL.]

STATE OF CALIFORNIA, }
DEPARTMENT OF STATE. }

I, WILLIAM H. WEEKS, Secretary of State of the State of California, do hereby certify that the annexed is a true, full, and correct copy of the Certificate of Incorporation of the "Central Pacific Railroad Company," filed June 28, A. D. 1861, now on file in my office.

Certificate of Sec-
retary of State.

Witness my hand, and the Great Seal of State, at office in Sacramento, California, the eighth day of July, A. D. 1862.

WM. H. WEEKS,
Secretary of State.

[SEAL.]

By A. A. H. TUTTLE, Deputy.

64

GENERAL RAILROAD LAW OF CALIFORNIA.

CHAPTER III.

An Act to provide for the Incorporation of Railroad Companies, and the management of the affairs thereof, and other matters relating thereto.

[Approved May 20, 1861.]

As amended up to 1864, inclusive, and contained in the General Laws of California compiled in 1865.

826. SECTION 1. Any number of persons not less than ten, either in this State, or through any portion of the Territories of the United States, contiguous to this State, being subscribers to the stock of any contemplated railroad, may be formed into a corporation for the purpose of constructing, owning, and maintaining, such railroad, by complying with the following requirements: Whenever stock to the amount of at least one thousand dollars for each and every mile of the proposed railroad shall have been so subscribed, and ten per cent. in cash, of the amount so required to be subscribed, shall be actually and in good faith paid to a Treasurer, to be named and appointed by said subscribers from among their number, then the said subscribers, either in person, or by written proxy, after having

Formation of
Corporations

received at least five days' notice from said Treasurer of a meeting of said subscribers for that purpose, may adopt articles of association, and may elect, from among the subscribers to said articles, not less than five, nor more than thirteen, Directors.

Articles shall set forth Amount of Stock, Term of Road, &c.

827. § 2. The said articles of association shall set forth the name of the incorporation, the number of years the same is to continue in existence, which shall not exceed fifty years, the amount of the capital stock of the company, which shall be divided into shares of one hundred dollars each, and which shall be the actual contemplated cost of constructing the road, together with the cost of the right of way, motive power, and every other appurtenance and thing, for the completion and running of said road, as nearly as can be estimated by competent Engineers, the names and number of the Directors to manage the affairs of the company, who shall hold their office until others are elected, as shall be provided by the by-laws of the company; the place from and to which, the proposed road is to be constructed, and the counties into and through which it is intended to pass, and its length, as near as may be. Each subscriber to such articles of association shall personally subscribe thereto his name, place of residence, and the number of shares of stock taken by him in such company; *provided*, that in case a person desirous of becoming a subscriber, but compelled to be absent from the State at the time of subscribing to such articles of association, he having duly paid the ten per cent. required by law upon his subscription, may sign the same by written proxy, or power of attorney, to that effect; and there shall be endorsed, or attached, to the said articles so subscribed, an affidavit, made by any three of the Directors named therein, setting forth in substance that said amount of stock has been subscribed, and that ten per cent. in cash, thereon, has actually and in good faith been paid in as aforesaid, and that the subscribers to said articles are all known by one, or the other, of the said three Directors, to be subscribers thereto, and to be the persons so represented.

Articles shall be filed.

828. § 3. Articles of association formed in pursuance of the provisions of the foregoing sections, shall be filed in the office of the Secretary of State, and thereupon the persons who have, or may, subscribe the same, and all persons who may, from time to time, become stockholders in such company, shall be a body politic and corporate, by the name stated in such

articles of association, and shall be capable in law to make all contracts, acquire real and personal property, purchase, hold, convey, any and all real and personal property whatever, necessary for the construction, completion and maintenance of such railroad, and for the erection of all necessary buildings and yards, or places and appurtenances, for the use of the same, and be capable of suing and being sued, and have a common, or corporate, seal, and make and alter the same at pleasure, and generally to possess all the powers and privileges for the purpose of carrying on the business of the corporation, that private individuals and natural persons now enjoy. A copy of any articles of association filed in pursuance of this act, and certified to be a copy by the Secretary of State, or his Deputy, shall, in all courts and places, be presumptive evidence of the incorporation of such company, and of the facts stated therein; and such a copy, so certified, shall be kept in the office of the Secretary of the corporation, subject to examination during office hours by any person.

Corporate powers.

829. § 4. The Directors named in the articles of association, shall meet and organize as a Board immediately after their election, or within five days after, having received notice of such election given by the Treasurer, named and designated in the first section of this act; and at the first meeting of the Board, after each annual election of Directors, they shall elect from among their number a President and a Treasurer, they shall also elect a Secretary, who, and their successors in office, shall be officers of the company, and shall hold their respective offices until their successors have been duly elected and qualified. The Secretary and the Treasurer, before they enter upon the discharge of their duties, shall each give a bond with sufficient surety for the faithful performance of their respective duties, to be approved by the Board of Directors. The temporary Treasurer, required by the first section of this act, shall pay over all moneys received by him, as such Treasurer, to the Treasurer elected by the Board of Directors, so soon as the latter has been qualified. The said Board of Directors and every succeeding Board, when deemed necessary, shall open books of subscription to the capital stock of the company, at such times, and in such places, upon such terms, and authorize such persons to receive and superintend the taking of such subscriptions as they may direct, due notice of which shall be given; but no subscription

Duty of Directors.

Election of Officers

Bonds of Officers.

Opening of Stock Books.

- of stock, except the original subscription, shall be binding on the company, or parties, so subscribing, until the same shall have been accepted and approved by a resolution of the Board. In case a greater amount of acceptable stock shall be subscribed than the whole capital required by such company, the Board of Directors shall distribute such capital stock so subscribed, as equally as possible among the subscribers; but no share thereof shall be divided in making such distribution, nor shall a greater number of shares be allotted to any one subscriber than by him subscribed for.
- Approval by Board.** 830. § 5. There shall be, after the first election of Directors, as prescribed by the first section of this act, annual meetings of the stockholders, held in one of the counties in which, or through which, such road is proposed to be, or may be, constructed, for the election of Directors, to serve for the ensuing year, notice of which, appointing a time and place, shall be given for the first annual election and every subsequent election thereafter, as prescribed by the by-laws of the company, or by a resolution of the Board of Directors, which notice shall be published not less than twenty days previous thereto, in a newspaper published in each county through, or into, which such road shall pass, or be intended to run, (if there be stockholders residing therein,) in which a newspaper shall be published; and if no newspaper is published therein, then by six written, or printed notices, put up in the most public places in said county.
- How distributed.** Directors shall be elected from time to time, as a majority of the whole stock shall determine, or as the by-laws shall designate, as may be determined in the formation of articles of association, in pursuance of the provisions of the first and second sections of this act, shall be chosen at such meetings of stockholders, by ballot, and by a majority of the votes of the stockholders being present in person, or by written proxy; and every such stockholder being so present, either in person, or by proxy, at any election for Directors, shall be entitled to give one vote for every share of stock which he may have owned for ten days next preceding such election; but no stockholder shall vote at any such election upon any stock, except such as he shall have owned for ten days. No person shall be a Director, unless he shall be a stockholder, owning stock absolutely in his own right, and qualified to vote for Directors, at the election at which he may be chosen. The Directors shall hold their office.
- Annual Meeting of Stockholders.**
- Election of Officers.**
- Qualification of Directors.**

for one year, and until others are elected in their places. At least a majority of the Directors shall, at the time of their election, be residents of the State.

831. § 6. Meetings of stockholders may be called at any time during the interval between the annual meetings, by the Directors, or by any number of stockholders owning not less than one-third of the stock, by giving thirty days' public notice of the time and place of the meetings, in the manner provided in the next preceding section for the annual meetings; and when any such meeting is called by the stockholders, the particular object of such meeting shall be stated in such notice, and no other business shall be transacted at such meeting, when so called by the stockholders, as aforesaid, except such as shall be so stated in such notice; and if at any such meeting thus called, a majority in value of the stockholders are not represented in person, or by written proxy, such meeting shall be adjourned from day to day, not exceeding three days, without transacting any business; and if within said three days stockholders having at least a majority in interest of the stock, do not attend and participate in such meeting, then the meeting shall be dissolved. In case the capital stock shall be ascertained to be greater or less than is necessary for completing, operating, and maintaining, the road, then the capital stock may be reduced or increased, by a vote of the holders of a majority of the capital stock, to the amount thus required. [*Amendment approved April 27, 1863; 610; took effect from passage.*]

Special meetings.
How called.

Capital stock how
reduced.

832. § 7. At all general meetings of the stockholders, two-thirds in value of the stockholders of the company being present in person, or by proxy, may remove any President, or any Director, of such company, and elect others in their stead; *provided*, notice of such intended removal shall have been given, as required in the two last preceding sections.

Removal of officers.

833. § 8. In case it shall happen at any time that an election of Directors shall not be made on the day designated by the by-laws of the company, when it ought to have been made, the company, for that reason, shall not be dissolved, if, within ninety days thereafter they shall hold an election for Directors in such manner as shall be provided by the by-laws of the company. There shall also be a Vice-President of the company should the Directors deem it necessary, to be chosen from the Board, and also, such subordinate officers as the company,

Vice-President.

by its by-laws, may designate, who need not necessarily be stockholders. The said officers shall be chosen at such times and for such terms, and the Directors may fix the compensation of each, and they shall give such security for the faithful performance of the duties of their respective offices as the Directors shall require, or as may be established by the by-laws of the company; and any such officers may be removed from office by the Board of Directors, and the vacancy filled by said Board for the remainder of the term of office; and the Directors of such company shall also have power to fill all vacancies in their own body, and of all officers of the company, occasioned by death, resignation, or any other cause whatever.

Vacancies.

Powers of Directors.

834. § 9. The Directors of any railroad company heretofore incorporated, or which may be incorporated hereafter, from and after its incorporation, or organization, in pursuance of the provisions of this act, or of any law now in force in this State, shall, for and on behalf of such company, manage the affairs thereof, make and execute contracts, of whatsoever nature, or kind, fully and completely to carry out the objects and purposes of such corporation, in such way and manner as they may think proper, and exercise generally the corporate powers of such company; and such Directors shall also have full power to make such by-laws as they may think proper, and alter the same from time to time, for the transfer of the stock and the management of the property and business of the company, of every description whatsoever, within the objects and purposes of such company, and for prescribing the duties of officers, artificers, and employees, of said company, and for the appointment of all officers, and all else that by them may be deemed needful and proper, within the scope and power of said company; *provided*, that such by-laws shall not be inconsistent, or in conflict, with the laws of this State, or with the articles of association; *provided*, that such by-laws shall be approved by a majority of the stockholders, and shall not be inconsistent or in conflict with the laws of this State, or with the articles of association. [*Amendment approved April 27, 1863; 610; took effect from passage.*]

Stockholders to approve.

Record of corporation debts.

835. § 10. The Directors shall also cause to be kept a book, to be called "Record of Corporation Debts," in which the Secretary shall record all contracts of the Directors, and a suc-

inct statement of the debts of the company, the amount thereof, and with whom made, which book shall at all times be open to the inspection of any stockholder, or party in interest. When any contract, or debt, shall be paid, or discharged, the Secretary shall make a memorandum thereof, in the margin, or in some convenient place in the record, where the same is recorded. [*As amended March 20, 1866. See Statutes of 1866, Chap. 278, page 310.*]

Open to inspection-

836. § 11. The Secretary of the corporation, who may be elected by the Directors named in the articles of association, and every succeeding Secretary elected during the continuance of said corporation shall keep, in a book provided for that purpose, a correct record of the proceedings at each meeting of the company, as well as of the Board of Directors, such record showing the name of each Director present at the opening of each meeting of the Board, and at what stage of the proceedings any Director, previously absent, may appear, and also at what stage of the proceedings any Director may obtain leave of absence. The records shall also show the name of each Director voting against any proposition whenever any Director may require the same to be placed upon the record. Prior to the adjournment of each meeting of the company, or of the Board of Directors, the record of the proceedings of such meeting shall be read and approved; and he shall also keep such other books as may be deemed necessary, or prescribed by the Directors, in which all the business transactions of the company shall be plainly and accurately kept; he shall keep a book to be labeled "Book of Stockholders," which shall contain the names of all persons, alphabetically arranged, who are, or shall have been, stockholders of said company, and showing their places of residence, if known, the number of shares of stock, held by them respectively, the time when they, respectively, became the owners of such shares, the amount of cash actually paid to the company by them, respectively, for their stock, as also the time when they may have ceased to be stockholders, which book, during the office hours of said Secretary, shall be open for the inspection of stockholders and creditors of the company, and their personal representatives at the office of said Secretary. There shall also be kept by the Secretary, a transfer book, in which all transfers of stock shall be duly entered, and no transfer of stock of such company shall be valid

Duties of Secretary.

Book of Stockholders.

Stock transfer book

for any purpose whatever, except as between the parties thereto, until it shall have been entered therein by an entry showing to, and by whom, transferred, the numbers and designation of the shares, and the date of transfer, and duly attested by said Secretary; and said book shall be presumptive evidence of the facts therein stated.

Capital stock.

837. § 12. The stock of such company shall be deemed personal estate, and shall be transferable in the manner provided by the preceding section, and upon the books of the company, upon proper assignment and delivery to the assignee of the receipts for the installments paid on such stock, or the certificates of stock when fully paid; but no shares shall be transferable until all previous calls, or instalments, thereon, shall have been fully paid in; nor shall any transfer of the stock of such company be valid, except as between the parties by whom, and to whom, the same is transferred, unless at least twenty per cent. has been paid thereon, and certificates issued therefor, until the same is approved by the Board of Directors. Any stockholder transferring his shares of stock in manner aforesaid, and in compliance with the by-laws of the company, and the same

All previous calls first paid.

Approval by Board.

being approved by the Board of Directors as aforesaid, shall from and after the date of such approval, cease to be a stockholder in such company, and shall not be liable to any future calls from the Directors, nor for any debts that may be contracted by said company thereafter. But this shall not release him from his proportion of debts and liabilities contracted by the company prior to his ceasing to be a stockholder; but each stockholder of such company shall only be individually liable to the creditors of such company for his proportion, that is to say, the proportion that the amount of stock by him held, bears to the whole amount of the capital stock of such company, of all the debts and liabilities of the company contracted or incurred during the time that he was a stockholder, for the recovery of which joint or several actions may be prosecuted by such creditor; but no person holding stock as executor, administrator, guardian, or trustee, or holding it as collateral security, or in pledge, shall be personally liable or subject to any debt or liability as a stockholder of the company, but the person pledging the stock shall be considered as holding the same, and shall be liable as a stockholder accordingly, and the estate and funds in the hands of the executor, administrator, guardian, or trustee,

Extent of liability for debts.

tee, shall be liable in like manner and to the same extent as the testator or intestate or the ward or person interested in the trust fund would have been if he had been living and competent to act and hold the stock in his own name; *provided*, that in no case shall judgment be rendered against an individual stockholder, or his private property be levied upon for the payment of corporate debts, while corporate property can be found with which to satisfy the same, and in no case, only to the amount of such stockholder's proportion of liability, as before provided; but it will be sufficient proof that no corporate property can be found if an execution has issued on a judgment against the corporation, and a demand made thereon, of some one of the last acting officers of the corporation, for property on which to levy, and he neglects, or refuses to point out any such property, and the stockholders likewise so neglect, or refuse, and the said execution is returned by the officer who holds the same for service, to the court from whom it was issued, indorsed, in substance, "that no property belonging to said corporation can be found to levy upon sufficient to satisfy said execution or any part thereof;" but if any stockholder of such corporation, in any stage of the cause, shall satisfy the court by affidavit, or otherwise, of such property subject to levy, all proceedings against any individual stockholder shall be stayed until the property of the corporation can be levied upon and sold; the court may subsequently render judgment, and order execution against any, or all, of the individual stockholders, for their proportion; that is to say, in proportion to the amount of stock held by each for any balance of the debts and liabilities of such corporation which may be found due after exhausting the corporate property of such corporation as before provided. When the private property of a stockholder is taken for a corporate debt, or he may otherwise pay, or discharge, the same without levy and sale of his property, he may maintain an action against the corporation for indemnity, and against any of the stockholders for contribution. [*Amendment, approved April 27, 1863; 610; took effect from passage.*]

Corporate property first taken.

Ex. returned "no property."

Judgment against stockholders.

Directors to make calls on stock.

Ten per cent. Monthly.

838. § 13. It shall be lawful for the Directors of such company to call in and demand from the stockholders the sums by them subscribed, in equal instalments of not more than ten per cent. per month, unless otherwise stipulated in the

articles of subscription, at such times as they may deem proper. Notice of each assessment shall be given to the stockholders personally, or shall be published once a week, for at least four weeks, in a newspaper published at the place designated as the principal place of business of the corporation, or if none is published there, in some newspaper nearest to such place, which notice shall be substantially in the following form :

Form of notices.

Notice is hereby given that an assessment of — dollars per share on the stock of — Company is due and payable at the office of the company in —, [and at such other places as the Directors may designate, naming them,] within thirty days from date. All shareholders are requested to make payment on, or before, that time, or such assessments will be promptly collected in the manner prescribed by law.

Secretary."

Delinquent shares sold

If, after such notice shall have been given, any stockholder shall make default in the payment of the assessment upon the number of shares held by him, the same may be collected by suit in any court of competent jurisdiction, in the name of the company, or so many of such shares may be sold as will be necessary for the payment of the assessment on all the shares held by him. The sale of said shares shall be made as prescribed in the by-laws of the company; *provided*, that no sale shall be made except at public auction to the highest bidder, and at such sale, the person who will agree to pay the assessment so due, together with the expenses of advertisement and the other expenses of sale, for the smallest number of whole shares, shall be deemed to be the highest bidder. All stockholders shall be liable to such sale, and to recovery by suit at law, as aforesaid, for instalments due, or required to be paid by such Directors, as prescribed by this act. Any railroad corporation organized under the act to which this is amendatory shall have the right to lease the whole, or any portion, of their road, to any other corporation organized under this act, or to grant to any such corporation the right to use in common any portion of their road. [*Amendment approved April 27, 1863. 610; took effect from passage.*]

Sale how made.**Stockholders liable****Corporation may lease.****Certificates of stock**

839. § 14. Certificates of stock shall be issued, signed by the

President and Secretary, in such manner as may be prescribed by the by-laws of the company, for all stock fully paid up, from time to time, in compliance with the requirements of such Directors, or that may be fully paid in advance of such requirements by the voluntary act of any stockholder of such company.

840. § 15. Such companies shall have power to borrow, from time to time, on the credit of the corporation, and under such regulations and restrictions as the Directors thereof, by unanimous concurrence, may impose, such sums of money as they may deem necessary for constructing and completing their railroad, and to issue and dispose of bonds or promissory notes therefor, in denominations of not less than five hundred dollars, and at a rate of interest not exceeding ten per cent. per annum; and also, to issue bonds or promissory notes, of the denomination aforesaid, and at the rate of interest aforesaid, in payment of any debts or contracts for constructing and completing their road, with its equipments, and all else relative thereto; *provided*, however, that the amount of bonds, or promissory notes, issued by such companies, for the purposes aforesaid, shall not exceed, in all, the amount of their capital stock; and to secure the payment of said bonds or notes, may mortgage their corporate property and franchises. And the Directors of such companies shall also provide, in such manner as to them may seem best, a Sinking Fund, to be specially applied to the redemption of such bonds, on or before their maturity, and may also confer on any holder of any bond or note so issued, for money borrowed, or in payment of any debt or contract for the construction and equipment of such road, as aforesaid, the right to convert the principal due or owing thereon, into stock of such companies, at any time within eight years from the date of such bonds, under such regulations as the Directors may adopt. [*Amendment approved May 14, 1862; 547; took effect from passage.*]

841. § 16. The President and Secretary and a majority of the Directors, within thirty days after the payment of the last instalment of the capital stock so fixed and limited by the company, shall make a certificate stating the amount of capital so fixed and paid in, which certificate shall be signed by the President and Secretary, and a majority of the Directors, and sworn to by such President and Secretary, and they shall, within the said thirty days, file the same in the office of the Secretary of State.

842. § 17. Every railroad corporation shall have power—

Power to borrow Money.

Issue bonds.

Rate of Interest limited.

Not to exceed Stock.

May mortgage property.

Sinking fund.

Capital fully paid in.

Certificate thereof filed with the Secretary of State.

CORPORATE POW-
ERS.

Make surveys and
enter on lands.

Hold lands donated

Purchase lands.

Lay out road width

Over roads and
waters.

First—To cause such examination and surveys for the proposed railroad to be made as may be necessary to the selection of the most advantageous route for the railroad, and, for such purposes, by their officers, agents, and employees, to enter upon the lands, or waters, of any person, but subject to responsibility for all damages which they shall do thereto.

Second—To receive, hold, take, and convey, by deed, or otherwise, the same as a natural person might, or could, do, such voluntary grants and donations of real estate, and other property of every description, as shall be made to it, to aid and encourage the construction, maintenance, and accommodation of such railroad.

Third—To purchase, and by voluntary grants and donations receive and take, and by its officers, engineers, surveyors, and agents, enter upon and take possession of, and hold and use, in any manner they may deem proper, all such lands, and real estate, and other property, as the Directors may deem necessary and proper for the construction and maintenance of such railroad, and for the stations, depots, and other accommodations and purposes, deemed necessary to accomplish the objects for which the corporation is created.

Fourth—To lay out its road, or roads, not exceeding nine rods wide, and to construct and maintain the same, with a single, or double, track, with such appendages as may be deemed necessary for the convenient use of the same, and for the purpose of making embankments, excavations, ditches, drains, culverts, or otherwise, and procuring timber, stone, and gravel, or other materials, may take as much more land whenever they may think proper, as may be necessary for the purposes aforesaid, in the manner hereinafter provided, for the proper construction and security of the road.

Fifth—To construct their road across, along, or upon, any stream of water, water-course, roadstead, bay, navigable stream, street, avenue, or highway, or across any railway, canal, ditch, or flume, which the route of its road shall intersect, cross, or run along, in such manner as to afford security for life and property; but the corporation shall restore the stream, or water-course, road, street, avenue, highway, railroad, canal, ditch, or flume, thus intersected, to its former state, as near as may be, or in a sufficient manner, not to have unnecessarily impaired its usefulness, or injured its franchises.

Sixth—To cross, intersect, join, and unite, its railroad with any other railroad, either before, or after, constructed, at any point upon its route, and upon the grounds of such other railroad company, with the necessary turnouts, sidings, and switches, and other conveniences, in furtherance of the objects of its connections; and every company whose railroad is, or shall be hereafter, intersected by any new railroad, shall unite with the owners of such new railroad in forming such intersections and connection, and grant the facilities aforesaid; and if the two corporations cannot agree upon the amount of compensation to be made therefor, or the points, or the manner, of such crossings, intersections, and connections, the same shall be ascertained and determined by Commissioners, to be appointed as is provided hereinafter in respect to the taking of lands, but this section is not to affect the rights and franchises heretofore granted.

Join other Railroads.

Compensation, how fixed.

Seventh—To purchase lands, timber, stone, gravel, or other materials, to be used in the construction and maintenance of its road, or take them in the manner provided by this act; may change the line of its road, in whole, or in part, whenever a majority of the Directors shall so determine, as is provided hereinafter; but no such change shall vary the general route of such road, as contemplated in the articles of association of such company.

Purchase land and materials.

General route retained.

Eighth—To receive, by purchase, donation, or otherwise, any lands, or other property, of any description, and to hold and convey the same in any manner the Directors may think proper, the same as natural persons might, or could, do, that may be necessary for the construction and maintenance of its road, or for the erection of depots, turnouts, workshops, warehouses, or for any other purposes necessary for the conveniences of such companies, in order to transact the business usual for such railroad companies.

Purchase land for depots, etc.

Ninth—To take, transport, carry, and convey, persons and property, on their railroad, by the force and power of steam, of animals, or any mechanical power, or by any combination of them, and receive tolls, or compensation, therefor.

Transport persons and property.

Receive tolls.

Tenth—To erect and maintain all necessary and convenient buildings, stations, depots and fixtures, and machinery, for the accommodation and use of their passengers, freight, and business, and obtain and hold the lands and other property necessary therefor.

Erect stations, etc.

Regulate trains and
tolls.

Eleventh—To regulate the time and manner in which passengers and property shall be transported, and the tolls and compensation to be paid therefor, within the limits prescribed by law.

Make rules for
their business.

Twelfth—To regulate the force and speed of their locomotives, cars, trains, or other machinery, used and employed on their road, and to establish, execute, and enforce, all needful and proper rules and regulations, fully and completely, for the management of its business transactions, usual and proper for railroad companies.

Subject to Chap. I
of corporation act.

Thirteenth—To possess and be subject to all of the provisions of chapter one, of an act entitled An Act concerning Corporations, passed April twenty-second, A. D. eighteen hundred and fifty, so far as such provisions are not in conflict, or inconsistent, with the provisions of this act. (For this Act, see page —.)

May change line of
road.

843. § 18. If at any time after the location of the line of such railroad, in whole, or in part, and the filing of the map thereof, as provided by this act, it shall appear to the Directors of such company that the same may be improved, such Directors may, from time to time, alter or change the line, in any manner they may think proper, and cause a new map to be filed in the office where the map showing the first location is filed, and may thereupon take possession of the land embraced in such new location, that may be required for the construction and maintenance of such road on such new line, either by agreement with the owner, or owners, of such land, or by such proceedings as are authorized under the provisions of this act, and use and enjoy the same in place of the line for which the new is substituted; but nothing in this act shall be so construed as to confer any powers on such companies to so change their road as to avoid any point named in their articles of association, except as provided in section seventeen, subdivision seven, of this act.

New map filed.

Not change points
named in articles.

Crossing of roads.

844. § 19. Whenever the track of such railroad shall cross a railroad or highway, such railroad or highway, may be carried under, over, or on a level with, the track, as may be most expedient; and in cases where an embankment, or cutting, shall make a change in the line of such railroad or highway desirable, with a view to a more easy ascent or descent, the said company may take such additional lands and materials, if needed, for the construction of such road or highway, on such new

Other land and
materials.

line, as may be deemed requisite by said Directors. Unless the lands and materials so taken shall be purchased, or voluntarily given, for the purposes aforesaid, compensation therefor shall be ascertained, in the manner in this act provided, as nearly as may be, and duly made by such corporation to the owners and persons interested in such lands; and the same when so taken, and compensation made, to become part of such intersecting road or highway, in such manner and by such terms, as the adjacent parts of such highway may be held for highway purposes.

Use of lands and compensation.

845. § 20. The right of way is hereby given and granted to all railroad companies that are now organized, or may be organized, under the provisions of this act, to locate, construct, and maintain, their roads, or any part or parcel thereof, over and through any of the swamp or overflowed lands belonging to this State, or any other public lands which are now or may be, the property of this State, at the time of constructing said railroad; and the said railroad companies are hereby authorized to survey and mark through the said lands of the State, to be held by them for the track of their respective railroads, one hundred feet in width for the whole length the said roads may be located over the lands of the State; and in cases where deep excavations, or heavy embankments or other cuttings or structures, whatever, or ditches, drains, canals, culverts, or other structure, to protect the road bed, and to facilitate the use and enjoyment of the same, is, or may be required for the grade, or other uses of said roads, then at such places a greater width may be taken by such company, and which is hereby given, not exceeding two hundred feet wide. And the right is hereby further given and granted to said companies to locate, occupy, and hold, all necessary sites and grounds for watering places, depots, or other buildings for the convenient use of the same, along the line of said road or roads, so far as the places convenient for the same may fall upon the lands belonging to the State, except within the limits of any incorporated city, or town, or within three miles thereof, where the same shall be taken, on paying to the State the value of the same; and, *provided*, that no one depot, watering place, machine or workshop, or other buildings, for the convenient use of such roads, shall cover over two square acres each, and that said sites or places, on the lands of this State, shall not be nearer to each other than five miles, along the lines of said roads; the right is hereby

Right of way.

Width of way.

Depot, grounds, etc not over two acres.

Grant of materials further given and granted to said companies to take from any of the lands belonging to this State, all such materials of earth, wood, stone, or other materials whatever, as may be necessary or convenient, from time to time, for the first construction or equipment of said road or roads, or any part thereof; *provided* that the grants herein made, as well of the use of the land of this State as for the materials for the construction and equipment of said road or roads, shall cease and determine as respects each particular road which shall not have been begun and completed within the times limited in section thirty-nine [54?] of this act; and, *provided*, further, that if any road, at any time after its location, shall be discontinued, or abandoned by said company or companies, or the location of any part thereof be so changed as not to cover the lands of the State thus previously occupied, then the lands so abandoned or left, shall revert to this State; and, *provided*, further, that when the location of the route of either of said railroads, or sites, or places for depots, watering places, machine or workshops, or other buildings for the convenient use of the same, shall be selected, the Secretary of the said company shall transmit to the Surveyor General, and to the Controller of this State, and to the Recorder of the county in which the lands so selected are situated, to each of said officers a correct plat of the location of said railroad, or sites, or places, before such selection shall become operative. And when any such company shall, for its purposes aforesaid, require any of the land belonging to any of the counties, cities, or towns in this State, the county, city, and town officers, respectively, having charge of such lands, may grant and convey such land to such company for a compensation which shall be agreed upon between them, or may donate and convey the same without any compensation; and if they shall not agree upon the sale and price, the same may be taken by the company, as is provided in other cases of taking lands by the provisions of this act.

846. § 21. Any county, city or town, in this State, shall have and are hereby fully empowered, by and through a two-thirds vote of the Board of Supervisors, the Common Council, or any other officers having a supervisory, or other control of such county, city or towns, respectively, to give, grant or donate, to any railroad company now organized, or that may be hereafter organized, under the laws of this State, the use of

Abandonment of road.

Plats of Depots, etc., laid.

Grants of lands by cities, etc.

Cities and towns may donate.

Use of streets.

any of the streets or highways, which may be absolutely necessary in order to enable any such company to reach an accessible point for a depot in any such county, city and county, city or town, or to pass through the same on as direct a route as possible, and accommodate the traveling and commercial interests thereof; *provided*, however, the provisions of this section shall not apply to any street railroad now constructed, or hereafter to be constructed, in any of the incorporated cities of this State; nor shall any railroad company, who may avail themselves of the provisions of this section, ever use their road for street railroad purposes, or for the purpose of carrying passengers for a consideration, from one point to another in the same city; nor shall any city or town donate any public square, or any land set apart, or public square, to the use of any one company; and, *provided*, further, that nothing in this section contained, shall be deemed to apply to the city of Sacramento within the corporate limits thereof.

Not apply to street railroads.

847. § 22. Any railroad company organized under the provisions of this act, or any railroad company now organized under any law of this State, which shall accept the provisions of this act, as herein provided, is hereby authorized to enter upon any land for the purpose of surveying the line of its proposed railroad, the company being responsible for any damage occasioned by such entry; and such company is also authorized to acquire, purchase, and hold any real estate, or any right, title, or interest therein, which may be necessary or proper for the purpose of the construction or maintenance of the track or tracks, water stations, depots, machine or workshops, turntables, or any other building or structure, necessary for such railroad; but such company shall not hold such real estate, or any right, title, or interest therein, acquired or used solely or mainly for the construction or maintenance of the track or tracks, of said railroad, beyond the time of the legal existence of said company, nor after the location of the said track or tracks has been changed therefrom, nor after the said company shall have failed, or ceased to use the same, for the maintenance of such track, for the space of five years continuously; but in each of such cases, the said real estate and all the right, title and interest therein, shall revert to the person, or persons, and his, or their assigns, from whom the same was acquired by said company.

Surveys.

May hold real estate.

Not beyond existence of company

Nor after abandonment five years.

Property of minors, etc.

848. § 23. If it shall become necessary for any of the purposes aforesaid for such company to acquire any real estate, or any right, title, or interest therein, which is the property of an infant, idiot, or insane person, the Guardian, Executor, or Administrator, as the case may be, may sell and convey the same to said company, but neither such sale nor conveyance shall be valid, for any purpose, until the same shall have been approved by the Judge of the proper Probate Court; and said Judge is hereby authorized to examine such deeds and conveyances, and if he shall deem the same just and proper, he shall approve the same, and, thereupon, such conveyances shall have the same force and effect, for the purposes in this section mentioned, as if the same had been executed by persons competent to convey lands in their own names. Such company may acquire any real estate, or any right, title, interest, estate or claim therein or thereto necessary for the purposes of said company, as hereinbefore provided, by means of the special proceedings prescribed in this act. [*Amendment approved April 27, 1863; 610; took effect from passage.*]

Lands may be acquired by special proceedings.

Special proceedings how conducted.

849. § 24. Said special proceedings shall be conducted substantially as follows: The said company shall file in the Clerk's office of the County Court, or the District Court, in the county in which said real estate is situated, a petition, verified according to law, stating therein the name of the company, the time when it was incorporated, that it still continues in legal existence, the principal termini of the proposed railroad, the descriptions, by metes and bounds, or by some accurate designation of the tract, or tracts, of land, which said company desire to appropriate, for the purposes in the foregoing section mentioned, that said tract, or tracts of land, are necessary for said purposes, that the line of said railroad has been surveyed, and a map thereof made (a copy of which shall be filed with said petition,) that said line has been adopted as the route of said railroad, and the names of the persons in possession of said tract, or tracts of land, and of those claiming any right, title, or interest therein, as far as the same can be ascertained by reasonable diligence.

Map to be filed.

Rights of defend'ts.

850. § 25. The persons in occupation of said tract, or tracts of land, and those having any right, title, or interest therein, whether named in the petition or not, shall be defendants thereto, and may appear and show cause against the same,

and may appear and be heard before the Commissioners herein provided for, and in proceedings subsequent thereto, in the same manner as if they had appeared and answered said petition.

851. § 26. The said court, or the Judge thereof, either in term-time, or vacation, shall, by order, appoint the time for the hearing of said petition, and such hearing may be had, and all orders in said proceedings may be made by the said court, or the Judge thereof, either in term-time or vacation.

Hearing of petition.

852. § 27. The said company shall cause all the occupants and owners of said tract, or tracts of land, so far as the same can be ascertained by reasonable diligence, who reside in said county, to be personally notified of the pendency of said petition, at least ten days before the hearing thereof, and if any of said occupants, or owners, are unknown, or do not reside in said county, and have not been personally notified of the pendency of said petition, said company shall cause a notice stating the filing of said petition, the object thereof, the tracts of land sought to be appropriated, and the time and the place of the hearing of said petition, to be published for four successive weeks previous to the time of hearing of said petition, in a newspaper published in said county, or if none is published in said county, then in a newspaper published nearest to said county.

Notice to owners, etc.

853. § 28. The defendants to said petition may appear and show cause against said petition, on or before the time for the hearing thereof, or such other time as the hearing may be continued to and upon satisfactory proof being made that the defendants have been duly notified of the pendency of said petition, as herein prescribed, and upon the hearing of the allegations and proofs of the said parties, if the said court, or Judge, shall be satisfied that the said lands, or any part thereof are necessary or proper, for any of the purposes mentioned in said petition, then such court or Judge shall appoint three competent and disinterested persons as Commissioners, one of whom shall be selected from among the persons, if any, named for that purpose, by said company, and one shall be selected from among the persons, if any, named on the part of any of the defendants, to ascertain and assess the compensation to be paid to the person or persons, having or holding any right, title, or interest in, or to, each of said tracts of land, for and in consideration of the appropriation of such land to the use of said company. If any

Defendants may appear.

Appointment of commissioners.

Vacancies, how filled.

vacancy occur among said Commissioners, by reason of any one, or more, of them refusing or neglecting to act, or by any other means, one or more Commissioners may be appointed by said court, or Judge, to fill such vacancy, upon notice being given of such vacancy, as the said court, or Judge, may direct.

Meeting of commissioners.

854. § 29. The said court, or Judge, shall appoint the time and place for the first meeting of said Commissioners, and the time for the filing of their report, and may give such further time as may be necessary for that purpose, if they shall not have then completed their duties. The said Commissioners, or a majority of them, shall meet at the time and place as ordered, and before entering on their duties shall be duly sworn to honestly, faithfully, and impartially, perform the duties imposed upon them; and any one of them may issue subpoenas for witnesses for either of said parties, and may administer oaths; and said Commissioners may adjourn from place to place, and from time to time, as may be necessary for the proper discharge of their duties.

Powers and duties.

Duty of Commissioners as to damages, etc.

855. § 30. The said Commissioners shall proceed to view the several tracts of land, as ordered by said court, or Judge, and shall hear the allegations and proofs of said parties, and shall ascertain and assess the compensation for the land sought to be appropriated, to be paid by said company to the person, or persons, having, or holding, any right, title, or interest, in, or to, each of the several tracts of land; and in ascertaining and assessing such compensation, they shall take into consideration and make allowance for any benefit, or advantages, that in their opinion will accrue to such person, or persons, by reason of the construction of the railroad as proposed by said company; and if the said railroad company shall in their petition filed in said special proceedings, offer or agree to make good and sufficient fences on the line of their said railroad, or any portion thereof, or to make good and sufficient cattle guards where fences may cross said line of railroad, at such places and at such times as the same may be necessary, no sum or price for such fences shall be included in the compensation or damages to be awarded by said Commissioners; but such railroad company shall not be required to construct fences on the line of their railroad where the same passes through uninclosed tracts of land, nor until inclosures shall be made abutting upon the property of such company; and said Commissioners shall on, or before, the time, or times,

Fences, etc.

as ordered by said court, or Judge, file in the said Clerk's office ^{File report.} their report signed by them, setting forth their proceedings in the premises; and they may include all of said tracts in one report, or they may make several reports, including one, or more, of said tracts of land, if the court, or Judge, shall so order, or if they shall deem it proper. In case there are adverse or conflicting claims to the compensation assessed for any tract of land, or any right, title, or interest therein, thus sought to be appropriated, the parties thus asserting such claims shall present ^{Claims presented to Court.} the same, by petition, to the court, or Judge, after the report of the Commissioners shall have been filed, and said court, or Judge, shall proceed to hear and determine the same; and in such case said company may pay the amount of such compensation to the Clerk of said court, to abide the order of the court, or Judge, in said proceedings, and said company shall not be liable for any of the costs caused by the adjudication of such conflicting claims. [*Amendment approved April 27, 1863: 610; took effect from passage.*]

856. § 31. The said company, or any of said defendants, if ^{New trial.} dissatisfied with the report, may, within twenty days after the time for the filing of said report, and after ten days' notice to the parties interested, move to set aside the report and to have a new trial as to any tract of land; and upon good cause shown therefor, the said court, or Judge, shall set aside the report as to such tract of land, and may recommit the matter to the same, or to other, Commissioners, who shall be ordered to proceed in like manner as those first appointed; but such matter shall not be more than twice recommitted to Commissioners.

857. § 32. Upon the expiration of twenty days after the ^{Confirmation of reports.} filing of said report, or reports, or at such further time as may be appointed therefor, if the motion and notice shall not have been made and given, as aforesaid, and if the proceedings of said Commissioners appear to have been correctly and properly done, the said court, or Judge, shall confirm each of said reports, and certify the same thereon.

858. § 33. Each of said reports and the certificates there- ^{Record of reports.} on, upon the compensation therein named being paid, shall be recorded in the Recorder's office of said county, by said company. The said court, or Judge, may make all such orders as may be necessary, or proper, in the special proceedings provided for in this act, and shall cause the pleadings and proceedings

Costs. to be amended whenever justice shall require it to be done, and shall direct the manner of the service of all orders and notices not herein specially provided for. Costs in such special proceedings shall be taxed by the Clerk, at the rates prescribed in the fee bill for said county, in civil actions, and shall be paid by said company, except in case where a defendant shall move for a new trial, and the compensation assessed by the Commissioners shall not be increased more than ten per cent. upon the previous assessment, in which case such defendant shall pay the cost.

Defective title. 859. § 34. If the title attempted to be acquired by virtue of the provisions of this act shall be found to be defective from any cause, such company may again institute proceedings to acquire the same, as in this act prescribed; and at any stage of such new proceedings, or of any proceedings under this act, the court, or Judge in chambers, may, by a rule or order in that behalf made, authorize such company, if already in possession, to continue in the use and possession; and, if not in possession, to take possession of and use such premises during the pendency and until the final conclusion of such proceedings, and may stay all actions and proceedings against such company, on account thereof; *provided*, such company shall pay a sufficient sum into court, or give security, to be approved by such court, or Judge, to pay the compensation in that behalf when ascertained. [*Amendment approved April 27, 1863; 610; took effect from passage.*]

Title, when to vest in Company.

860. § 35. Upon the report of the Commissioners being filed for record, as above provided for, and upon the payment, or tender of the compensation and costs, as prescribed in this act, the real estate, or the right, title, or interest, therein described in such report, shall be, and become, the property of said company, for the purposes of its incorporation, and shall be deemed to be acquired for, and appropriated to, public use.

Payment, or tender

861. § 36. Such company shall, within thirty days after the final confirmation of the report as aforesaid, pay, or tender, the sum of money ascertained and assessed by said Commissioners as, and for, the compensation of each tract of land described in said report, of which the compensation was ordered, by said court, or Judge, to be ascertained and assessed as aforesaid; and said payment, or tender, may be made to the person, or persons, owning said tract of land, or having, or

holding, any right, title, or interest, therein, according to the amount, or extent, of the right, title, or interest, owned, or held, therein, by such person, or persons, or said payment may be made to the said Clerk for said persons, and the same shall be deemed and taken as a payment to such person, or persons, and shall be as effectual for all purposes whatsoever as if the said sum of money had been personally paid to each and all of the persons entitled thereto.

862. § 37. The said court, or Judge, shall at the time of the payment of the said sum of money to the said Clerk, or at such other time, or times, as may be ordered, direct and order the same to be paid over to the person, or persons, who shall upon satisfactory proof, appear to be entitled thereto.

Court to order payment.

863. § 38. In all the proceedings in relation to the sale, or appropriation, of real estate, and ascertaining and receiving the compensation therefor, for railroad purposes, as prescribed in this act, the term "person" shall be deemed to include municipal, or other corporations.

Definition of "person."

864. § 39. The minutes of the proceedings, had before such Judge, shall be entered by said Clerk, in the same manner, and with the same force and effect, as if the proceedings were had before said court in term-time.

Duties of Clerk.

865. § 40. It shall be lawful for two, or more, railroad companies to amalgamate and consolidate their capital stock, debts, property, assets, and franchises, in such manner as may be agreed upon by the Board of Directors of such companies so desiring to amalgamate and consolidate their interests; but no such amalgamation or consolidation, shall take place without the written consent of three-fourths of the value of all stockholders in interest of each company, and no such amalgamation or consolidation, shall, in any way, relieve such companies, or the stockholders thereof, from any and all just liabilities, and in case of such amalgamation, or consolidation, due notice of the same shall be given, by advertising, for one month, in at least one newspaper in each county, if there shall be one published therein, into, or through, which such roads shall run, and also for the same length of time, in one paper published in Sacramento, and in two papers published in San Francisco, and when the consolidation and amalgamation is completed, a copy of the new articles of association shall be filed in the office of the Secretary of State.

Companies may consolidate.

Publication of notice.

Copy to be filed.

Must provide
fences, cattle-
guards, etc. or
pay damages.

Not liable in cer-
tain cases.

Company may re-
cover damages.

Regulations of
trains.

Checks.

It shall be the duty of the railroad company to make and maintain a good and sufficient fence on either, or both, sides of their property; and in case any company do not make, and maintain such fence, if their engine, or cars, shall kill, maim, or destroy, any cattle, or other domestic animals, when they stray upon their line of road, where it passes through, or along side of, the property of the owners thereof, they shall pay to the owner, or owners, of such cattle, or other domestic animals, a fair market price for the same, unless the owner, or owners, of the animal, or animals, so killed, maimed, or destroyed, shall be negligent or at fault. In any case where the railroad company have heretofore, or may hereafter, pay to the owner or owners, of the land through which, or along side of which, their road is, or may be, located, an agreed price for making and maintaining such fence, or whenever the cost of such fence has been, or may be, included in the award of damages allowed and paid for the right of way for such railroad, such company shall be entirely relieved and exonerated from all claims, or awards, of damages arising out of the killing, or maiming, any animals as aforesaid, in favor of all persons, or their successors, or assigns, who shall thus fail to construct and maintain such fence. And the owner, or owners, of such animals shall become responsible to the railroad company for any damage, or loss, which may accrue to such company, from such animals being upon their railroad track, by reason of the non-construction of such fence by said owner, unless it can be proven that such loss, or damage, accrued by reason of the negligence of such company, its officers, agents, or employees.

866. § 41. A bell of at least twenty pounds' weight, shall be placed on each locomotive engine, and be rung at a distance of at least eighty rods from the place where the railroad shall cross any street, road, or highway, and be kept ringing until it shall have crossed such street, road, or highway, under a penalty of one hundred dollars for every neglect, to be paid by the corporation owning the railroad, one-half thereof to go to the informer, and the other half to the State; and said corporation, shall also be liable for all damage which shall be sustained by any person, by reason of such neglect.

867. § 42. A check shall be affixed to every package, or parcel, of baggage, when taken for transportation by the Agent, or employé, of such railroad company, and a duplicate thereof

given to the passenger or person delivering the same in his behalf; and if such check be refused on demand, the railroad company shall pay to such passenger the sum of twenty dollars, to be recovered in an action for debt; and, further, no fare or toll shall be collected, or received, from such passenger, and if such passenger shall have paid his, or her, said fare, the same shall be returned by the Conductor in charge of the train, and on producing said check, if his, or her, baggage shall not be delivered to him, or to her, by the Agent, or employé, of said railroad company, he, or she, may, himself, or herself, be a witness in any suit brought by him, or her, to recover the value thereof, to prove the contents and value of said baggage.

Damages.

868. § 43. Every railroad company in this State shall, within a reasonable time after their road shall be finally located, cause to be made a map and profile thereof, and of the land taken and obtained for the use thereof, and the boundaries of the several counties through which said road may run, and file the same in the office of the Secretary of State; and also, like maps of the parts thereof located in different counties, and file the same in the office of the Clerk of the county in which said parts of said road shall be, there to remain as of record forever. The said maps and profiles shall be certified by the Chief Engineer, the acting President, and Secretary, of such company, and copies of the same so certified and filed as aforesaid, shall be kept in the office of the Secretary of the company, subject to examination by all parties interested.

Map and profile to be filed.

869. § 44. Every such railroad corporation shall make an annual report to the Secretary of State of the operations of the year ending on the thirty-first day of December, which report shall be verified by the oaths of the President, or acting Superintendent of operations, the Secretary, and Treasurer, of such corporation, and filed in the office of the Secretary of State by the twentieth day of February, in each year, and shall state—

Annual report to be made and filed.

First.—The capital stock and the amount actually paid in.

Form of report.

Second.—The amount expended for the purchase of lands, for the construction of the road, for buildings, and for engines, and cars, respectively.

Third.—The amount and nature of its indebtedness, and the amount due the corporation.

Fourth.—The amount received from the transportation of

passengers, of property, of mails, express matter, and from other sources.

Fifth—The amount of freight, specifying the quantity in tons.

Sixth—The amount paid for repairs of engines, cars, buildings, and other expenses, in gross, showing the current expenses of running such road.

Seventh—The number and amount of dividends, and when paid.

Eighth—The number of engine houses and shops, of engines and cars, and their character.

870. § 45. Every such company shall start and run their cars for the transportation of persons and property, at such regular times as they shall fix by public notice, and shall furnish sufficient accommodations for the transportation of all such passengers and property as shall, within a reasonable time previous thereto, offer, or be offered, for transportation, at the place of starting, and the junction of other railroads, and at siding and stopping places, established for receiving and discharging way passengers and freight, and shall take, transport, and discharge, such passengers and property at, from, and to, such places, on the due payment of tolls, freight, or fare, therefor.

Company to pay damages

871. § 46 In case of refusal by such company, or their Agents, so to take and transport any passengers, or property or to deliver the same at the regular appointed place, such company shall pay to the party aggrieved all damages which shall be sustained thereby, with costs of suit.

Arrangement of trains.—No freight cars on passenger trains.

872. § 47. It shall be unlawful to place baggage, freight, merchandise, or lumber, cars, in the rear of passenger cars, and for any violation of the provisions of this section the company shall be liable, upon complaint, to the party complaining, in the sum of five hundred dollars, and the person, Agent, Director, or officer, so causing the cars to be placed, shall be guilty of a misdemeanor, and upon conviction of such offence shall be fined in any sum not exceeding five hundred dollars, or imprisonment in the county jail for three months, or both such fine and imprisonment; and should any accident happen to life, or limb, by such unlawful arrangement of cars, the person, Agent, Director, or officer, who so directed, or suffered, such arrangement, shall be guilty of felony, and upon conviction thereof shall be imprisoned in the penitentiary for any term not less than three, and not more than ten, years.

873. § 48. In case any passenger on any railroad shall be injured on the platform of a car, or on any baggage, wood, gravel, or freight cars, in violation of the printed regulations of the company posted up at the time in a conspicuous place inside of its passenger cars then in the train, or in violation of verbal instructions given by any officer of the train, such company shall not be liable for the injury; *provided*, said company at the time furnished room inside its passenger cars, sufficient for the accommodation of its passengers. When liable.

874. § 49. If any passenger shall refuse to prepay his fare or toll, upon demand, it shall be lawful for the Conductor of the train and the employes of the company, to put him out of the cars at any stopping place the Conductor shall elect. Conduc or may eject passengers.

875. § 50. Every Conductor, Baggage-Master, Engineer, Brakeman, or other employe of any such railroad company, employed in a passenger train, or at stations for passengers, shall wear upon his hat or cap, or in some conspicuous place on the breast of his coat, a badge, which shall indicate his office, or station, and the initial letters of the name of the company by which he is employed. No Collector, or Conductor, without such badge, shall demand, or be entitled to receive, from any passenger, any fare, toll, or ticket, or exercise any of the powers of his office, or station; and no other of said officers, or employes, without such badge, shall have any authority to meddle, or interfere, with any passenger, or property. Officers to wear badge.

876. § 51. It shall be unlawful for any such railroad company to charge more than ten cents per mile for each passenger, and fifteen cents per mile for each tun of freight transported on its road; and for every transgression of such limitation, the company shall be liable to the party suffering thereby treble the entire amount of fare, or freight, so charged to such party; *provided*, that in no case shall the company be required to receive less than twenty-five cents for any one lot of freight for any distance. Rate of charges.

877. § 52. If any person shall, while in charge of a locomotive engine, running upon any railroad for such company, or while acting as a Conductor of a car, or train of cars, on any such railroad, be intoxicated, he shall be guilty of a misdemeanor, and on conviction thereof, shall be fined in any sum not exceeding one thousand dollars, or imprisoned in the county jail not exceeding six months. Penalty for intoxication.

Injuries to works
of company

878. § 53. If any person, or persons, shall willfully do, or cause to be done, any act, or acts, whatever, whereby any building, construction, or work, of any kind, of any such company, or any engine, machine, or structure, or any matter, or thing, appertaining to the same, or to the track of said road, or any property, or thing, belonging to, or appertaining to, such railroad, shall be stopped, obstructed, impaired, weakened, injured, or destroyed, such person, or persons, so offending, shall be guilty of a misdemeanor, and shall forfeit and pay to said company treble the amount of damages sustained by means of such offense, besides a fine not exceeding five hundred dollars, or imprisonment in the county jail not exceeding six months, or both such fine and imprisonment, in the discretion of the Court; and if, by reason of any unlawful acts, any accident should happen to life, or limb, of any person riding, or being, in the cars of such railroad, then such person, or persons, shall be guilty of felony, and upon conviction thereof, shall be imprisoned in the penitentiary for any term not less than three, nor more than ten, years. It shall be unlawful for any person, or persons, engaged in mining, or other pursuits, to tunnel, drift, or in any manner excavate, under, or upon, any land belonging to any railroad company, without the consent of such company; and any person so offending shall be liable to the fine and punishment hereinbefore mentioned, whether injury results to any person by reason thereof, or not.

Penalty.

Percentage to be
expended.

879. § 54. If such railroad company shall not, within two years after the filing of its original articles of association, begin the construction of its road, and expend thereon at least five per cent. on the amount of its capital stock, and finish the road and put it in full operation within six years, its act of incorporation shall be void.

When to complete.

False notice or re-
port.

880. § 55. If any certificate or report made, or public notice given, by the officers of such company, in pursuance of the provisions of this act, shall be false in any material representation, all the officers who shall have signed the same shall be jointly and severally liable for all the debts of the company contracted while they are stockholders, or officers thereof, and shall likewise be guilty of a misdemeanor, and shall be fined in any sum not exceeding one thousand dollars, in any court having jurisdiction, and disqualified from holding any office of trust or profit in such company.

Penalty.

881. § 56. If the Directors of such company shall declare and pay any dividend when the company is insolvent, or any dividend, the payment of which would render it insolvent, they shall be jointly and severally liable for all the debts of the company then existing, and for all that shall thereafter be contracted, so long as they shall respectively remain in office; *provided*, that if any of the directors shall be absent at the time of making the dividend, or shall object thereto, and shall, within thirty days thereafter, or after their return, if absent, file a certificate of their absence, or objection, with the Secretary of the company and with the Clerk of the County or District Court of the County, in which the principal office of said company is located, they shall be exempt from said liability. All the existing railroad companies in this State may acquire, and may be possessed of all the powers, rights, and benefits conferred by this act, fully and completely, by filing a written acceptance thereof in the office of the Secretary of State, signed by all the Directors of such company, and attested by the President and Secretary thereof, with the seal of such company affixed thereto; and the acceptance of any part of this act shall be deemed and taken to be an acceptance of the whole act, and a surrender of the act or acts, under which such company may be organized; thereupon such company shall possess all of such powers, rights and benefits, so accepted, and be subject to all of the obligations and restrictions herein specified, as fully and completely as they would have had and been if organized under this act.

Payment of Dividends when insolvent.

Liability of Directors.

Old companies may accept the new law.

Acceptance to be filed.

882. § 57. All railroads built by companies incorporated under the provisions of this Act, shall be constructed of the best quality of iron rail, known as T rail, or H rail, or other pattern of equal utility, until otherwise provided by law; *provided*, the provisions of this section, shall not apply to tracks laid down in the streets of incorporated cities or towns, or to railroad tracks used exclusively for carrying freight or for mining purposes. [*Amendment approved May 6th 1862; 498; took effect from passage.*]

Rails to be used.

883. § 58. Corporations may be formed under this act for the purpose of constructing, running, operating and maintaining a street railroad, or railroads, being wholly within the limits of a city and county, city or town, under a franchise or franchises granted to such corporation, or to their assignors, by an act or acts of the Legislature of California. Such corporations shall

Street Railroads.

be subject only to the provisions of sections one to sixteen of this act, both inclusive; of subdivisions two, three, four, five, ten and thirteen, of section seventeen, and to the provisions of sections fifty-five, fifty-nine and sixty, and shall have all the rights and powers in such sections and subdivisions granted, and no others of those in this act conferred; but, notwithstanding anything in this act to the contrary provided, such corporations shall also have all the rights, powers, and privileges conferred by the act or acts granting the franchise or franchises, in this section before mentioned.

Repealing clause.

884. § 59. An act entitled An Act to provide for the incorporation of Railroad Companies, approved April twenty-second, eighteen hundred and fifty-three, and all acts supplementary to, or amendatory thereof, are hereby repealed: *provided*, however, that this section shall not take effect until the expiration of sixty days from the passage of this act, nor shall the same affect any rights, powers, franchises, or privileges obtained, or now enjoyed, by any person or persons, or company, under any law of this State heretofore in force.

§ 60. This act shall take effect and be in force, from and after its passage.

An act to amend the foregoing act: approved May 6th, 1862; 498.

[Section 1 contains the amendment to Sec. 57, of the above act of 1861, therein inserted.]

Crossings and intersections.

885. § 2. Whenever the track of one railroad shall intersect or cross the track of another railroad, whether the same be street railroad wholly within the limits of a city or town, or other railroad, the rails of either or each road shall be so cut and otherwise adjusted so as to permit the passage of the cars on each road with as little obstruction as possible; and in case the persons or corporations owning the said railroad cannot agree as to the compensation to be made for the said cutting and adjusting of their rails, the same shall be ascertained by commissions, as hereinbefore provided in the respect to the taking of lands.

Not to use streets etc., except by a two-thirds vote of Board of Supervisors.

886. § 3. No railroad company heretofore organized, or that may hereafter be organized, under the act of which this act is amendatory and to which it is supplemental, shall have the right to use any of the streets or highways, or any of the lands, or waters, within any incorporated city, or any city and county, of this State, unless the right to use the same be granted

to said company by a vote of two-thirds of all the members of the Board of Supervisors, the Common Council, or other similar local authority of said city and county; *provided*, that the provisions of this section shall in no wise affect any special grant heretofore made by the Legislature, of the right to construct and maintain street passenger railroads in any city, or city and county of this State; and, *provided*, that nothing in this act shall be so construed as to exempt any railroad company heretofore organized, or that may hereafter be organized, under the act of which this act is amendatory and to which it is supplemental, from paying to the State the value of any lands or waters within the limits of any city, or city and county, or within three miles thereof, belonging to the State, and used by such company. The restrictions provided in this section shall be in addition to the restrictions and requirements already provided by law. Proviso.

§ 4. This act shall take effect from and after its passage.

102

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GENERAL LAWS OF CALIFORNIA CONCERNING CORPORATIONS.

[PASSED APRIL 22, 1850.]

*As amended up to and including 1864, and contained in the
General Laws of California, compiled in 1865.*

I

CORPORATIONS IN GENERAL.

CHAPTER I.

General Provisions.

746. SECTION 1. Every corporation, as such, has power: 1. Powers of Corporations. To have succession by its corporate name, for the period limited, and when no period is limited, perpetually. 2. To sue and be sued in any Court. 3. To make and use a common seal, and alter the same at pleasure. 4. To hold, purchase and convey such real and personal estate as the purposes of the corporation shall require, not exceeding the amount limited by law. 5. To appoint such subordinate officers and agents as the business of the corporation shall require, and to allow them a suitable compensation. 6. To make by-laws, not inconsistent with any existing law, for the management of its property, the regulation of its affairs, and for the transfer of its stock.

Express powers.

747. SEC. 2. In addition to the powers enumerated in the preceding section, and to those expressly given in the chapter of this Act under which it shall be incorporated, no corporation shall possess or exercise any corporate powers, except such as shall be necessary to the exercise of the powers so enumerated and given.

Banking powers prohibited.

748. SEC. 3. No corporation created, or to be created, shall, by any implication or construction, be deemed to possess the power of discounting bills, notes, or other evidences of debt, of receiving deposits, of buying gold or silver, bullion or foreign coin: of buying and selling bills of exchange, or of issuing bills, notes, or other evidences of debt, upon loans, or for circulation as money.

Liability of Stockholders for unpaid shares.

749. SEC. 4. Where the whole capital of a corporation shall not have been paid in, and the capital paid shall be insufficient to satisfy the claims of its creditors, each stockholder shall be bound to pay, on each share held by him, the sum necessary to complete the amount of such share as fixed by the charter of the company, or such proportion of that sum as shall be required to satisfy the debts of the company.

Majority may transact business.

750. SEC. 5. When the corporate powers of any corporation are directed to be exercised by any particular body or number of persons, a majority of such body or persons shall be a sufficient number to form a board for the transaction of business, and every decision of a majority of the persons duly assembled as a board, shall be valid as a corporate act.

Company to organize within one year.

751. SEC. 6. If any corporation formed under the laws of this State shall not organize and commence the transaction of its business within one year from the date of its incorporation, its corporate powers shall cease. *Provided*, that the question of the due incorporation of any company, claiming in good faith, to be a corporation under the laws of this State, and doing business as such corporation, or of its right to exercise corporate powers, shall not be inquired into collaterally, in any private suit to which such de facto corporation may be a party; but such inquiry may be had at the suit of the State or information of the Attorney General. [*Amendment approved April 8th 1862; 110; took effect from passage, repealed all conflicting laws.*]

Proviso.

By-Laws for certain purposes.

752. SEC. 7. All corporations may, by their by-laws, where no other provision is specially made, determine the manner of calling and conducting their meetings, the number of members

that shall constitute a quorum, the number of shares that shall entitle the members respectively to one or more votes, the mode of voting by proxy, the mode of selling shares for the non-payment of assessments, and the tenure of office of the several officers; and they may prescribe suitable penalties for the violation of their by-laws, not exceeding, in any case, one hundred dollars for any one offence.

753. SEC. 8. The first meeting of every corporation, where no other provision is specially made, shall be called by a notice, signed by one or more persons named in, or associated as incorporators under the law by which it is incorporated, setting forth the time, place and purposes of the meeting; and such notice shall, at least twenty days before the meeting, be delivered to each member, or published in some newspaper of the county where the corporation shall be established, or if no newspaper be published in the county, then in some newspaper nearest thereto.

First meeting of Corporations.

754. SEC. 9. Whenever by reason of the death, absence or other legal impediment of the officers of any corporation, there shall be no person duly authorized to call or preside at a legal meeting thereof, any justice of the peace of the county where such corporation is established, may, on written application of three or more of the members thereof, issue a warrant to either of the said members, directing him to call a meeting of the corporation, by giving such notice as shall have been previously required by law, and the justice may, in the same warrant, direct such person to preside at such meeting until a clerk shall be duly chosen and qualified, if there shall be no other officer present legally authorized to preside thereat.

Justice of the Peace may, in certain cases, direct a meeting.

755. SEC. 10. When all the members of a corporation shall be present at any meeting, however called or notified, and shall sign a written consent thereto on the record of such meeting, the doings of such meeting shall be as valid as if legally called and notified.

Meetings by general consent.

756. SEC. 11. The members of such corporation, when so assembled, may elect officers to fill all vacancies then existing, and may act upon such other business as might lawfully be transacted at regular meetings of the corporation.

Proceedings at such meetings.

757. SEC. 12. Whenever the capital stock of any corporation is divided into shares, and certificates thereof are issued, such shares may be transferred by endorsement and delivery of the

Transfer of Shares
held by married
w. mo.

N. n. residents.

Bonds.

Dividends payable
to married women.

Dividends to be
made only from
surplus profits.

certificate thereof, such endorsement being by the signature of the proprietor or his or her attorney, or legal representative; but such transfer shall not be valid, except between the parties thereto, until the same shall have been so entered upon the books of the corporation as to show the names of the parties by and to whom transferred, the number or designation of the shares, and the date of the transfer. In all cases in which shares of stock in corporations, now existing, or hereafter incorporated under any law of this State, are held or owned by any married woman, such shares may be transferred by her, her agent, or attorney, without the signature of her husband in the same manner as if such married woman were a feme sole. And in all cases of transfers of shares of stock of such corporation, on behalf of the owners residing out of the State, it shall be lawful for the president, secretary, or trustees, of such corporation, before entering such transfer on the books of the company, or issuing the certificate therefor to the transferee, to require from such attorney, or from the person claiming under such transfer, a bond of indemnity with two sureties, satisfactory to the officers of the corporation, or, if not so satisfactory, then approved by the district judge of the district in which the principal office of said company is situated, conditioned to protect such corporation against any liability to the legal representatives of the owner of such stock, in case of his or her death, before such transfer; and in case of refusal to furnish such bonds upon request, such transfer shall be utterly void as against the corporation. All dividends, payable upon any shares of stock of a corporation held by a married woman, may be paid to such married woman, her agent, or attorney, in the same manner as if she were unmarried, and it shall not be necessary for her husband to join in receipt therefor; and any proxy or power, given by a married woman, touching any share of stock of any corporation, owned by her, shall be valid and binding, without the signature of her husband, the same as if she were unmarried. [*Amendment approved April 8th 1862; 110: took effect from passage; repealed all conflicting laws.*]

758. SEC. 13. It shall not be lawful for the directors or managers of any incorporated company in this State to make dividends, excepting from the surplus profits arising from the business of such corporation; and it shall not be lawful for the directors of any such company to divide, withdraw, or in any

way pay to the stockholders or any of them, any part of the capital stock of such company, or to reduce the said capital stock, without the consent of the Legislature; and in case of any violation of the provisions of this section, the directors under whose administration the same may have happened, except those who may have caused their dissent therefrom to be entered at large on the minutes of the said directors at the time, or when not present when the same did happen, shall in their individual and private capacity jointly and severally, be liable to the said corporation, and to the creditors thereof in the event of its dissolution, to the full amount of the capital stock of the company so divided, withdrawn, paid out, or reduced, and no statute of limitations shall be a bar to any suit against such directors for any sums for which they are made liable by this section; *provided*, that this section shall not be construed to prevent a division and distribution of the capital stock of such company which shall remain after the payment of all its debts, upon the dissolution of such company, or the expiration of its charter.

Proviso.

759. SEC. 14. The total amount of the debts which any incorporated company shall owe, shall not at any time exceed the amount of the capital stock actually paid in; and in case of any excess, the directors, under whose administration the same may have happened, except those who may have caused their dissent therefrom to be entered at large on the minutes of the said directors at the time, and except those who were not present when the same did happen, shall in their individual and private capacities, jointly and severally be liable for such excess to the said corporation, and in the event of its dissolution, to any of the creditors thereof to the full amount of such excess, with legal interest from the time such liability accrued, and no statute of limitation shall be a bar to any suit against such directors for any sums of money for which they are made liable by this section.

Debts not to exceed capital stock.

760. SEC. 15. Upon the application of any person or persons, or body corporate, that may be aggrieved by, or may complain of any election held by any corporate body, or any proceeding, act, or matter in or touching the same, it shall be duty of the District Judge of the district in which such election is held (reasonable notice having been given to the adverse party, or to those who are to be affected thereby, of such intended application), to proceed forthwith and in a summary way to hear the affidavits, proofs, and allegations of the parties, or otherwise

Complaints against elections.

inquire into the matters or causes of complaints, and thereupon to establish the election so complained of, or to order a new election, or make such order and give such relief in the premises as right and justice may appear to the said District Judge to require; *provided*, that the said judge may, if the case appear to require it, direct the District Attorney of his district to exhibit one or more information or informations in the nature of a *quo warranto* in the premises.

Provide

On dissolution, directors to be trustees for creditors,

761. SEC. 16. Upon the dissolution of any corporation, unless other persons shall be appointed by the Legislature, or by some Court of competent authority, the directors or managers of the affairs of such corporation at the time of its dissolution, by whatever name they may be known in law, shall be trustees of the creditors and stockholders of the corporation dissolved, and shall have full power to settle the affairs of the corporation, collect and pay the outstanding debts, and divide among the stockholders the moneys and other properties that shall remain after the payment of the debts and necessary expenses.

Powers of such Trustees,

762. SEC. 17. The persons so constituted trustees shall have authority to sue for and recover the debts and property of the dissolved corporation, by the name of the trustees of such corporation, and shall have full power to settle the affairs of the corporation, and shall be jointly and severally responsible to the creditors and stockholders of such corporation to the extent of its property and effects that shall come into their hands.

Appointment of receivers and trustees

763. SEC. 18. Upon the dissolution of any corporation, the District Court of the county in which the corporation carries on its business, or has its principal place of business, on application of any creditor of the corporation, or of any stockholder or member thereof, may appoint one or more persons to be receivers or trustees of and for the corporation, to take charge of the estate and effects thereof, and to collect the debts and property due and belonging to the corporation, and the power of such receivers may be continued as long as the Court shall think necessary.

Jurisdiction of District Court,

764. SEC. 19. The said Court shall have jurisdiction of such application, and of all questions arising in the proceedings thereon, and may make such orders, injunctions, and decrees thereon as justice shall require.

Franchises of turnpike corporations liable for debt,

765. SEC. 20. When any judgment shall have been recovered against any turnpike or other corporation authorized to receive toll, the franchises of such corporation with all the rights and

privileges thereof, together with all their corporate property, both real and personal, may be taken on execution and sold at public auction.

766. SEC. 21. The officer having such execution against any corporation mentioned in the preceding section, shall, thirty days at least before the day of sale of the franchise or other corporate personal property, give notice of the time and place of sale, by posting up a notice thereof in the county in which the Clerk, Treasurer, or any one of the directors of the corporation may dwell, and also by causing an advertisement of the same, expressing the name of the creditor, the amount of the execution, and the time and place of sale, to be inserted three weeks successively in some newspaper published in any county in which either of the aforesaid officers may dwell, if any such there be; and if no newspaper be published in any such county, then in the newspaper published nearest thereto.

Proceedings by officer,

767. SEC. 22. The officer who may levy any execution, as prescribed in the preceding section, may adjourn the sale from time to time, as may be necessary, until the same shall be completed.

Sale adjourned,

768. SEC. 23. In the sale of any franchise of any corporation, the person who shall satisfy the execution, with all legal fees and expenses thereon, and shall agree to take such franchise for the shortest period of time, and to receive, during that time, all such toll as the said corporation would by law be entitled to demand, shall be considered the highest bidder.

Who highest bidder

769. SEC. 24. The officers return on such execution shall transfer to the purchaser all the privileges and immunities which by law belonged to the corporation so far as relates to the right of demanding toll; and the officer shall, immediately after such sale, deliver to the purchaser possession of all the toll houses and gates belonging to such corporation, in whatever county the same may be situated, and the purchaser may thereupon demand and receive all the toll which may accrue during the time limited by the terms of his purchase, in the same manner and under the same regulations as such corporation was before authorized to demand and receive the same.

Effect of officer's returns,

770. SEC. 25. Any person who may have purchased or shall hereafter purchase, under the provisions of this chapter, the franchise of any turnpike or other corporation, and the assignees of such purchase, may recover any penalties imposed by law for an injury to the franchise, or for any other cause, and which

Purchaser may recover penalties, &c.

such corporation would have been entitled to recover during the time limited in the said purchase of the franchise, and during that time the corporation shall not be entitled to prosecute for such penalties.

Continuance of powers and liabilities.

771. SEC. 26. The corporation whose franchise shall have been sold as aforesaid, shall, in all other respects, retain the same powers, and be bound to the discharge of the same duties, and liable to the same penalties and forfeitures as before such sale.

May redeem.

772. SEC. 27. Such corporation may, at any time within one year after such sale, redeem the franchise, by paying or tendering to the purchaser thereof the sum that he shall have paid therefor, with ten per cent. interest thereon, but without any allowance for the toll which he may have received; and, upon such payment or tender, the said franchise and all the rights and privileges thereof, shall revert and belong to said corporation, as if no such sale had been made.

Proceedings respecting levy.

773. SEC. 28. All the proceedings aforesaid respecting the levy of executions, may be had in any county in which either the creditor, or the president, or any director, or the treasurer, or the clerk of the corporation may reside, or in which the corporation has personal or real estate.

Attorney General and District Attorney to examine affairs.

774. SEC. 29. It shall be the duty of the Attorney General or District Attorney, whenever, and as often as shall be required by the Governor, to examine into the affairs and condition of any corporation in this State, and report such examination in writing, together with a detailed statement of facts to the Governor, who shall lay the same before the Legislature; and, for that purpose, the said Attorney General or District Attorney shall have power to administer all necessary oaths to the directors and officers of any corporation, and to examine them on oath in relation to the affairs and condition thereof, and to examine the books, papers and documents belonging to such corporation, or appertaining to its affairs and condition; and the Legislature, or either branch thereof, shall have full power to examine into the affairs and condition of any corporation in this State at all times; and, for that purpose, any committee appointed by the Legislature, or either branch thereof, shall have full power to administer all necessary oaths to the directors, officers and stockholders of such corporation, and to examine them on oath in relation to the affairs and condition thereof, and to examine the safes, books, papers, and documents belonging to such corporation, or pertaining to its affairs and condition, and to compel

the production of all keys, books, papers, and documents, by summary process, to be issued on application to any Court of Record, or any Judge thereof, under such rules and regulations as the said Court may prescribe.

775. SEC. 30. The Legislature may, at any time, amend or repeal this Act, and dissolve all corporations created under it; but such amendment or repeal shall not, nor shall the dissolution of any such corporation, take away or impair any remedy given against any such corporation, its stockholders or officers, for any liability which shall have been previously incurred.

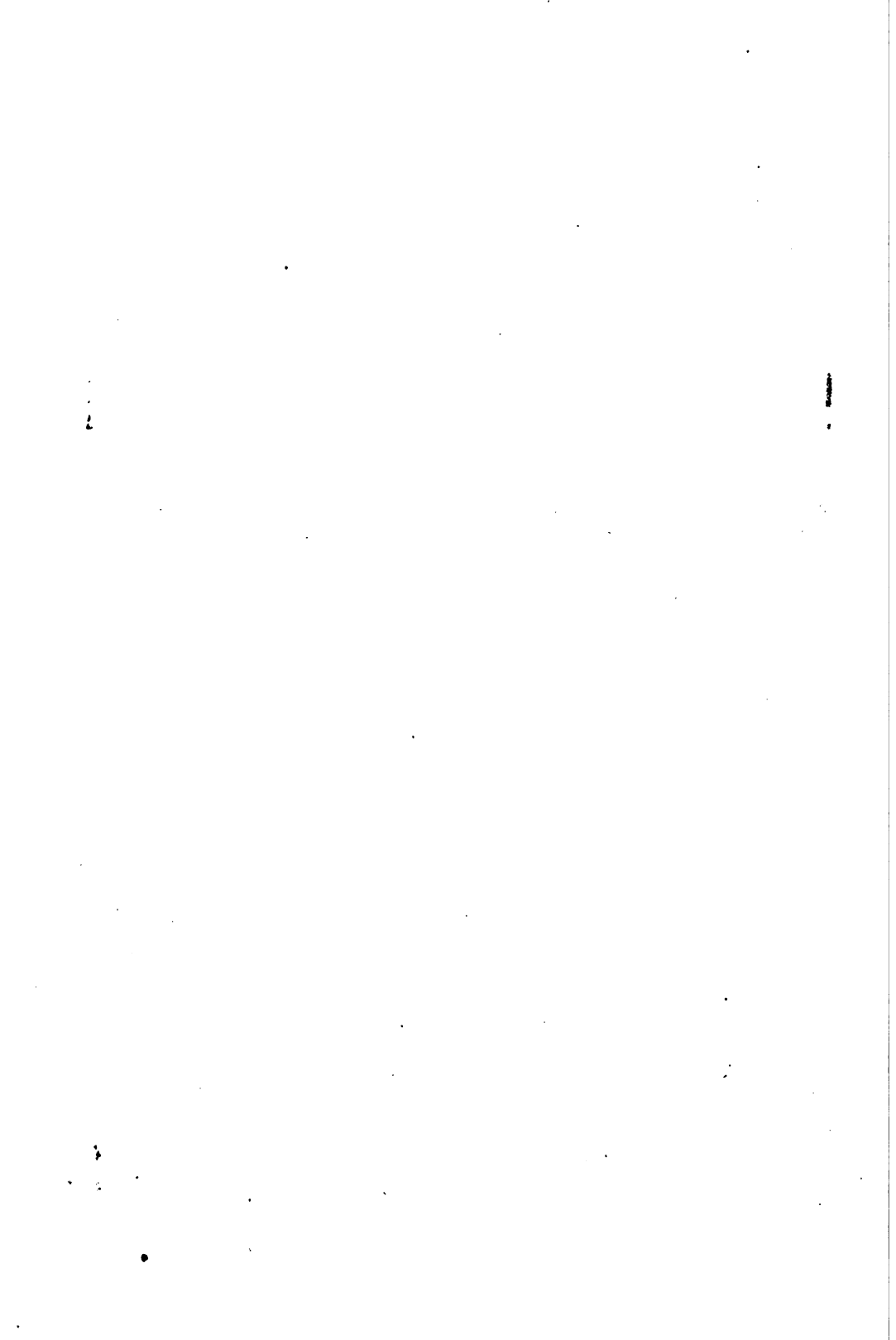
Legislature may amend or repeal act.

776. SEC. 31. Any corporation wishing to dissolve and disincorporate itself, shall present a petition to the County Judge of the county in which the meetings of the stockholders are usually held, accompanied by a certificate signed by its proper officers, and setting forth that, at a general or special meeting of the stockholders, called for that purpose, it was decided by a vote of two-thirds of the stockholders, to disincorporate and dissolve the incorporation. The clerk shall enter such petition and certificate of record, and the Judge shall, after thirty days' notice by publication in some newspaper published in the county and if there are none such, then by advertisements, posted up in the principal public places in the county, proceed to consider the same; and, if the Judge be of opinion that such incorporation has taken the necessary preliminary steps, and obtained the necessary vote to dissolve itself, and that all claims against the incorporation are discharged, he shall declare such incorporation dissolved.

Proceedings to dissolve and disincorporate.

777. SEC. 32. Each stockholder of any corporation shall be severally, individually and personally liable for such proportion of all its debts and liabilities, as the amount of stock owned by him in such corporation, bears to the whole of the capital stock of the corporation, for the recovery of which joint or several actions may be instituted and prosecuted, and in any such action against any of the stockholders of a corporation, the court shall ascertain and determine the proportion of the debt which is the subject of the suit, for which each of the stockholders who are defendants in the action are severally liable, and judgment shall be given severally in conformity therewith. If any stockholder in a corporation shall pay his proportion of any debt due by such corporation he shall be released and discharged from any further individual or personal liability for such debt. (*Amendment approved, April 27, 1863; 766; took effect immediately.*)

Liability of stockholders.



AN ACT

Supplemental to an act entitled "An Act concerning Corporations," passed April 22, 1850, and the several Acts amendatory thereof and supplemental thereto—approved February 20, 1862.
[17.]

778. SEC. 1. It shall be lawful for the district court within and for the county in which any such corporation shall have been constituted, upon the application of such corporation, or any person or persons interested, and it satisfactorily appearing to the court, by competent proof, by affidavit or otherwise, that due notice by personal service, or by publication in some newspaper, as the said court or judge thereof shall direct, has been given to all persons interested in the matter, and that it is just and equitable on the part of such society, association, or corporation, to confirm any sale or mortgage heretofore made of any real estate belonging to such society, association, or corporation, for which they have received the purchase money, or loan, to make an order for the confirmation of such sale or mortgage, heretofore made in good faith for the benefit of such society, association, or corporation, and for the conveyance in fee simple, or in mortgage, of all the right, title and interest, both legal and equitable, of such society, association or corporation, in and to such real estate, to the party or parties immediately or mediately entitled thereto under such sale or mortgage; and it shall be lawful for any member of such church, congregation, association, society or corporation, to oppose, by affidavit or otherwise, the granting of either of such orders.

District Court may confirm defective sales of property.

SEC. 2. This act shall take effect immediately.

AN ACT

CONCERNING CORPORATIONS.

[*Approved April 1, 1864; 1863-4; 303.*]

Defective certifi-
cates of incorpora-
tion validated.

779. SEC. 1. All associations or companies heretofore organized and acting in the form and manner of corporations, and that have filed certificates for the purpose of being incorporated, but whose certificates are in some manner defective, or have been improperly acknowledged, or have been acknowledged before a person not authorized by law to take such acknowledgments, are hereby declared to be and to have been corporations from the date of the filing of such certificates, in the same manner and to the same effect and intent as if such certificates were without fault and properly acknowledged before the proper officer, and all such certificates are hereby validated and declared to be legal, and shall have the same force and effect as if such certificates were free from all fault or defect, and were properly acknowledged before an officer having authority to take such acknowledgments.

SEC. 2. This act shall take effect immediately.

The following Act, passed in 1866 (see Statutes of California, 1866, page 458) is substituted here for the Act of 1864, included in the general laws, and which was repealed.

AN ACT

CONCERNING ASSESSMENTS UPON THE STOCK OF CORPORATIONS.

[Approved March 26, 1866, Chap. 376.]

SECTION 1. The trustees of any corporation formed under Assessments. the general laws of this State shall have power to levy and collect, for the purpose of paying the proper and legal expenses of such corporation, assessments upon the capital stock thereof, in the manner and form and to the extent herein-after provided, and not otherwise.

SEC. 2. No one assessment shall exceed five per cent. of the Rate, &c. stated amount of the capital stock of the corporation named in the articles of incorporation, and none shall be levied while any portion of any previous assessment shall remain unpaid or uncollected, except in cases where all the powers of the corporation shall have been exercised in accordance with the terms of this act for the purpose of collecting such previous assessment, and except, also, the collection of a previous assessment against one or more stockholders restrained by injunction or otherwise, in which case further assessment may be levied and collected according to this act.

SEC. 3. No assessment shall be levied except by order of the How levied. board of trustees, concurred in by a majority of said board, and entered upon the records of the corporation.

SEC. 4. Every order levying an assessment shall specify the What Order shall contain. amount thereof and the time when the person or persons to

whom and the place or places where the same is payable. It shall also appoint a day subsequent to the full term of publication of the assessment notice, on which the stock upon which assessments remain unpaid shall be deemed delinquent, which said day shall not be less than thirty, nor more than sixty, days from the time of the making of the said order levying the assessment, and a day for the sale of delinquent stock, which shall not be less than fifteen, nor more than sixty, days from the time appointed for declaring said stock delinquent.

Notice of Assess-
ment.

SEC. 5. Upon the making of such an order, the secretary shall cause to be published immediately, a notice thereof in the following form:

Form.

“(Name in full. Location of works.) Notice is hereby given that at a meeting of the trustees of said company, held on the (date), an assessment of (amount) per share was levied upon the capital stock of said company, payable (when, to whom, and where, particularly). Any stock upon which said assessment shall remain unpaid on the (day fixed), shall be deemed delinquent, and will be duly advertised for sale at public auction, and unless payment shall be made before, will be sold on the (day appointed), to pay the delinquent assessment, together with costs of advertising and expenses of the sale. (Signature of the secretary, with particular location of office.)”

Publication and
service.

SEC. 6. Said notice shall be published once each week for four successive weeks in some daily or weekly paper published at the place designated in the articles of corporation as the principal place of business of the corporation, and also in some paper published in the county in which the works of the corporation are situated, if a paper be published therein: *Provided*, that if the works of the corporation are not situated within some State or Territory of the United States, then publication in a paper of the county shall not be necessary: *Provided*, also, that if there is no newspaper published at the place designated as the principal place of business of the corporation, then the publication shall be made in the newspaper published nearest thereto: *And, provided*, also, that the notice specified in the fifth section of this act may be served by delivering a copy thereof, certified by the secretary, to each stockholder personally, and in case of such service upon all the stockholders of said corporation, then no notice by publication shall be necessary, and such personal notice shall be deemed complete.

SEC. 7. If any portion of the assessment mentioned in said notice shall remain unpaid on the day specified therein for declaring the stock delinquent, the secretary shall, unless otherwise ordered by the board of trustees, cause to be published in the same papers in which the notice provided for in section five shall have been published, a notice substantially in the following form: Delinquent notice.

(“Name in full. Location of works.) *Notice*—There is Form. delinquent upon the following described stock, on account of assessment levied on the (date) (and assessments levied previous thereto, if any) the several amounts set opposite the names of the respective shareholders, as follows: (names, number of certificate—number of shares—amount.) And in accordance with law (and an order of the board of trustees, made on the (date), if any such order shall have been made) so many shares of each parcel of said stock as may be necessary, will be sold at the (particular place,) on the (date) at (the hour) of said day to pay said delinquent assessments thereon, together with costs of advertising and expenses of the sale, (name of secretary, with particular location of office.)”

SEC. 8. Said last named notice shall state every certificate of stock, with the number of shares which it represents, and the amount due thereon separately, except where certificates may not have been issued to parties entitled thereto, in which case the number of shares and the amount due thereon, together with the fact that the certificates for such shares have not been issued, shall be stated. Contents of notice

SEC. 9. Said notice, when published in a daily or weekly paper, or in both, shall be published as follows: when published in a daily paper, the same shall be published for a period of ten days, excluding Sundays and holidays, previous to the day of sale. When published in a weekly paper, the same shall be published for two weeks previous to the day of sale. The first publication of all delinquent sales shall be at least fifteen days prior to the day of sale. Publication.

SEC. 10. By the publication of the said notices, as hereinbefore provided, the corporation shall acquire jurisdiction to sell and convey a full, complete, perfect and absolute title to all of the stock described in the notice of sale upon which any portion of the assessment or costs of advertising shall remain unpaid at the hour appointed for the sale, but shall sell no more of such stock than is necessary to pay the assessments due and cost of sale. Right to sell.

Sale, &c.

SEC. 11. On the day and at the place, and as nearly as may be at the hour, appointed in the notice of sale, the secretary, who is hereby fully empowered and authorized, shall, unless otherwise ordered by the board of trustees, sell or cause to be sold at public auction, to the highest bidder, for cash, so many shares of each parcel of said described stock as may be necessary to pay the assessment and charges thereon, according to the terms of said notice of sale: *Provided*, That if payment be made before the time fixed for sale, the party paying shall only be required to pay the actual cost of advertising.

Provide

Highest bidder.

SEC. 12. The person offering at such sale to pay the assessment and costs for the smallest number of shares or fraction of a share, shall be deemed the highest bidder.

In default of bidders, Corporation may purchase.

SEC. 13. If at the sale of any stock under the foregoing provisions of this act, no bidder shall offer to take and purchase the same for the amount of the assessments, and costs and charges, then due upon the same, then and in such case the same may be purchased and bid in by the company or corporation through the Secretary, or President, or any Director or Trustee thereof, at a sum equal to the amount of the assessments, costs and charges due upon the same; and in pursuance and by virtue of such purchase, the said assessments, costs and charges shall be credited as satisfied and paid in full on the books of such corporation, and entry of the transfer of such stock to such corporation, in pursuance of such sale and purchase, shall be made on the books of said corporation. While such stock shall remain the property of such corporation, the same shall not be assessable, nor shall any dividends be declared upon the same; but all assessments and dividends shall be apportioned upon and against the other stock of such company not owned by such corporation. All purchases of its own stock made by any corporation in accordance with the provisions of this section shall be held valid and as vesting the legal title to the same in said corporation; and the stock so purchased shall be held subject to the control of the remaining stockholders, who may make such disposition of the same as they may deem fit in accordance with the by-laws of the corporation or vote of a majority of all the remaining shares. Whenever any portion of the capital stock of any corporation is held by the said incorporation by purchase as aforesaid, a majority of the remaining shares of stock in said corporation shall be held to be a majority of the shares of

the stock in said corporated company for all purpose of election or voting on any question before a stockholders' meeting.

SEC. 14. The times or dates fixed in any notice of assessment or notice of delinquent sale, published according to the provisions of this act, may be once extended for a period of not more than thirty days, by order of the board of trustees, duly made and entered on the records of the corporation, but no order extending the time for the performance of any act specified in any notice shall be effectual unless notice of such extension or postponement be appended to and published with the notice to which the order relates.

Extension of time
of delinquent sale.

SEC. 15. No assessment duly levied shall be rendered invalid by a failure to make proper publication of the notices hereinbefore provided for; nor by the non-performance of any act required to be performed in order to enforce the payment of the same; but in case of any substantial error or omission in the course of proceedings for collection, all previous proceedings, except the levying of the assessment, shall be void, and publication shall be begun anew.

Assessment shall
not be invalidated.

SEC. 16. No action shall be sustained to recover any stock or invalidate the sale of any stock for delinquent assessments upon the ground of any irregularity in making the assessment, or for any irregularity in, or defect of, the notice of such sale, or for any defect or irregularity in the sale, unless the party seeking to maintain such action shall first pay or tender to the corporation or the party holding such stock so sold, the sum for which the same was sold, together with all subsequent assessments which may have been paid thereon, and interest on such sums from the time they were paid, and no such action shall be sustained unless the same shall be commenced by the filing of a complaint and the issuance of a summons thereon within six months after such sale shall have been made.

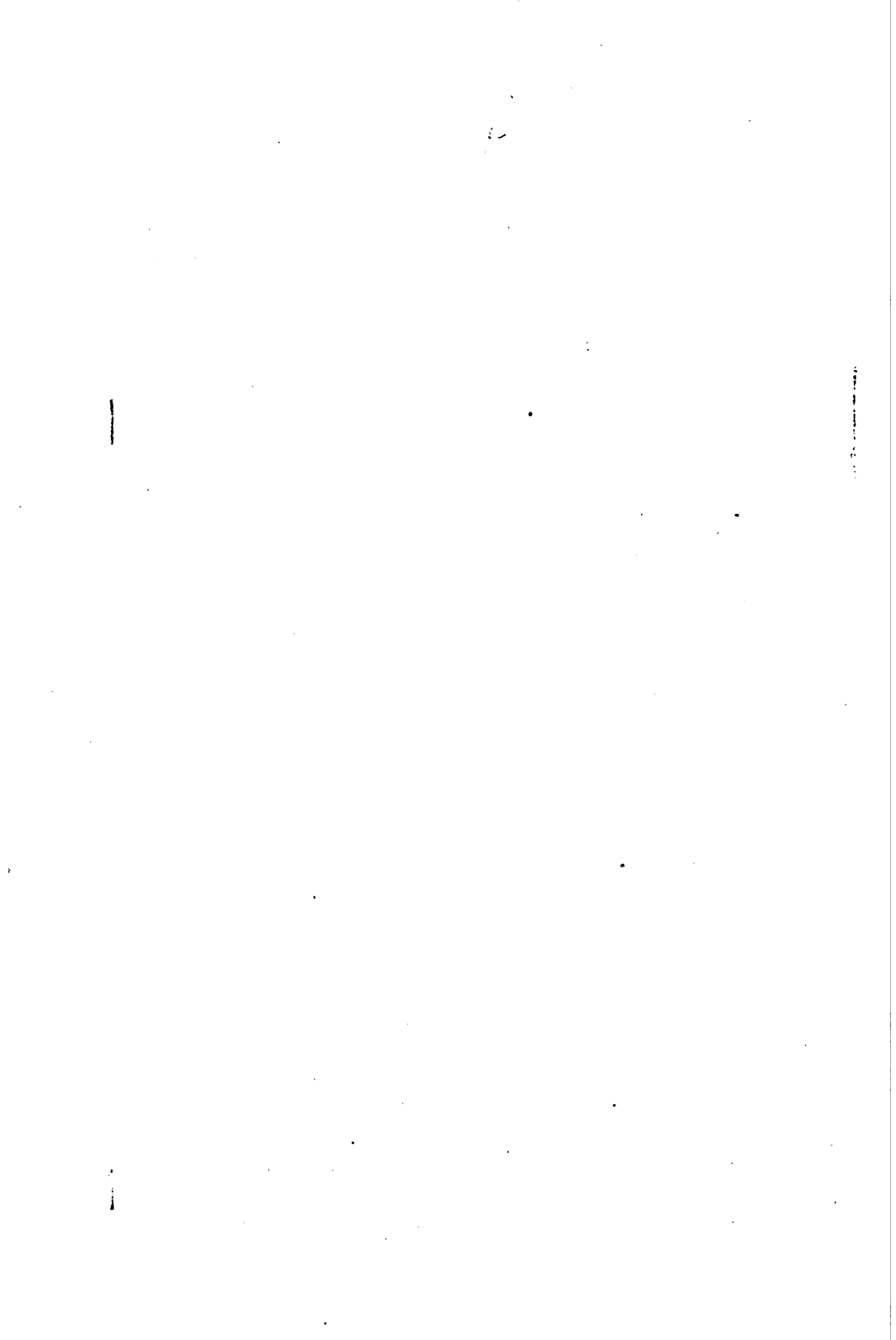
Action for recovery
of stock.

SEC. 17. An act concerning assessments upon the stock of corporations, approved April fourth, eighteen hundred and sixty-four, and all acts and parts of acts inconsistent with the provisions of this act are hereby repealed: *Provided*, That such repeal shall not affect proceedings commenced for the collection of assessments heretofore levied, but all such assessments may be collected in accordance with the provisions of the laws then in force.

Repeal.

Not to apply to
assessments levied.

SEC. 18. This act shall take effect immediately.



*ACT AUTHORIZING THE CENTRAL PACIFIC RAIL
ROAD COMPANY TO RE-LOCATE THEIR
ROAD AND TO AMEND ARTICLES
OF ASSOCIATION.*

CHAP. CCXLIV.

An Act to authorize the re-location of the route of the Railroad of the Central Pacific Railroad Company of California, and other matters relating thereto.

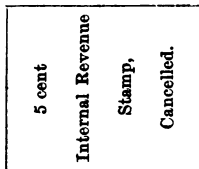
[Approved April 17, 1863.]

The People of the State of California, represented in Senate and Assembly, do enact as follows :

SEC. 1. The Central Pacific Railroad Company of California, a corporation duly organized under the laws of the State of California, are hereby authorized to change and re-locate the line and route of their railroad from the navigable waters of the Sacramento River, at or near the City of Sacramento, over the Sierra Nevada Mountains to the eastern boundary line of the State of California, through such places and such counties, and to such points on the said eastern boundary line as the Board of Directors of said Company shall deem expedient, and as they shall deem the cheapest and best route for the construction and working of said railroad, and in case they shall thus change and re-locate the line of their said railroad, said Company shall file the proper maps and profiles of their railroad, as thus changed and re-located, in the office of the Secretary of State, and the Clerk's office of the several counties through which the

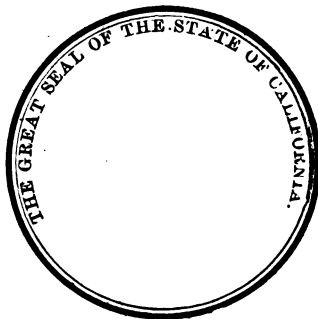
same shall be located, as provided in the Act entitled "an Act to provide for the incorporation of Railroad Companies, and the management of the affairs thereof, and other matters relating thereto, approved May twentieth, eighteen hundred and sixty one, and said Company may also file in the office of the Secretary of State, amended Articles of Association, setting forth the route of said Railroad, as thus changed and re-located, or such other amendments as the Board of Directors of said Company may deem necessary or proper, and such amended Articles of Association shall be signed by at least a majority of the Board of Directors, and sealed with the corporate seal of said Company; and from the time of filing the same, the said corporation shall be conducted under such new and amended articles, in the same manner as though the original articles had contained all the provisions of the amended articles.

SEC. 2. This act shall be deemed a public act, and shall take effect and be in force from and after its passage.



STATE OF CALIFORNIA,
DEPARTMENT OF STATE.

I, B. B. Redding, Secretary of State, of the State of California, do hereby certify that the annexed is a true, full and correct copy of the "Amended articles of association of the Central Pacific Railroad Company of California," now on file in my office.



Witness my hand and the Great Seal of State at Office in Sacramento, California, the twenty-third day of November, A.D. 1864.

B. B. REDDING,
Secretary of State.

AMENDED ARTICLES OF ASSOCIATION

OF THE

CENTRAL PACIFIC RAILROAD COMPANY

OF CALIFORNIA.

Whereas, it has been ascertained that the Capital Stock of the Central Pacific Railroad Company, of California, is less than is necessary to complete, operate and maintain the railroad of said Company, and that it will require at least twenty million dollars for that purpose, and

Whereas, the State of California by an act entitled "An Act to authorize the re-location of the route of the railroad of the Central Pacific Railroad Company of California, and other matters relating thereto," approved April 17, 1863, authorized and empowered the said Company to make and file amended Articles of Association, in the manner therein prescribed, and

Whereas, the Board of Directors of the said Company have deemed it necessary and proper to amend the Articles of Association of the said Company:

The said Board of Directors, at their regular meeting, held on the third day of October, 1864, adopted the following as the amended Articles of Association of the Central Pacific Railroad Company of California, to wit:

ARTICLE FIRST.

The name of this Association shall be "The Central Pacific Railroad Company of California."

ARTICLE SECOND.

The number of years that this Association shall continue is fifty, commencing from the date of the original Articles of Association, of this Company, to wit, from the twenty-seventh day of June, 1861.

ARTICLE THIRD.

The amount of the Capital Stock of the Company is increased to, and shall hereafter be twenty millions of dollars, which shall be divided into two hundred thousand shares of one hundred dollars each.

ARTICLE FOURTH.

The number of the Directors to manage the affairs of this Association shall be seven.

The names of the present Directors of this Company are :

LELAND STANFORD, of Sacramento, California.

C. P. HUNTINGTON, “ “

MARK HOPKINS, “ “

EDWIN B. CROCKER, “ “

E. H. MILLER, JR., “ “

A. P. STANFORD, of San Francisco, “

CHARLES MARSH, of Nevada.

D. W. STRONG, of Dutch Flat.

LUCIUS A. BOOTH, Virginia City, N. T.

ARTICLE FIFTH.

This Association is organized for the purpose of constructing, operating and maintaining a railroad, with the necessary and proper branches and extensions. The route of the railroad proposed to be constructed, operated and maintained, by this Company, as re-located by the Company, is from and to the following places, to wit: From the City of Sacramento, in Sacramento County, California, to the eastern boundary line of the State of California, at or near the place where the said line crosses the Truckee River, and running through Roseville, at the junction of said railroad with the California Central railroad, and by or near to Newcastle, Auburn, Neilsburg, Illinois-town, Gold Run, Dutch Flat, Bear Valley, Crystal Lake, Summit Valley and Donner Pass, together with such branches and extensions of the said railroad as the Board of Directors of this Company may at any time deem necessary or proper to construct, operate and maintain, and which this Company is or

may be authorized to construct, operate and maintain, by the laws of the State of California, or other States or Territories, or the acts of the Congress of the United States now in force, or which may hereafter be enacted.

ARTICLE SIXTH.

This Association is also organized for the purpose of constructing, operating and maintaining, using, selling or disposing of a telegraph line along its railroad, with the branches and extensions thereof, and such branches and extensions of said telegraph line as the Board of Directors of this Company may deem necessary or proper, and which this Company is or may be authorized to construct, operate and maintain, under and by virtue of the laws of the State of California, and other States or Territories, and the acts of the Congress of the United States now in force, or which may hereafter be enacted.

ARTICLE SEVENTH.

The Counties of the State of California into or through which the said line of railroad from Sacramento to said place on the eastern boundary line of said State is intended to pass are, Sacramento, Placer and Nevada.

ARTICLE EIGHTH.

The length of the said railroad from Sacramento to the said place on the eastern boundary line of the State of California, is as near as may be one hundred and fifty miles.

In testimony whereof we, constituting a majority of the Board of Directors of the said Central Pacific Railroad Company of California, under and by virtue of the laws of the State of California, and an order of the Board of Directors of said Company adopting the said amended Articles of Association, have hereto signed our names and caused the corporate seal of said Company to be hereto affixed this sixth day of October, 1864.

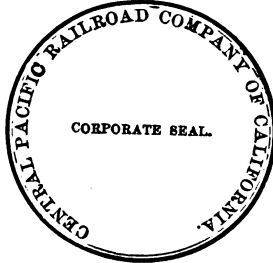


LELAND STANFORD,
 MARK HOPKINS,
 E. B. CROCKER,
 CHARLES MARSH,
 E. H. MILLER, JR.,
 A. P. STANFORD,
 C. P. HUNTINGTON.

STATE OF CALIFORNIA, }
 COUNTY OF SACRAMENTO, }

We, Leland Stanford, President, and E. H. Miller, Jr., Secretary of the said Central Pacific Railroad Company of California, hereby certify that the foregoing amended Articles of Association of the said Company were duly and unanimously adopted by the Board of Directors of the said Company, at a regular meeting thereof, held on the third day of October, 1864, and we also further certify that the said amended Articles of Association were duly approved, adopted, ratified and confirmed by the vote of the holders of a majority of the Capital Stock of the said Company, at the annual meeting of the Stockholders of the said Company, held on the eighth day of October, 1864.

In testimony whereof we have hereunto set our hands and affixed the Corporate Seal of the said Company, this eighth day of October, 1864.



LELAND STANFORD,
President C. P. R. R. Co. of Cal.
 E. H. MILLER, JR.,
Secretary C. P. R. R. Co. of Cal.

P. R. R. ACT OF CALIFORNIA.

Entitled "An Act to aid in carrying out the provisions of the Pacific Railroad and Telegraph Act of Congress, and other matters relating thereto." [Approved April 4th, 1864, Statutes, 1863-4; 417.]

(Taken from the General Laws of California, Paragraph 4798.)

SECTION 1. Whereas, by the provisions of an Act of Congress, entitled an Act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the government the use of the same for postal, military, and other purposes, approved July first, eighteen hundred and sixty-two, the Central Pacific Railroad Company of California is authorized to construct a railroad and telegraph line in the State of California, and in the Territories lying east of said State, towards the Missouri River; therefore, to enable the said company more fully and completely to comply with and perform the provisions and conditions of said Act of Congress, the said Company, their successors and assigns, are hereby

authorized and empowered, and the right, power, and privilege is hereby granted to, conferred upon, and vested in them to construct, maintain, and operate the said railroad and telegraph line, not only in the State of California, but also in the said Territories lying east of and between said State and the Missouri River, with such branches and extensions of said railroad and telegraph line, or either of them, as said Company may deem necessary or proper; and also the right of way for said railroad and telegraph line over any lands belonging to this State, and on, over, and along any streets, roads, highways, rivers, streams, water, and water-courses, but the same to be so constructed as not to obstruct or destroy the passage or navigation of the same; and also the right to condemn and appropriate to the use of said Company such private property, rights, privileges, and franchises, as may be proper, necessary, or convenient for the purposes of said railroad and telegraph, the compensation therefor to be ascertained and paid under and by special proceedings, as prescribed in the act providing for the incorporation of railroad companies, approved May twentieth, eighteen hundred and sixty-one, and the Acts supplementary and amendatory thereof; said Company to be subject to all the laws of this State concerning railroad and telegraph lines, except that messages and property of the United States, of this State, and of the said Company, shall have priority of transportation and transmission over said line of railroad and telegraph; hereby confirming to and vesting in said Company all the rights, privileges, franchises, power and authority conferred upon, granted to, or vested in said Company by said Act of Congress; hereby repealing all laws and parts of laws inconsistent or in conflict with the provisions of this Act, or the rights and privileges herein granted.

“Section 2. This Act shall take effect and be in force from and after its passage.”

P. R. R. ACT OF NEVADA,

Entitled "An Act to aid in carrying out the provisions of the Pacific Railroad and Telegraph Act of Congress, and other matters relating thereto. [Approved March 9th, 1866.]

[Laws of Nevada, 1866, Chap. CXII.]

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

SECTION 1. Whereas, by the provisions of an act of Congress, entitled "An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes," approved July 1st, one thousand eight hundred and sixty-two, and the acts amendatory thereof, approved July 2d, one thousand eight hundred and sixty-four, and March 3d, one thousand eight hundred and sixty-five, the Central Pacific Railroad Company of California, or any other Railroad Company formed or hereafter to be formed, is authorized to construct a railroad and telegraph line in the late Territory, now the State of Nevada: Therefore to

Provisions of the
Acts of Congress.

Powers and privileges granted.

enable the said Company or Companies more fully and completely to comply with and perform the provisions and conditions of the said Act of Congress, and to construct, operate and maintain their said railroad and telegraph line in the State of Nevada, *the said Company or Companies, their successors and assigns, are hereby authorized and empowered, and the right, power and privilege is hereby granted to, conferred upon, and vested in them, to construct, maintain and operate the said railroad and telegraph line across the State of Nevada, with such branches and extensions of said railroad and telegraph line, or either of them, as said Company or Companies may deem necessary or proper; and, also, the right of way of said railroad and telegraph line, and said branches or extensions thereof, not to exceed one hundred feet on each side of said road, over any lands belonging to this State, and on, over and along any streets, roads, highways, rivers, streams, water and water-courses; but the same to be so constructed as not to destroy or obstruct the passage or navigation of the same, and also the right to condemn and appropriate to the use of said Company or Companies such private property, rights, privileges and franchises as may be necessary, proper or convenient for the purposes of said railroad and telegraph line; the compensation therefor to be ascertained and paid under and by special proceedings, as provided in the Act entitled "An Act to provide for the incorporation of railroad companies, and the management of the affairs thereof, and other matters relating thereto," approved March twenty-second, one thousand eight hundred and sixty-five. Said Company or Companies to be subject to and enjoy the benefit of the laws now in force in this State, regulating the manner of constructing and operating railroad and telegraph lines, the rate of charges therefor, and providing remedies for injuries committed to property of the Company or Companies, except that messages and property of the United States, of this State, and of the said Company or Companies, shall have priority of transportation and transmission over said line of railroad and telegraph; HEREBY CONFIRMING TO AND VESTING IN SAID COMPANY OR COMPANIES, ALL THE RIGHTS, PRIVILEGES, FRANCHISES, POWER AND AUTHORITY CONFERRED UPON, GRANTED TO, AND VESTED IN SAID COMPANY OR COMPANIES BY SAID ACT OF CONGRESS.*

BY-LAWS

OF THE

CENTRAL PACIFIC RAILROAD CO.

OF CALIFORNIA.

SECTION 1. The fiscal and business year of this company shall commence on the first day of January, and terminate on the last day of December in each year, and shall be divided into four business periods, or quarters, each terminating on the last days of March, June, September and December respectively.

SEC. 2. The annual meeting of the stockholders of this company shall be held on the second Tuesday of July in each year, at the office of the company, or at such other place in the city of Sacramento, as shall be appointed by a resolution of the Board of Directors, at which an election for nine Directors shall be held, to serve for the ensuing year, and until their successors are elected. Said election shall commence at ten o'clock, A. M., and close at two o'clock, P. M. of the same day. In case the said annual meeting in any year should not, for any cause, be held on said day, some other time shall be appointed within ninety days thereafter, by a resolution of the Board of Directors, at which a special meeting of the stockholders shall be held for the purpose aforesaid.

SEC. 3. No business shall be transacted at any annual or

Meetings of Stockholders special meeting of the stockholders, unless at least a majority in value of the stockholders, shall attend in person, or by written proxy. At least thirty days' notice shall be given by the Secretary, of the time when, and place where, the annual or any special meeting of the stockholders shall be held; such notice shall be published in one newspaper in each county through which the road shall run.

Notice of

Publication of Notice.

Elections. Officer to preside. SEC. 4. All elections held by this company for the election of Directors shall be public to the stockholders. The President, or in his absence the Vice-President, of the company, together with one Director, and one stockholder, who is not at the time a Director, both to be chosen and appointed by the Board of Directors for that purpose, shall act as the Judges of election, receive, count and canvass the votes, and declare the result without delay. The Secretary shall be tally clerk, and shall keep a regular tally list of all votes cast at said election, and preserve the same in his office. At such election, and in all other acts and proceedings at such meeting, and all other meetings of the stockholders, each stockholder shall be entitled to one vote for each share of stock owned by him ten days next preceding such election. The vote for the election of Directors shall be taken by ballot, and each voter shall indorse on his ballot, his name, the number of votes to which he is entitled, and the names of the persons for whom he votes for Directors. The said Judges of election and Secretary, shall, at the close of such election, certify the result thereof to the Board of Directors. In the absence of any officer of election, his place shall be filled by the stockholders present at the opening of the election.

Judges of election

Tally Clerk.

Voters and number of votes.

Vote by ballot.

Election of Directors.

Meetings of Stockholders. Who to vote. SEC. 5. At all meetings of the stockholders, absent members may vote by proxy duly authorized in writing, signed by the stockholder granting them, and they shall be filed with the Secretary—and that all may know who are stockholders, it shall be the duty of the Secretary, previous to every meeting thereof, to make an alphabetical list of all stockholders, with the number of votes each is entitled to cast, set opposite his or her name, and have the same present at such meeting for the use of the officers and members thereof.

List of voters

Office of the Company. SEC. 6. The office of the company, and of the President, Vice-President, Secretary, Treasurer, and Chief Engineer, with the books and papers thereto belonging, shall be kept in the city of Sacramento.

SEC. 7. The regular monthly meetings of the Board of Directors, shall be held on the first Mondays of each month, at two o'clock in the afternoon, at the office of the company, unless otherwise specially directed by the Board, and five or more of the Directors shall constitute a quorum at all meetings for the transaction of business; but no debt shall be contracted without a resolution or order passed by at least five votes, and regularly entered upon the record of the proceedings of the Board. Special meetings may at any time be called by the President, or any three members of the Board, to convene at such time and place as may be appointed; but it shall require a majority of the whole Board to adopt any measure.

Director's meetings. Monthly. When. Where. Quorum.

Contraction of debts.

Special meetings

SEC. 8. There shall be elected by the Directors, at their first meeting after the annual election of Directors, which shall be within five days thereafter, or at such subsequent meeting of the Board as said election may be adjourned to, from among their number, a President, a Vice-President, and a Treasurer; and also a Secretary, who need not necessarily be a Director, who shall hold their offices for the term of one year, and until their successors are elected and qualified, unless previously removed. The Secretary and Treasurer, before entering upon the duties of their offices, shall each give a bond, payable to the company, conditioned for the faithful discharge of their duties, with good and sufficient sureties, to be approved by the Board, in such penal sums as the Board may require, and such bonds, or either of them, may be increased and additional security given at any time the Board may see proper to require it.

Election of Officers by Directors.

President, etc.

Term of office.

Secretary and Treasurer to give bond.

Penalty.

New bonds.

SEC. 9. The President of the company shall have a general supervision and direction, subject to the order of the Board of Directors, of the business and affairs of the company, and shall preside at all meetings of the Board of Directors and of the stockholders, when present in person. The Vice-President shall exercise all the powers and duties of the President, whenever the President shall be absent, or unable from any cause to discharge his duties in person. In the absence of the President and Vice-President, a President *pro tem.* may be appointed by the Directors, who shall discharge the duties of the President at any such meeting of the Directors. It shall, further, be the duty of the President, unless otherwise specially ordered, to sign all certificates of stock, deeds, bonds, contracts, writings obligatory, checks or warrants on the Treasurer, and all papers of whatever

President. His duties.

Vice President.

President pro tem.

President to sign all certificates, deeds, contracts, etc.

Custody of Seal.	nature or kind to which the company is a party, under such rules and regulations as may be established by the by-laws, or from time to time adopted by resolution, or otherwise, of the Board of Directors. He shall have the custody of the corporate seal of the company, and affix the same to all instruments requiring a seal.
Secretary, his duties. Keep minutes.	<p>SEC. 10. The Secretary of the company shall attend all meetings of the Board, keep a fair and accurate account of all their proceedings, and of the stockholders, when met for the transaction of business, make out a monthly and annual statement and balance sheet at the end of each month and fiscal year, up to and including the last days of each said months and year, showing the financial condition of the company at each of said periods, and lay the same before the Board at the next regular meeting after the expiration of said quarter and year; keep an accurate account with each contractor, and all persons having dealings with the company, and an account of the whole property of the company, in what it consists, where situated, and in whose hands entrusted; and shall also keep an accurate account with each of the stockholders relative to the amount of stock by him held, the amount paid thereon, the amount of dividends declared and paid; also give an order to the Treasurer to receive any sum of money paid to the company, and upon receiving from the Treasurer a memorandum of any sum of money received by him, to make a proper entry thereof in his books, giving the party a receipt therefor if required; also keep an accurate account with the Treasurer, and generally to keep a full account of the whole amount of the receipts and revenues of the company, of whatever kind or from whatever source, and of the whole amount of disbursements and expenditures of the company, for whatever purpose; he shall keep a book of blank certificates of stock, fill up and countersign all certificates issued, and upon such issue, make the proper entries in the margin of such book; he shall countersign all checks, or warrants, drawn on the Treasurer, and all other instruments in writing to which the company is a party, when required by the Board of Directors, or the President; he shall keep all other books, and perform all other duties, that pertain to his office, and required by law, or by the Board of Directors. It shall also be the duty of the Secretary, to keep, in a book provided for that purpose, to be called "Record of Meetings," a correct record of the proceed-</p>
Statements.	
Accounts.	
Orders to Treasurer. Moneys paid	
Give receipts.	
Account of receipts	
Disbursements.	
Certificates of stock.	
Warrants and other papers.	
Other duties.	
Record of meetings.	

ings at each meeting of the company, and the stockholders, and of the Board of Directors, showing therein the name of each Director present at the opening of each meeting of the Board, and at what stage of the proceedings any Director previously absent may appear, and also at what stage of the proceedings any Director may obtain leave of absence; and to sign the minutes of each meeting, with the President or other presiding officer. Such record shall also show the name of each Director voting against any proposition, whenever any Director may require the same to be placed upon the record. Prior to the adjournment of each meeting of the company, or of the stockholders, or of the Board of Directors, the record of the proceedings of such meeting shall be read and approved. The Secretary shall also keep a book, to be called "Record of Corporation Debts," in which he shall record all written contracts of the Directors, and a succinct statement of the debts of the company, the amount thereof, and with whom made, which book shall at all times be open to the inspection of any stockholder, or any party in interest; and when any contract or debt shall be paid or discharged, he shall make a memorandum thereof in the margin, or in some convenient place in the record where the same is recorded. The Secretary shall also keep a book to be known and labelled as the "Book of Stockholders," in which he shall set forth the names, alphabetically arranged, of all persons who are, or shall have been, stockholders of said company, with their place of residence, if known, the number of shares of stock held by each stockholder, respectively, the time when each stockholder became the owner of such share or shares, the amount of cash actually paid to the company by them respectively for such stock; also the time when such person shall cease, or may have ceased, to be a stockholder; which book, during the office hours of said Secretary, to wit: from the hour of ten o'clock, A. M., to two o'clock, P. M., of each day, (Sundays excepted,) shall be open for the inspection of stockholders and creditors of the company, and their personal representatives, at the office of said Secretary. The Secretary shall also keep a book to be known as the "Stock Transfer Book," in which all transfers of stock shall be duly entered and recorded, but no transfer of stock shall be entered or recorded therein, until all previous calls, assessments and instalments thereon, and all other indebtedness and liability of such stockholder to the com-

What to contain

Directors present.

Votes of Directors.

Minutes to be read.

Record of corporation debts.

What to contain.

Open to inspection.

Payment noted.

"Book of Stockholders."

What to contain. Names.

Residence. No. of shares.

Date.

Cash paid.

Transfer.

Office hours of Secretary.

Open to inspection

Stock book. Transfer

What to contain.

Assessments and all debts to be paid.

pany, shall have been fully paid into the company, nor where less than twenty per cent. has been paid thereon, until such transfer shall have been approved by the Board of Directors, nor unless such transfer shall be made in writing by the owner of the same, or by some person duly authorized in writing by the owner to make the same; such transfer and authority to be duly acknowledged before some officer, the same as required by the statutes of this State relating to the acknowledgment of conveyances of real estate. The entry of such transfer in said book shall set forth the person by whom and to whom such transfer is made, the number and designation of the shares, and the date of such transfer; which entry and record of such transfer shall be duly attested by the Secretary. The Secretary shall also keep a book, showing and giving an accurate description of all lands held or owned by the company, including all lands received by the company to aid in the construction of their Railroad; and also proper books, showing all sales and conveyances of such lands, with the date of such sale, the amount thereof, the name of the purchaser, the description of the property, and the terms of the sale. It shall also be the duty of the Secretary to issue and cause to be served or published, all notices of meetings of the company, and of the stockholders and Board of Directors, so far as may be required by the laws of this State, or the by-laws of the company, and such other notices as may be ordered by the Board of Directors; to sign all bonds, bills, notes, checks, and other evidences of debt, issued by the company; and also all deeds, mortgages, contracts, agreements, orders and instruments in writing, entered into or executed by the company, and to keep a full and correct account of the same.

SEC. 11. The Treasurer of the company shall receive, take charge of, and safely keep and disburse, under the order and regulations of the Board, all moneys, goods, chattels, credits, and evidences of debt of every kind, belonging to the company, coming into his hands or appropriately belonging to his department. He shall, upon the order of the Secretary, collect and receive all assessments levied upon stock, and receive all dues and receipts of the company, from every source, giving the party paying a memorandum thereof; the same to be delivered to the Secretary. He shall, after office hours of each day, deliver to the Secretary an abstract of all sums of money received or

Approval of Board.
Transfer, how made
Entry of transfer, what to contain.
Land books.
Book of land sales, what to contain.
Notices, who to serve.
To sign evidences of debt. Deeds, etc.
Treasurer Keep and disburse all moneys. Property
Receive all assessments and dues.
Memorandum for Secretary.

disbursed by him on said day, and no money shall be disbursed by the Treasurer except upon the check or warrant of the President, countersigned by the Secretary. He shall take, keep, and carefully preserve, all vouchers in support of all disbursements which he may make by order of the Board. All moneys and evidences of debt of every kind received by him, shall at once be passed to the credit of the company on his books, and the same account charged with all warrants drawn on him when paid; and he shall also keep accurate accounts of all and every transaction appropriately belonging to the duties of his office, in appropriate books provided for that purpose, which shall be at all times open for the inspection of the President, Secretary, or any member of the Board; and he shall also render a monthly and annual account and statement, at the end of each month and fiscal year, or oftener if required by the Board, of all receipts and disbursements by him made during the preceding month or year, or for any other period, and lay the same before the Board at the next meeting after the expiration of said month or year, and at any other time or for any other period that may be required by the Board.

Daily abstract
Disbursements.

Vouchers.

Books.
Accounts.

Open to inspection
Monthly and yearly
statements.

SEC. 12. A Chief Engineer, when appointed, shall hold his office during the pleasure of the Board of Directors. It shall be his duty, under the direction of the Board, to take charge of the surveys, location and construction of the road, and direct the operations of all branches of the Engineer service; superintend the construction of all work under contract, and by himself, or assistants, to direct and control all contractors in the performance of their work, pass upon and accept, or reject, all work performed, and give certificates of estimates for the payments due for all work performed agreeably to contract, and make a full report monthly, or oftener if required, of all matters connected with his department, and submit such estimates of future operations as the business of the company and progress of the work may render proper and necessary.

Chief Engineer.
Term of office.
Duties.

Monthly reports

SEC. 13. There shall be appointed by the Board, an attorney for the company, who shall hold his office during the pleasure of the Board, who shall be the legal adviser of the company, and have the care and management, subject to the control of the Board, of all suits, causes, actions, and litigated matters of every description in which the company shall be a party, or be interested. He shall also perform such other professional duties as

Attorney.

Duties.

shall be required by the Board; he shall have the general supervision, management and control of all matters appertaining to the title of all real estate in which the company is interested.

Other officers.

SEC. 14. All subordinate officers and agents of the company, shall be appointed or employed by the Board of Directors, President or Chief Engineer, in the several divisions of the service, as may be provided by resolution of the Board from time to time, and the duties and compensation of all such officers and agents shall be regulated by the Board.

Board of Directors.
Fill vacancies.

SEC. 15. The Board of Directors shall have power at any time, by a vote of a majority of the entire Board, to fill any vacancy that may occur in their body, by death, resignation, or otherwise; also, by a like vote, to remove any officer of its own appointment, or that may have been appointed or employed by any officer of the company, and the President or Chief Engineer may remove, at pleasure, any subordinate officer or agent, in their respective departments, assigning reasons, if required, to the Board of Directors, at their next meeting, as to the cause of their removal.

Elections by Board.
By lot.

SEC. 16. All elections by the Board shall be by ballot, unless by a unanimous consent, when the vote may be taken *viva voce*.

Committees, how
appointed.

All committees shall be appointed by the President, unless otherwise ordered by the Board, or declared by these by-laws.

Capital stock, sub-
scriptions fee.

SEC. 17. The Board of Directors shall, from time to time, prescribe the manner, place and times of taking up subscriptions to the capital stock of the company, but no subscription of the stock shall be binding on the company until the same shall have been approved by a resolution of the Board.

Approval of Board

Assessment on
stock.

SEC. 18. Instalments or assessments on the stock subscribed shall be levied, demanded, and called in from time to time, in such manner and at such times as shall be required by a resolution of the Board of Directors, agreeably to, and in the manner required by law; and if any instalment or assessment so levied, demanded and called in, on any share or shares of stock, shall remain unpaid after notice given or published of such assessments or instalments being due, as required by law, agreeably to such call and regulation of the Board, the Board may, at their option, proceed to collect the same in the manner, and to the extent prescribed by law, or they may proceed to sell such share or shares of stock, or so much thereof as may be necessary to pay the instalments or assessments then due on such share or

By Board.

Unpaid assessments

Collect by suit.

Or by sale of shares

shares, together with the expenses of such sale, at public auction, at the office of the company in the city of Sacramento. Such sale of shares of stock shall be held at the office of the company between the hours of ten o'clock A. M. and two o'clock P. M. of the day fixed for such sale, and to be made by the Secretary, to the highest bidder at public auction; and the person who will agree to pay the assessment due, together with the expense of advertisement, and the other expenses of the sale, for the smallest number of whole shares, shall be deemed to be the highest bidder. Notice of such sale shall be given by publication in some daily newspaper published in the city of Sacramento, at least for three weeks before the day of sale, and such notice shall specify the time and place of the sale, the name of the stockholder holding the shares of stock on which the unpaid assessment is due, the number of shares to be offered for sale, designating them by their numbers, and the amount of such unpaid assessment. Upon payment of the amount of the purchase money, the Secretary shall execute to the purchaser at such sale, a certificate of sale, under the seal of the company, conveying all the interest of the delinquent stockholder in such shares thus sold, and setting forth the sale and purchase, the number of shares of stock sold, designating them by their numbers, to whom sold, and the amount of the purchase money, and enter and record the same upon the "Stock Transfer Book;" which sale and entry shall operate as a complete and valid transfer and conveyance of all the interest of such delinquent stockholder in such shares of stock to such purchaser. If the purchaser shall fail or neglect to pay the purchase money at such sale, the Secretary shall immediately proceed and re-offer such shares of stock for sale, and such delinquent purchaser shall not be allowed to bid thereon at such re-sale.

SEC. 19. The stock of the company shall be transferable upon the books of the company, upon a proper written assignment and delivery to the assignee of the receipts for the instalments and assessments paid on such stock, or the certificate of such stock, if one has been issued; and all such transfers of stock must be in writing, signed by the owner of such stock, or by some person by him lawfully authorized so to do; such transfer, and the power or authority to make the same, if made by one not the owner, to be witnessed and attested by the Secretary, or duly acknowledged in the manner and form, and before an

When sold.

Sales of stock, how made.

When. Who by. To whom.

Notice of sale, how given.

What to state.

Certificate of sale.

What to contain.

Entry of sale on books of company.

Purchaser failing to pay.

Re-sale.

Transfer of stock, how made.

By owner or agent.

Attested by Secretary or acknowledged.

Papers to be delivered to Secretary.	officer, as required by the statutes of this State relating to the acknowledgement of conveyances of real estate; and such transfer, and the power or authority to execute the same, as well as the certificate of such stock, if one has been issued, shall, before the entry of such transfer on the "Stock Transfer Book" of the company, be delivered to the Secretary to be filed
Transfer made upon books.	in his office among the papers of the company; such transfer of stock may also be made and signed directly upon the "Stock Transfer Book," the same being duly witnessed and attested by the Secretary. But no transfer or conveyance of any stock shall be made until all previous calls, assessments and instalments thereon, and all indebtedness and liability of every kind from such stockholder to the company shall have been fully paid; nor, where less than twenty per cent. has been paid thereon, until such transfer has been approved by the Board of Directors; and all voluntary transfers and conveyances of stock shall be subject to the approval of the Board of Directors, and when not so approved the same shall be inoperative, and no entry thereof shall be made upon the "Stock Transfer Book" of the company.
Assessments and debts to be paid.	
Approval of Board. Voluntary transfers to be approved by Board.	
Stock certificates. When issued. Form. How signed.	SEC. 20. Certificates of stock shall be issued only for fully paid stock, and shall be of such form and device as the Board of Directors shall determine; and each certificate shall be signed by the President, and countersigned by the Secretary, and express on its face its number, date of issuance, the number of shares for which, and the name of the person to whom, it is issued. Several certificates may be issued to the same person; provided, that in the aggregate they do not exceed the number of shares belonging to such person. The certificate book shall contain a margin, on which shall be entered the number, date, number of shares, and the name of the shareholder expressed in the corresponding certificate. The surrendered certificates shall in all cases be cancelled by the Secretary before issuing a new one in lieu thereof. In all cases where a certificate of stock shall have been issued for any share of stock, no transfer of such share shall be made on the "Stock Transfer Book" until such certificate shall have been returned to the company; and in case of the alleged loss or destruction of a certificate of stock, due proof of such loss or destruction shall be made, and a sufficient bond of indemnity against any loss or damage the company may sustain should said certificate afterwards re-appear, shall be
What to contain.	
Certificate book.—Entry in.	
Certificate of stock.	
To be returned.	
Loss of certificate.	
Proof of loss.	
Indemnity.	

executed to the company, before a duplicate thereof shall be issued, and before any transfer of such share shall be entered on the "Stock Transfer Book."

SEC. 21. All disbursements shall be made on warrants drawn upon the Treasurer, by the President and Secretary, but no such warrant shall be drawn without the order of the Board. Each warrant so drawn shall refer to the number of the account as allowed by the Board.

Disbursement—
Warrants.

SEC. 22. All contracts made by the Board of Directors, or any officer, agent or employé of the company, shall be subject to, and shall contain, the express stipulation, that no stockholder of the company shall be individually or personally liable or bound for the debts of the company beyond or exceeding the actual amount of stock by him subscribed or held, and all contracts not containing or subject to such stipulation shall be void, and neither the Board of Directors nor any officer, agent, or employé of the company, nor any other person, shall have any power or authority to bind the company or the stockholders, by any contract or agreement, unless the same shall contain such stipulation.

Contracts.

Stipulation as to
personal liability.

When void.

SEC. 23. The order of business before the Board, shall be as follows:

Board of Directors

When a quorum appears, the President shall call the Board to order.

Order of business.

1st—Reading of the minutes.

2d—Reports of Committees.

3d—Secretary's reports.

4th—Treasurer's reports.

5th—Engineer's reports.

6th—Written communications read and disposed of.

7th—Unfinished Business.

8th—New Business.

Prior to adjournment, the proceedings of the meeting shall be read, amended, if necessary, and approved by the Board.

Minutes read and
signed.

SEC. 24. No alteration or amendment shall be made in these by-laws, unless presented at a regular meeting of the Board, and considered at a subsequent meeting thereof; but any by-law, except No. 22, may be suspended by the vote of not less than two-thirds of the Directors present.

Amendment of by-
laws.

Suspension of.

SEC. 25. Section number twenty-two of these by-laws, shall not apply to mortgage bonds issued by the Company; and all

Mortgage Bonds.

mortgage bonds issued by the Company shall be valid and binding upon the Company and its property, although the same may not contain the stipulation required by said section number 22.

ACT GRANTING SACRAMENTO LANDS.

Chap. CCIX. AN ACT granting certain rights to the Central Pacific Rail Road Company of California, and for other purposes.

[Approved April 14, 1863.]

The People of the State of California, represented in Senate and Assembly, do enact as follows :

SECTION 1. There is hereby granted to the Central Pacific Rail Road Company of California, a corporation duly organized under, and in pursuance of, the laws of this State, their successors and assigns, the right of way, and the right to construct, lay down, and operate, by steam power, or otherwise, railway tracks within the limits of the city of Sacramento, and across and along certain streets of said city; but not upon or along any street east of Front and south of I street, and not upon or along any street east of Sixth street and south of the levee recently constructed, as now located in the northerly part of said city; and for that purpose such railroad may enter the northerly or easterly portion of said city at such point as, in the judgment of the officers of said company, will be most convenient to the point where said railroad shall cross the American river; and said company are hereby authorized to lay the track of their said railroad upon the top of the levee recently constructed in the northerly portion of said city, also upon and along that part of said levee lying north or northeast of said city, hereby granting

Right of way in the city of Sacramento granted.

to said company the right of way for their said railroad upon and along all those streets and parts of streets, alleys and parts of alleys, lots and parts of lots, and public squares upon which said levee is built, along the line of said levee, and hereby granting to said company the right to extend and lay their track, with necessary side tracks, turn-outs and switches, upon said levee from the point where said railroad may intersect or connect with said levee, westerly along, upon or north of said levee to the intersection of Front and K streets, and if, in order to reach deep water, it shall become necessary to pile or fill out in the river at or above K street, the said company, their successors and assigns, shall have the right to pile or fill out to deep water, and the corporate authorities of the city of Sacramento, or the city and county of Sacramento, shall, after demand made by said company, decide which method shall be adopted, without unnecessary delay: said decision shall be made by ordinance, and said corporate authorities may require said company to construct good and substantial wharves along the whole or any part of the extent of such piling or filling: said company shall have the right to depart from said levee at any place or places where an abrupt or short turn in the line of said levee may render such departure necessary in order to obtain the proper curvature for their said line of railroad; with the right to construct and erect such machine shops, storehouses, car buildings, watering places, turn tables, and other buildings and erections necessary for the operation of their said railroad upon any lots, streets and alleys within the limits of said city lying north of said levee; and the further right and privilege is hereby granted to said company to construct, lay down and operate said railroad, and a branch or branches on the north side of said levee, from the intersection of Sixth and E streets, or such other place in that vicinity as may be deemed most advisable by said company, in a westerly direction to Front street, near the Water Works building; and for the purpose aforesaid, there is hereby granted to said company, their successors and assigns, the right of way on the north side of said levee, across, upon, over and along any of such streets, parts of streets, and river front of said city, together with the use of said levee within and north or northeast of said city; and there is hereby further granted to said company, their successors and assigns, the water front along the Sacramento river in front of said city,

Right of way and other rights granted to Company.

lying between the Sacramento river and a line running parallel to and eighty (80) feet westerly from the east side of Front street, from the north side of K street northerly, hereby granting to said company the right and privilege of erecting and maintaining on and along said water front their railroad, and such wharves, landings, storehouses, warehouses, stations and other buildings and erections as may be necessary or convenient for the transaction and performance of the business of said railroad, reserving, however, the right to the city of Sacramento, and said right is hereby granted to said city, to collect wharfage, tonnage and levee dues; the grant of said water front, except the right of way thereon, to said company is upon the condition, however, that said company shall construct and operate fifty miles of their said railroad continuously from said city of Sacramento within five years from the passage of this act, and in case of the failure of said company so to do, said water front shall revert to said city: there is further granted to said company the right of constructing and building one or more tracks, with all necessary side tracks, turn outs, switches and turntables, along said line of railroad and water front.

Build wharves,
storehouses, &c.

SEC. 2. There is hereby further granted to said company, their successors and assigns, the right of way and the right to construct their said railroad over and upon and the right to take earth and other materials from any and all tract or tracts of land within or without the limits of said city of Sacramento, lying north of K street, which have been or may be appropriated or condemned for public use by the Board of Levee Commissioners, for levee purposes or to furnish materials for the construction of said levee or to turn or straighten the channel of the American river, under the provisions of an act entitled "An Act concerning the construction and repair of levees in the county of Sacramento and the mode of raising revenue therefor," approved April 9th, one thousand eight hundred and sixty-two.

Rights granted.

SEC. 3. There is hereby further granted to the said Central Pacific Railroad Company of California, their successors and assigns, all that tract lying within the boundaries of said city of Sacramento and commonly known as "Sutter Lake," or "The Slough," the same being fully and particularly described in the second section of an Act entitled "An Act granting certain swamps and overflowed lands to the City of Sacramento," approved March 31, 1857.

Grant of Sutter
Lake

Duties of Company
as to levee, &c.

SEC. 4. The said Railroad Company shall, at all times, after using the said levee for railroad purposes as aforesaid, and while so using the same, keep in good repair and maintain at its present height such portion of said levee as may be used by said company for railroad purposes as aforesaid; and shall also make and keep in repair all necessary crossings over the said levee and railroad.

Conditions.

SEC. 5. The said Central Pacific Railroad Company of California shall so construct that portion of the track of said railroad along I and Front streets, between Sixth and K streets, that the track shall present a smooth and uniform surface, even with the top of the rails, so that vehicles may pass over and across the same without difficulty or obstruction; and a failure and refusal by said railroad company to comply with any of the above provisions within a reasonable time after notice, shall be held and deemed a forfeiture of the right to use the said streets of said city, or any portion thereof, by said Company for railroad purposes as aforesaid.

SEC. 6. This act shall be deemed a public act, and shall take effect and be in force from and after its passage.

AN ORDINANCE OF THE CITY OF SACRAMENTO,
GRANTING TO C. P. R. R, CO., VALUABLE
WATER FRONT, &c.

ORDINANCE No. 148.

An Ordinance granting to the Central Pacific Railroad Company of California the right of way and certain privileges in the City of Sacramento :

The Board of Supervisors of the City and County of Sacramento do order and ordain as follows :

SECTION 1. There is hereby granted to the Central Pacific Right of way. Railroad Company of California, their successors and assigns, the right of way and the right to construct, lay down, maintain and operate railway tracks within the limits of the city of Sacramento and across and along certain streets of said city ; but Use of certain streets. not along or upon any street east of Front street and south of I street, and not along or upon any street lying east of Sixth street and south of the levee as now located and in process of construction, in the northerly part of said city ; and for that purpose such railroad may enter the northerly or easterly Where to enter city portion of said city at such point as in the judgment of the officers of said company will be most convenient to the point where said railroad shall cross the American river ; and said company Use of levee. are hereby authorized to lay the track of their said railroad upon the top of the levee now constructed and being constructed in the northerly portion of said city, and also along

How to reach deep water.

Road over "the slough."

Right of way.

Water front.

Build wharves, storehouses, etc.

and upon that part of said levee lying east of said city, hereby granting to said company the right to extend and lay their track along and upon said levee from the point where said railroad may intersect or connect with said levee, westerly along, upon or north of said levee to the intersection of Front and K streets, and if, in order to reach deep water, it shall become necessary to extend said road below K street, or to pile or fill out to deep water in the river at or above K street, the said company, their successors and assigns, shall have the right to so extend their road, or to pile or fill out to deep water, and the corporate authorities of the city, or city and county of Sacramento, shall decide without unnecessary delay, which mode of reaching deep water shall be adopted. And said company shall have the right to depart from or leave said levee at any place or places where an abrupt or short turn in the line of said levee may render such departure necessary in order to obtain the proper curvature for their said line of railroad; and the further right and privilege is hereby granted to said company to construct, lay down, maintain and operate its said railroad and a branch or branches of the same on the north side of said levee, from the intersection of Sixth and E streets, or such other place in that vicinity as may be deemed most advisable by said company, in a westerly direction to Front street, near the Water Works building; and for the purposes aforesaid, there is hereby granted to the said company, their successors and assigns, on the north of said line of levee, the right of way across, upon, over and along any of such streets, parts of streets, public squares, and river front of the said city, together with the use of said levee, both within and outside of the limits of the said city; and there is hereby further granted to said company, their successors and assigns, the water front along the Sacramento river in front of said city, lying between the Sacramento river and a line running parallel to and eighty feet westerly from the east side of Front street, and from K street northerly, hereby giving and granting to said company the right and privilege of erecting and maintaining on and along said water front such wharves, landings, storehouses, warehouses, stations and other buildings and erections as may be necessary or convenient for the transaction and performance of the business of said railroad, reserving, however, the right to collect wharfage, tonnage and levee dues; and also granting the right and privilege of

constructing and building one or more tracks, with all necessary Several tracks. and suitable turnouts, side tracks, swiches and turntables along said line of railroad and water front.

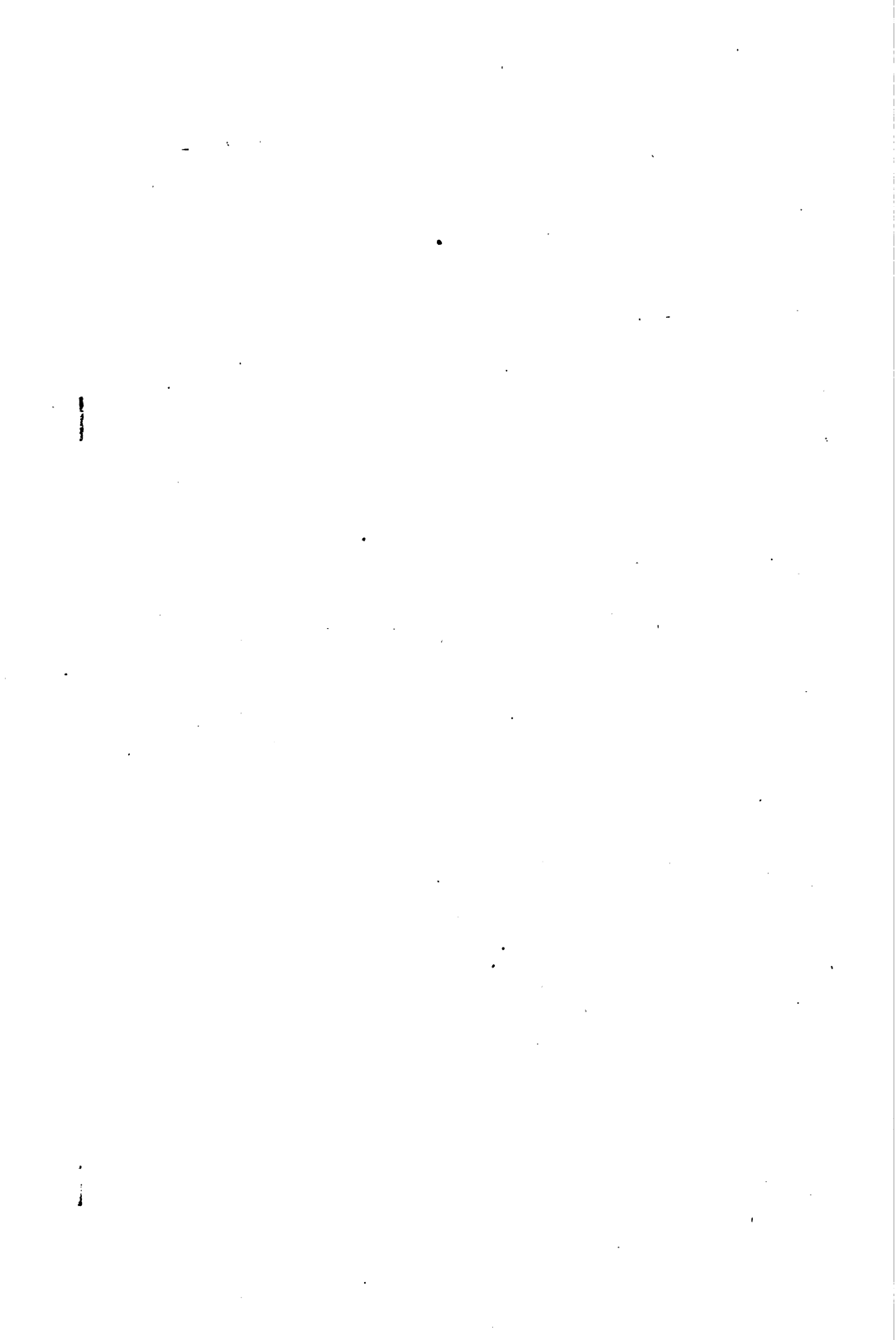
SEC. 2. There is hereby further granted to the said Central Grant of Sutter Lake. Pacific Railroad Company of California, their successors and assigns, all the right, title, interest and estate which the city of Sacramento, or the city and county of Sacramento, has or may have to all that tract lying within the boundaries of the said city, and commonly known as "Sutter Lake," or "The Slough," the same being fully and particularly described in the second section of the Act of the Legislature of the State of California, entitled "An Act granting certain swamp and overflowed lands to the City of Sacramento," approved March 31, 1857.

SEC. 3. The said Railroad Company shall, at all times, after Repair of Levee. using the said levee for railroad purposes as aforesaid, and while so using the same, keep in good repair and maintain at its present hight such portion of said levee as may be used by said company for railroad purposes as aforesaid; and shall also make Crossings. and keep in repair all necessary crossings over the said levee and railroad.

SEC. 4. The said Central Pacific Railroad Company of Cali- Track on I and Front streets fornia shall so construct, keep and maintain that portion of the track of said railroad along I and Front streets, between Sixth and K streets, that the track shall present a smooth and uniform surface, even with the top of the rails and also even and level with the ground on either side of said track, so that vehicles may pass over and across the same without difficulty or obstruction; and a failure and refusal of said railroad company to comply with any of the above provisions within a reasonable time after notice, shall be held and deemed a forfeiture of the right to use the said streets, levee, or river front of said city, or any portion thereof by said Company for railroad purposes or otherwise as aforesaid.

SEC. 5. The rights and privileges herein granted shall be Forfeiture. null and void unless the said railroad company shall, in writing, within forty days, notify the Board of Supervisors of their acceptance of the same; and said acceptance shall be placed on the records of said Board, and said record shall be deemed evidence of the same, with the like validity and effect as the original.

Passed December 1, 1862.



*AN ACT OF THE LEGISLATURE OF CALIFORNIA
GRANTING SWAMP LANDS TO SACRAMENTO.*

CHAPTER CXXXII.

*An Act granting certain Swamp and Overflowed Lands to the
City of Sacramento.*

[Approved March 31, 1857.]

*The People of the State of California, represented in Senate and
Assembly, do enact as follows :*

SECTION 1. The title of the State of California in and to all the lands described in section second of this Act, is hereby given, granted and relinquished to the city of Sacramento. Title relinquished.

SEC. 2. The lands granted by this act are described as follows, to wit: Beginning at a point in the city of Sacramento on the east side of Third street, twenty-five feet north from I street, and running thence in an easterly direction six hundred and forty feet, in a direct line to a point seventy feet west from Fifth street and eighty-five feet north from I street. Thence in a northerly direction, parallel with Fifth street, thirty feet. Thence in a westerly direction, one hundred and twenty feet, in a direct line to a point on the south line of an alley which is one hundred and sixty feet north from I street. Thence in a northeasterly direction, four hundred and fifty feet, in a direct line to a point on the east line of Fifth street, one hundred feet north Boundaries.

Boundaries.

from H street. Thence in an easterly direction, and parallel with H street, eighty feet. Thence at right angles, and in a northerly direction, and parallel with Fifth street, one hundred and forty-five feet. Thence in a northwesterly direction, two hundred and thirty-five feet, in a direct line to a point on the west line of Fifth street, fifteen feet north from G street. Thence in a westerly direction and parallel with G street, eighty feet. Thence in a northerly direction, and parallel with Fifth street, thirty feet. Thence in a westerly direction, and parallel with G street, two hundred and forty feet, to the east line of Fourth street. Thence westerly, two hundred and seventy feet, in a direct line to a point on the south line of G street, one hundred and sixty feet west from Fourth street. Thence in a westerly direction and along the south line of G street, three hundred and twenty feet. Thence in a southeast direction, five hundred feet, in a direct line to a point on the north line of H street, one hundred feet west from Fourth street. Thence southerly and parallel with Fourth street, two hundred and forty feet. Thence in a southwesterly direction, two hundred and forty feet, to the east line of Third street, at a point fifty feet north from the place of beginning. Thence south, along the east line of Third street, to the place of beginning.

Land to be surveyed and divided.

SEC. 3. It shall be the duty of the Mayor and Common Council of the city of Sacramento to cause the land granted by this Act to be surveyed by the City Surveyor of said city, and divided into lots of convenient size, fronting upon Third, Fourth and Fifth streets, and G and H streets, which streets shall be extended through said property in accordance with the general plan of the streets in said city, and within six months after the passage of this Act they shall cause all of said lots to be sold at public auction, in separate parcels, to the highest bidder, after having first advertised the time, place and terms of said sale, at least twenty days in some daily newspaper published in said city of Sacramento; and the proceeds of the sale of said lots shall be exclusively devoted to constructing and grading Third, Fourth and Fifth streets, and G and H streets, within the boundaries mentioned in section two of this Act, until said streets shall be finished in a good and substantial manner, and the residue of the proceeds of said sale of lots, if any, shall be paid into the School Fund of said city of Sacramento, to be used for Common School purposes.

Extension streets.

Lots to be sold

Proceeds.

MORTGAGE DEED, CALIFORNIA SECTION.

**DEED OF TRUST, OR MORTGAGE, ON THAT PART
OF THE CENTRAL PACIFIC RAIL ROAD LYING IN
THE STATE OF CALIFORNIA TO SECURE FIRST
MORTGAGE BONDS.**

THIS INDENTURE made and entered into this twenty-fifth day of July, 1865, by and between the *Central Pacific Rail Road Company of California*, a rail road corporation duly organized under and in pursuance of the Laws of the State of California, parties of the first part, and D. O. Mills and William E. Barron, of the City of San Francisco, in said State of California, parties of the second part, Witness:

Whereas, By an act of the Congress of the United States of America, entitled "An act to aid in the construction of a rail road and telegraph line from the Missouri river to the Pacific ocean, and to secure to the Government the use of the same for postal, military and other purposes," approved July 1st, 1862, the Secretary of the Treasury of the United States was authorized to issue to the said Central Pacific Rail Road Company of California, in accordance with the terms and provisions of the said act, the bonds of the United States for one thousand dollars each, payable in thirty years after date, bearing interest at the rate of six per cent. per annum, to the amount of sixteen of said bonds per mile for that portion of their line of rail road lying between the foot of K street, in the City of Sacramento, in the State of California, and the western base of the Sierra Nevada Mountains, as fixed by the President of the United

Recital of Act of
Congress of 1862.

Act of 1864.

Act of 1865.

Resolution of Directors to issue 1st Mortgage Bonds.

States, in accordance with the provisions of said act, the same being a distance of seven and eighteen-hundredths miles, and for that portion of their rail road line lying one hundred and fifty miles eastwardly of said western base of the Sierra Nevada Mountains, forty-eight of said bonds per mile, for which bonds the United States retained a lien on the said rail road of the said company: *And whereas*, by the provisions of an act of said Congress, amendatory of said act, approved July 2d, 1864, the said company was authorized to issue its "First Mortgage Bonds," on their rail road line to an amount not exceeding the amount of the said bonds of the United States, and the said lien of the said United States Bonds was therein and thereby made subordinate to that of the said bonds of the said company thereby authorized to be issued: *And whereas*, Also by the provisions of an act of said Congress, amendatory of the before mentioned act, approved March 3d, 1865, the said company were further authorized to issue their said six per cent. thirty year "First Mortgage Bonds," payable in any lawful money of the United States, to the extent of one hundred miles in advance of a continuous completed line of construction: *And whereas*, The said company is about to issue, and intends from time to time, as the same may be required for the construction and equipment of their railroad, to issue its said "First Mortgage Bonds" in form and substance and to the amount and extent authorized and provided for in and by the said several acts of Congress, which said bonds have, by the provisions of the said acts of Congress, priority of lien on the R. R. line of the said Company over the said United States Government bonds: *And whereas*, The execution and issue of the said "First Mortgage Bonds" have also been duly authorized and directed by an order and resolution of the Board of Directors of the said company: *And whereas*, The said Board of Directors ordered and directed that the said "First Mortgage Bonds," should be executed and issued upon that portion of the rail road line of the said company lying between the city of Sacramento and the eastern boundary line of the State of California, to an amount equal to and not exceeding the amount of the said United States government bonds issued and to be issued thereon, the length of said rail road line from its terminus in the city of Sacramento to the western base of the Sierra Nevada Mountains, as fixed by the President of the United States in pursuance of said acts

of Congress, being seven and eighteen-hundredths miles, and the length of said rail road line from said western base to the eastern boundary line of the State of California being estimated at one hundred and twenty-five miles, and said Board of Directors further ordered and directed that the said "First Mortgage Bonds" should be executed and issued in four several series, to be designated by the first four letters of the alphabet, the first of said series to be designated as "Series A," and that said "Series A" should bear date July 1, 1865, and include three thousand of said bonds for one thousand dollars each; "Series B" to include one thousand bonds for one thousand dollars each; "Series C" to include one thousand bonds for one thousand dollars each; "Series D" to be of bonds for one thousand dollars each and to include the remainder of said bonds authorized to be issued on said portion of said rail road line under said acts of Congress. The said "Series B," "C," and "D," to bear such date as may hereafter be fixed by the Board of Directors of said company; which said bonds are and will be in the following form, to wit:

Different Series of Bonds.

"The Central Pacific Railroad Company of California acknowledge themselves to owe to Eugene Kelly, of the City of New York, or to the holder hereof, the sum of one thousand dollars, which sum they promise to pay the holder hereof, in the city of New York, thirty years from the date hereof, with interest thereon at the rate of six per cent. per annum from the first day of July, 1865, payable semi-annually on the 1st day of January, 1866, and on the first days of July and January of each year thereafter, in the city of New York, upon the surrender of the annexed coupons. Both principal and interest payable in United States gold coin at par, dollar for dollar.

Form of Bonds.

This bond being one of the "Series A" of "First Mortgage Bonds" which the said Company is authorized to issue upon portions of their rail road line between the City of Sacramento and the eastern boundary line of the State of California, in accordance with the provisions of an act of the Congress of the United States, approved July 2, 1864, entitled "An Act to amend an Act entitled 'An Act to aid in the construction of a rail road and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes, approved July first, eighteen hundred and sixty two,'" and the Act amendatory

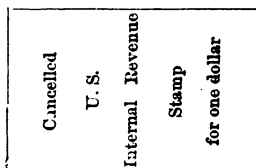
of the said Act, approved March third, 1865; by the provisions of which acts, the said Company authorized to issue its first mortgage six per cent. thirty year bonds on its line of rail road, payable in any lawful money of the United States, to an



amount not exceeding the amount of the bonds of the United States, provided to be issued to said Company, and by which also the lien of the United States bonds on the rail road property and equipments of the said Company is made subordinate to that of the said "First Mortgage Bonds." The holder of any of the said bonds to have no preference over any other of said bondholders by reason of priority in the time of issuing the same or otherwise. The said "Series A," consisting of three thousand Bonds for \$1,000 dollars each. The payment of the principal and interest of this and the others of said "First Mortgage Bonds" is secured by a first mortgage executed by the said Company upon the whole of their rail road from the City of Sacramento to the eastern boundary line of the State of California, and all the rolling stock, fixtures, and franchises thereof, to D. O. Mills and William E. Barron, of San Francisco, as trustees for the holders of such "First Mortgage Bonds" and coupons.

And it is hereby stipulated and conditioned that the City and County of San Francisco, and the Counties of Sacramento and Placer, in the State of California, shall not be liable for any of the debts or liabilities of said Company to an amount beyond or exceeding the amount of the capital stock of said company, subscribed, or which may hereafter be subscribed by them, or either of them, upon the books of said Company.

"In testimony whereof, the said Company have caused their corporate seal to be hereunto affixed, and the same to be signed by their President and Secretary, this first day of July, 1865."



LELAND STANFORD,
President.

E. H. MILLER, JR.,
Secretary.

To each of which said bonds there is attached sixty interest coupons, numbered respectively from one to sixty, inclusive, of one of which the following is a copy, to wit:

<p>\$30</p> <p>Central Pacific Railroad Company of California.</p> <p>FOR BOND NO.</p> <p>A.</p> <p><i>Interest Coupon for Thirty Dollars, due July 1st, 1896.</i></p> <p><i>Payable in the City of New York.</i></p> <p><i>E. H. Miller, Jr., Sec'y.</i></p>
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Form of Coupon.

And to each of said bonds there is, and will be affixed, when issued, a cancelled U. S. Internal Revenue stamp, or stamps, of the value of one dollar.

And whereas the Board of Directors of the said Company, under and in pursuance of the said Acts of Congress and the laws of the State of California, further ordered and directed that to secure the payment of the said "First Mortgage Bonds," issued, or to be issued upon that portion of the rail road line of said Company hereinbefore described, a mortgage of the said Company be executed, signed by the President and Secretary, and sealed with the corporate seal of the Company, to the said D. O. Mills and William E. Barron, as trustees for the holders of said bonds upon the rail road of said Company, now constructed, or to be hereafter constructed, from Sacramento to the eastern boundary line of the State of California, and the fixtures, rolling stock and franchise of the Company, as by the said orders of the said Board of Directors will more fully appear.

Resolution to execute Mortgage.

NOW, THEREFORE, THIS INDENTURE WITNESSETH That the said Central Pacific Rail Road Company of California, for the better securing the payment of the principal and interest of the said "First Mortgage Bonds," issued or to be issued in the several series aforesaid, on the days and at the places therein and herein prescribed for the payment thereof, and also in consideration of the sum of one dollar, to it in hand paid by the said parties of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold, aliened, conveyed, and confirmed, and by these presents doth grant, bargain, sell, alien, convey and confirm unto the said parties of the

Convey property to Trustees.

Description.

second part, and their successors duly appointed for the execution of the trusts herein set forth, and to their assigns forever, the following property, part of which is now, and part of which is hereafter to be constructed, purchased, acquired, held, possessed, and owned by the said company, to wit: The Rail Road of the said company, commencing at the city of Sacramento and running thence in an easterly direction through the counties of Sacramento, Placer, and Nevada, to the eastern boundary line of the State of California, including all of said line of rail road now completed and in process of construction, as well as that portion of the same, which may hereafter in whole or in part, be constructed or completed, including therein the roadway and track, together with all the superstructures, depots, depot grounds, station houses, watering places, work shops, machine shops, machinery, side tracks, turnouts, turntables, weighing scales, fixtures, locomotives, tenders, rolling stock, fuel, equipments, and all other property which is necessarily or ordinarily used in operating the said rail road, and all rights and privileges of way or transit, which are now or may be hereafter constructed, purchased, acquired, held, possessed or owned, by the said company, and pertaining to said line of rail road, and all corporate rights, privileges and franchise of said company, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, income, issues, and profits thereof, with all the rights, title, interest, estate, property, possessions, claim and demand in law and in equity of the said parties of the first part, of, in, and to the same and every part and parcel thereof. To have and to hold the above granted and described premises, property and franchise, with the appurtenances, unto the said parties of the second part and to the survivor of them, and to the successors duly appointed, UPON TRUST and for the use and benefit of the person or persons, body or bodies politic or corporate, who shall become or be from time to time holders of the said several series of "First Mortgage Bonds" or any of them, issued or to be issued by the said parties of the first part or their successors as aforesaid, without preference to the holders of any of the said bonds over the others, or any other by reason of priority in the date, or the time of issuing the same, or otherwise. PROVIDED ALWAYS, and these presents are upon the express condition that if the said

Trust.

party of the first part, or their successors, shall well and truly pay, or cause or procure to be paid unto the holders, from time to time, of said bonds, and each and every of them, the said sum of money secured to be paid by the said bonds, and the interest coupons attached thereto at the places and times, and in the manner set forth in the said bonds, according to the true intent and meaning thereof, then these presents and all the property, estates, rights, franchise and privileges herein and hereby granted and conveyed, shall cease, determine, and be void.

But if default shall be made in the payment of the said sums of money specified in said bonds, or in the payment of said interest coupons, or either of them, or any part thereof, and if the same shall remain unpaid for the period of six months from and after the time when the same should have been paid according to the terms of said bonds, then the said parties of the second part, or either of them, upon the refusal of the other, or their successors in said trust, by themselves or their agents or servants, in that behalf, may, upon request of the holder or holders of not less than fifty of said bonds, on which the interest or principal shall so be, and have remained in default as aforesaid, enter into and upon, and take the possession of all, or, in their or his discretion, any part of the said premises and property hereinbefore described, and work and operate the said rail road, and receive the income, receipts, and profits thereof, and out of the same pay: **FIRST**, the expenses of running and operating the same, including therein such reasonable compensations, as they or he may allow, to the several persons employed or engaged in running and superintendence of the same, and a reasonable compensation to the parties of the second part, or their successors, or such of them as shall act in the premises, for their or his care, diligence, and responsibility in the premises; and **SECOND**, the expenses of keeping the said road, and the appurtenances, and the locomotives, and the rolling stock thereof in good and sufficient repair to prevent deterioration in the values thereof, and all other reasonable and proper charges and expenses of the care and management thereof and: **THIRD**, pay as far as the same will suffice, all interest, and the principal, if any, which may be due on said bonds, and in case of any deficiency, to apply said receipts after the payments of all said charges and expenses to the payment thereof, rateably, without preference of any kind; or the said parties of the second part may in such case sell and

On default in payment, Trustees, on request of holders of 50 bonds, to take possession and raise means.

Pay expenses of running, &c., &c.

And of keeping in repair.

Pay interest and principal due rateably.

dispose of, according to law, all the rights, property, privileges, franchises, real and personal, with the appurtenances herein and hereby granted, or so much thereof as may be necessary, and out of the money arising from such sale, pay: FIRST, the costs, charges, and expenses of the foreclosure and sale, including therein reasonable counsel fees for conducting said proceedings, to be allowed and fixed by the Court, but not exceeding thirty thousand dollars. And SECOND, any expenses, costs, or charges, of the execution of this trust previously incurred and remaining unpaid. THIRD, a reasonable compensation to the trustees, or one of them, who may act, for their, or his, care, trouble, and service, in completing the execution of this trust, and the distribution of the proceeds of sale, to be fixed by the court, but not exceeding fifty thousand dollars. And FOURTH, to distribute the residue of said proceeds among the holders of said bonds in proportion to their several interests, until all have been paid in full, principal and accrued interest.

Or sell the road.

And pay expenses of sale.

And of the trust.

And compensation to Trustees.

And distribute rate- ab. y.

Agreement to pay taxes, &c.

And the said parties of the first part hereby agree and covenant to and with the said parties of the second part and their successors in said trust, that they will pay all ordinary and extraordinary taxes, assessments, and other public burdens and charges, which shall or may be imposed upon the property herein described and hereby mortgaged, and every part thereof, and the said parties of the second part, the survivor of them or their successors in said trust, or any one or more of the holders of said bonds, may, in case of the default of the said parties of the first part in this behalf, pay and discharge the same and any other lien or incumbrance upon said property, which may in any way, either in law or equity, be, or become in effect a charge or lien thereon, prior to these presents, or to which this mortgage may be subject or subordinate, and for all payments thus made, the parties so making the same shall be allowed interest thereon at the rate of seven per cent. per annum, and such payments, with the interest thereon, shall be and are hereby secured to them by these presents, and declared to be payable and collectable in the same sort of currency or money wherein they shall have been paid, and the same shall be payable by said parties of the first part, to said parties of the second part in trust for the party or parties paying the same upon demand, and may be paid out of the proceeds of the sale of said property and franchises as hereinbefore provided.

And the said parties of the first part hereby covenant and agree to and with the said parties of the second part, and their successors in said trust, that they will at any and all times hereafter, upon the request of the said parties of the second part, execute and acknowledge and deliver to the said parties of the second part and their successors in said trust, all and every such further necessary and reasonable conveyances and assurances of the said premises or any part thereof, as may, by the parties of the second part, or the survivor of them or his or their successor, in the trust hereby created, be reasonably advised or required for more fully carrying into effect the object of this conveyance. And the said parties of the second part and their successors in said trust shall be entitled to receive a just and proper compensation for all services rendered by them in the discharge of said trust, and the same shall be deemed to be secured hereby.

Covenants of further assurances.

And it is hereby stipulated and agreed that the said parties of the second part, and their successors in said trust, shall not be responsible for the acts or omissions of any agent or agents employed by him and them, in any manner, in and about the execution of the trust hereby created, when such agent or agents are selected with reasonable discretion, or with the approbation, or with the knowledge, and without the express disapproval of said parties of the first part; nor shall either of the said parties of the second part be responsible for any act or omission of the other in the execution of said trust.

Acts of agents.

And it is hereby mutually covenanted, agreed and declared, that in case either of the parties hereto of the second part, shall die, or become, or be incapacitated from discharging the duties of this trust, or shall resign the same by an instrument under his hand and seal duly acknowledged, or proved as a conveyance, so as to entitle the same to be recorded and delivered to the parties of the first part, or the remaining trustee, then the remaining or surviving trustee shall select, and by a like instrument duly acknowledged and proved, nominate to the said parties of the first part, and the said parties of the first part, shall and will by resolution, appoint the person so nominated as such new trustee, in place of the trustee so dying, becoming incompetent, or resigning, and so in case of the death, incapacity, or resignation, of any new or substituted trustee, his place shall be filled in like manner, and all the estate, property,

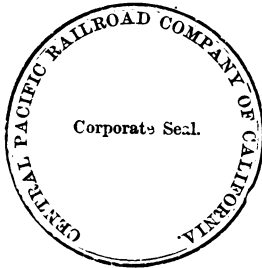
Death or incapacity of Trustee—appointment of successor.

rights, and interest, of the said trustee so dying, becoming incompetent, or resigning, shall on the execution, acknowledgment, and delivery of such nomination, immediately and by force of this instrument vest in said new trustee as fully and completely in all respects, as if he had been herein named as one of the said parties of the second part.

And it is hereby further stipulated and agreed that the City and County of San Francisco and the Counties of Sacramento and Placer, in the State of California, shall not be liable for any of the debts or liabilities of said Company to an amount beyond or exceeding the amount of the capital stock of said Company subscribed, or which may hereafter be subscribed by them, or either of them, upon the books of said company.

And the said parties of the second part hereby accept the trust created and declared by this instrument, and agree to discharge the same pursuant to the provisions in that behalf herein contained.

In witness whereof, the said Central Pacific Rail Road Company, of California, have caused these presents to be signed by their President and Secretary, and sealed with their corporate seal. And the said parties of the second part have hereunto set their hands and seals the day and year first above written.



LELAND STANFORD,

President C. P. R. R. Co.

E. H. MILLER, JR.,

Secretary C. P. R. R. Co.

D. O. MILLS,



WM. E. BARRON,



STATE OF CALIFORNIA, }
 COUNTY OF SACRAMENTO. } ss.

On this twenty-sixth day of July, 1865, before me, Julius Wetzlar, a Notary Public in and for said County, duly commissioned and sworn, personally appeared E. H. Miller, Jr., known to me to be the Secretary of the Central Pacific Rail Road Company of California, which Company is one of the parties described in, and who executed the foregoing instrument, and the said E. H. Miller, Jr., duly acknowledged to me that he executed the said instrument as Secretary of the said Company, as the act and deed of the said Central Pacific Rail Road Company of California, freely and voluntarily, for the uses and purposes therein mentioned, and that the seal affixed to the said instrument is the corporate seal of said Company, and was affixed thereto by its authority. Acknowledgement.

In testimony whereof, I have hereunto set my hand and affixed my official seal the day and year aforesaid.

(Signed.)

JULIUS WETZLAR,

N. P.



STATE OF CALIFORNIA, }
 CITY AND COUNTY OF SAN FRANCISCO. }

On this twenty-seventh day of July, 1865, before me, H. S. Homans, a Notary Public, in and for said City and County, duly commissioned and sworn, personally appeared Leland Stanford, known to me to be the President of the Central Pacific Rail Road Company of California, which company is one of the parties described in and who executed the foregoing instrument, and duly acknowledged to me that he executed the said instrument as the act and deed of the said Central Pacific Rail Road Company of California, freely and voluntarily for the uses and purposes therein mentioned, and that the seal affixed to the said instrument is the corporate seal of said company, and was affixed thereto by its authority; and on the same day personally appeared D. O. Mills and William E. Barron, known to me to be the persons described in, and who executed the said instrument, and severally acknowledged to me that they executed the same freely and voluntarily for the uses and purposes therein mentioned. Acknowledgement.

In testimony whereof I have hereunto set my hand and af-
fixed my official seal the day and year aforesaid.

(Signed,)

H. S. HOMANS,
Notary Public.

Record in Nevada
Co., California.

Filed July 29th, A. D. 1865, at 2 o'clock P. M., and at request of
E. B. Crocker, duly recorded in Book "C" of Mortgages, in
pages 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358 and
359 of the Records in the Recorder's office of Nevada County,
in the State of California.

(Signed,)

G. MORGAN,
Recorder.

Recorded in Placer
Co., California.

Filed for Record at request of E. B. Crocker, Esq., August
3d, A. D. 1865, at 9 o'clock, A. M., and duly recorded in book
"G" of real Mortgages, on folios 520, 521, 522, 523, 524, 525, 526,
527 and 528, of Placer County Records.

(Signed,)

WALTER B. LYON,
Recorder.

Record in Sacra-
mento Co.

Filed for Record, August 24th, 1865, at 1 hour 45 minutes,
P. M., at request of E. B. Crocker, and recorded in book "R" of
Mortgages, on pages 456, 457, 458, 459, 460, 461, 462, 463 and
464, Sacramento County Records.

(Signed,)

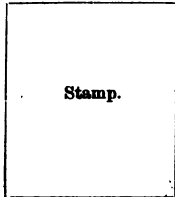
A. C. BIDWELL,
*County Clerk and
Ex Officio County Recorder.*

STATE OF CALIFORNIA, }
COUNTY OF SACRAMENTO. }

Certificate of Clerk
of Sacramento Co.

I, Alonson C. Bidwell, County Clerk of said County of Sacra-
mento, and ex. officio County Recorder of said County, hereby
certify that the foregoing is a true and correct copy of the said
Mortgage, as the same is recorded in the Recorder's office of
said County, in book R of Mortgages, in pages 456 to 464.

Witness my hand and official seal, this 27th day of Oc-
tober, 1865.



ALONSON C. BIDWELL,
*County Clerk and
ex. officio County Recorder,
of Sacramento County.*

MORTGAGE DEED, NEVADA SECTION.

DEED OF TRUST, OR MORTGAGE, ON THAT PART OF THE CENTRAL PACIFIC RAILROAD LYING IN THE STATE OF NEVADA, TO SECURE FIRST MORTGAGE BONDS.

THIS INDENTURE, made and entered into this first day of January, 1867, by and between the Central Pacific Railroad Company of California, a railroad corporation duly organized under, and in pursuance of, the laws of the State of California, parties of the first part, and D. Ogden Mills and William E. Barron, of the City of San Francisco, State of California, parties of the second part—Witnesseth:

Whereas, by an Act of the Congress of the United States of America, entitled "An Act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military and other purposes," approved July 1, 1862, the said Central Pacific Railroad Company of California was authorized to construct that portion of the railroad and telegraph line provided for by said Act, lying within the boundaries of the State of California, and after completing the same across said State, to continue the construction of the same through the Territories of the United States to the Missouri River, until the same should meet and connect with the railroad and telegraph line to be constructed by the other Railroad Companies mentioned in said Act; and the Secretary of the Treasury of the United States was, by the said Act, authorized to issue to the said Central Pacific Railroad Company of California, in accordance with the terms and provisions of said Act, the Bonds of the United States for one thousand dollars each, payable in thirty years after date, and bearing interest at the rate of six per cent. per annum, to the amount of sixteen of said Bonds for each mile of said railroad and telegraph line lying westwardly from the western base of the Sierra Nevada

Recital of Act of Congress.

Mountains, said point to be fixed by the President of the United States, under which authority the President of the United States fixed the western base of said mountains at the point where said railroad and telegraph line crosses Arcade Creek, in Sacramento County, California, the same being a distance of seven and eighteen-hundredths miles from the western terminus of said railroad and telegraph line in the City of Sacramento; and for that portion of said railroad and telegraph line lying one hundred and fifty miles eastwardly from the said western base of the Sierra Nevada Mountains, to issue forty-eight of said Bonds for each mile thereof; and for that portion of said railroad and telegraph line lying between the said point one hundred and fifty miles eastwardly of the western base of the Sierra Nevada Mountains, and a point one hundred and fifty miles westwardly from the eastern base of the Rocky Mountains, said point to be also fixed by the President of the United States, to issue thirty-two of said Bonds for each mile thereof; and for that portion of said railroad and telegraph line lying one hundred and fifty miles westwardly from the said eastern base of the Rocky Mountains, to issue forty-eight of said Bonds for each mile thereof; for which Bonds the United States retained a lien on the railroad of said Company.

Or Act of 1864.

And whereas, by the provisions of an Act of said Congress of the United States, amendatory of the above entitled Act, and which was approved July 2, 1864, the said Central Pacific Railroad Company of California was authorized to issue its "First Mortgage Bonds" on their railroad line to an amount not exceeding the amount of the said Bonds of the United States authorized to be issued by the Secretary of the Treasury of the United States by said first-mentioned Act; and the said lien of the United States for said bonds was therein and thereby made subordinate to that of the Bonds of said Company thereby authorized to be issued.

Or Act of 1865.

And whereas, also by the provisions of an Act of said Congress amendatory of the said Acts hereinbefore mentioned, and which was approved March 3, 1865, the said Company was further authorized to issue their said six per cent. thirty year "First Mortgage Bonds," payable in any lawful money of the United States, and to the extent of one hundred miles in advance of a continuous completed line of construction.

And whereas, also by the provisions of an Act of the said

Congress amendatory of the Acts hereinbefore mentioned, and which was approved July 3, 1866, the said Central Pacific Railroad Company of California was authorized to locate, construct, and continue their road eastward in a continuous, completed line, until they should meet and connect with the Union Pacific Railroad.

And whereas, the State of California, by an Act entitled "An Act to aid in carrying out the provisions of the Pacific Railroad and Telegraph Act of Congress and other matters relating thereto," approved April 4, 1864, authorized the said Central Pacific Railroad Company of California to construct, maintain and operate their said railroad and telegraph line not only in the State of California, but also in the said Territories lying east of and between said State and the Missouri River, and confirming to and vesting in the said Company, all the rights, privileges, franchises, power and authority conferred upon, granted to or vested in said Company by the said Act of Congress, approved July 1, 1862.

Act of State of California confirming Act of Congress.

And whereas, the State of Nevada, by an Act entitled "An Act to aid in carrying out the provisions of the Pacific Railroad and Telegraph Act of Congress and other matters relating thereto," approved March 9, 1866, authorized the said Central Pacific Railroad Company of California to construct, maintain and operate the said railroad and telegraph line across the State of Nevada, and also confirming to and vesting in the said Company all the rights, privileges, franchises, power and authority conferred upon, granted to and vested in said Company by said Acts of Congress, approved July 1, 1862, July 2, 1864, and March 3, 1865.

Act of Nevada, do.

And whereas, the said Company is about to issue and intends to issue from time to time, as the same may be required for the construction and equipment of their said railroad, its said "First Mortgage Bonds" in form and substance and to the amount and extent authorized and provided for in and by the said several Acts of Congress, upon that portion of their said railroad line lying eastwardly of the eastern boundary line of the State of California, and to the extent and distance that the said Company may construct said railroad eastwardly of said eastern boundary line.

And whereas, heretofore, to wit, on the 18th day of December, 1866, the Board of Directors of the said Company, at a regular

Resolutions of the Board.

meeting thereof, duly ordered and directed, by resolutions and orders then and there duly passed and adopted by said Board, that the said "First Mortgage Bonds" upon the said portion of the railroad line of said Company lying eastwardly of the eastern boundary line of the State of California, be prepared, executed and signed by the President and Secretary, and sealed with the corporate seal of said Company, to an amount equal to but not exceeding the amount of the United States Government Bonds which may be issued to said Company under and in pursuance of the said several Acts of Congress hereinbefore mentioned and such Acts of Congress as may hereafter be enacted, upon such portion of the railroad line of said Company as may be constructed by said Company eastwardly of the said eastern boundary line of the State of California, the amount and number of said Bonds being at this time undetermined and depending upon the number of miles of said railroad which may be constructed by said Company eastwardly of said eastern boundary line of the State of California; the said Bonds to be for one thousand dollars each, payable to the holder of such Bond thirty years from the date thereof, and to bear interest at the rate of six per cent. per annum, payable semi-annually, principal and interest payable in United States gold coin at par, dollar for dollar, in the City of New York, the interest to be payable upon the surrender of interest coupons to be attached to such Bonds; the holder of any of the said Bonds to have no preference over any other of said bond-holders, by reason of any priority of date or of the time of issuing the same or otherwise; the said Bonds to be executed and issued in several series, of such a number as may be necessary, to be designated by the letters of the alphabet, commencing with the letter E, and followed by the succeeding letters in regular order; the said series E to bear date of January 1, 1867, and to consist of four thousand Bonds; and series F, and the several series succeeding the same, to bear such date as the Board of Directors of said Company should thereafter direct, and each to consist of four thousand Bonds, except the last of the series, the amount of which should be fixed by said Board of Directors, and to equal, but not exceed, with the Bonds included in the several previous series, the amount of said "First Mortgage Bonds" which said Company is or may be authorized to issue upon said portion of said railroad line, under and in pursuance of said Acts of Congress.

Series of Bonds.

And said Board of Directors then and there by said resolutions and orders, further ordered and directed that the said series E of said Bonds should be executed and issued substantially in the following form; and that the succeeding series of said Bonds should be substantially in a similar form, with the necessary changes to conform to said resolutions and orders, which form is as follows, to wit:

“The Central Pacific Railroad Company of California acknowledge themselves to owe to Eugene Kelly of the City of New York, or to the holder hereof, the sum of one thousand dollars,

Form of First Mortgage Bonds, Series E.



which sum they promise to pay to the holder hereof, in the City of New York, thirty years from the date hereof, with interest thereon at the rate of six per cent. per annum, from the first



day of January, 1867, payable semi-annually on the first day of July, 1867, and on the first days of January and July of each year thereafter, in the City of New York, upon the surrender of the annexed coupons, both principal and interest, payable in United States gold coin at par, dollar for dollar:

“This Bond being one of the series ‘E’ of ‘First Mortgage Bonds’ which the said Company is authorized to issue upon that portion of their railroad line lying eastwardly of the eastern boundary line of the State of California, in accordance with the provisions of an Act of the Congress of the United States, approved July 2d, 1864, entitled “An Act to amend an Act entitled an Act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military and other purposes.’ approved July first, eighteen hundred and sixty-two, and the Act amendatory of the said Acts, approved March 3d, 1865, by the provisions of which Acts the said Company is authorized to issue its ‘First Mortgage Six per cent. Thirty Year Bonds’ on its line of railroad, payable in any lawful money of the United States, to an amount not exceeding the amount of the Bonds of the United States provided to be issued to said Company, and by which also the lien of the United States Bonds on the railroad property and equipments of the said Company is made subordinate to that of the said ‘First Mortgage Bonds;’ the holder of any of the said Bonds to have no preference

over any other of said bond-holders by reason of priority in the time of issuing the same or otherwise; the said series 'E' consisting of four thousand Bonds of one thousand dollars each. The payment of the principal and interest of this and the others of said 'First Mortgage Bonds' is secured by a First Mortgage, executed by the said Company upon the whole of their railroad lying eastwardly of the eastern boundary line of the State of California, and all the rolling-stock, fixtures and franchises thereof, to D. O. Mills and William E. Barron of San Francisco, as trustees for the holders of such 'First Mortgage Bonds' and coupons: and it is hereby stipulated and conditioned that the City and County of San Francisco, and the Counties of Sacramento and Placer, in the State of California, shall not be liable for any of the debts or liabilities of said Company, to an amount beyond or exceeding the amount of the capital stock of said Company subscribed, or which may hereafter be subscribed by them, or either of them, upon the books of said Company.

"In testimony whereof, the said Company have caused their corporate seal to be hereunto affixed, and the same to be signed by their President and Secretary, this first day of January, 1867."



President.

Secretary.

And the said Board of Directors, by said resolutions and orders, then and there further ordered, that to each of said Bonds should be attached sixty Interest Coupons, numbered respectively from one to sixty, inclusive, substantially in the following form, to wit:

Form of Coupon.

\$30	E.
Central Pacific Railroad Company of California.	
FOR BOND No.	
<i>Interest Coupon for Thirty Dollars, due January 1st, 1897.</i>	
<i>Payable in the City of New York.</i>	<i>E. H. Miller, Jr., Sec'y</i>

And further, that to each of said Bonds there should be affixed

when issued, a duly cancelled United States Internal Revenue stamp or stamps, of the value of one dollar, or of such value as might at the time be required by the laws of the United States, and also such stamps as should be required by the laws of the State of Nevada.

And the said Board of Directors, by said resolutions and orders further ordered and directed that, in order to secure the payment of the principal and interest of the said "First Mortgage Bonds" at the time and times the same should respectively become due, a mortgage be executed by said Company, bearing date of January 1, 1867, signed by the President and Secretary, and sealed with the corporate seal of said Company, to D. Ogden Mills and William E. Barron, of the City of San Francisco, or other competent and proper persons, as trustees for the holders of said Bonds, the same to be a first mortgage upon that portion of the railroad of said Company, constructed or hereafter to be constructed, lying eastwardly of the eastern boundary line of the State of California, and the fixtures, rolling-stock and franchises of said Company pertaining thereto.

Resolution to Mortgage.

And the said Board of Directors, by said resolutions and orders, then and there further ordered and directed that a Sinking Fund be provided for the payment of the said "First Mortgage Bonds," then and there authorized to be executed and issued, and that for that purpose there should be set apart in such fund, from the net earnings and income of the railroad of said Company, in the year 1872, and each and every year thereafter, the sum of fifty thousand dollars, in trust, to be loaned out at interest, upon good securities, under the order and direction of the Board of Directors; which sums of money, with the accumulating interest thereon, were thereby irrevocably pledged to the holders of the said Bonds for the final payment and redemption of said Bonds; the same to be held, used and applied solely, specially and exclusively to such payment and redemption until the said Bonds should be fully paid and redeemed.

Sinking Fund.

And the said Board of Directors then and there, by the said resolutions and orders, further ordered and directed, that the said Bonds, when executed, should be sold, hypothecated or otherwise disposed of by the duly authorized officers and agents of said Company, upon the most favorable terms which could be obtained, as the same may be needed in the construction and equipment of the railroad and telegraph line of the said Company,

That Bonds may be sold or hypothecated.

for the payment of the debts, contracts and liabilities, and in carrying on the business of the said Company, as by reference to said Acts of Congress, laws of the States of California and Nevada, and said resolutions and orders of said Company will more fully appear.

NOW THEREFORE, THIS INDENTURE WITNESSETH, that the said Central Pacific Railroad Company of California, for the better securing of the payment of the principal and interest of the said "First Mortgage Bonds" issued or to be issued as aforesaid, on the days and at the places therein and herein prescribed for the payment thereof, and also in consideration of the sum of one dollar to it in hand paid by the said parties of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold, aliened, conveyed and confirmed, and by these presents doth grant, bargain, sell, alien, convey and confirm unto the said parties of the second part, and to their successors, duly appointed for the execution of the trusts herein set forth, and to their assigns forever, the following property, part of which is now constructed, part in course of construction, and part to be hereafter constructed, purchased, acquired, held, possessed and owned by the said Company, to wit:

Description.

All that portion of the railroad, and the railroad line of the said Company lying eastwardly of the eastern boundary line of the State of California, commencing at the point at or near where the said boundary line crosses the Truckee River, thence down said Truckee River to the Big Bend of the Truckee, thence eastwardly in such course and direction as the line of said railroad may be located and constructed, and extending to such a distance from the said eastern boundary line of California, as the said Company may construct said railroad, including all the roadway, rights of way, track or tracks, together with all the superstructure, depots, depot grounds, station houses, watering places, work shops, repair shops, machine shops, machinery, side tracks, turn outs, turn tables, weighing scales, locomotives, tenders, cars, rolling stock of all kinds, fuel, equipments and all other property which may be necessarily or ordinarily used in operating the said portion of said railroad, including all of the said property which is now or may hereafter in whole or in part be constructed or completed, purchased, acquired, held, possessed, or owned by the said Company, and pertaining to said portion of said line of railroad, and all the corporate rights, privileges and franchises

of the said Company, together with all and singular the tenements, hereditaments and appurtenances thereto appertaining and belonging, and the reversion and reversions, remainder and remainders, rents, income, issues and profits thereof, with all the right, title, interest, estate, property, possession, claim and demand, in law and in equity, of the said parties of the first part, of, in and to the same, and every part and parcel thereof: to have and to hold the above granted and described premises, property and franchises, with the appurtenances, unto the said parties of the second part, and to the survivors of them, and to their successors duly appointed, upon TRUST and for the use and benefit of the person or persons, body or bodies politic or corporate, who shall become or be from time to time holders of the said "First Mortgage Bonds," or any of them, issued or to be issued by the said parties of the first part or their successors as aforesaid, without preference to the holder of any of the said Bonds over the others, or any other, by reason of priority of date or the time of issuing the same, or otherwise.

Provided always, and these Presents are upon the express condition, that if the said party of the first part, or their successors, shall well and truly pay, or cause or procure to be paid unto the holders, from time to time, of said Bonds, and each and every one of them, the said sums of money secured to be paid by the said Bonds, and the Interest Coupons attached thereto at the places and times, and in the manner set forth in the said Bonds, according to the true intent and meaning thereof; then these presents, and all the property, estate, rights, franchises and privileges herein and hereby granted and conveyed, shall cease, determine and be void: but if default shall be made in the payment of the said sums of money specified in said Bonds, or in the payment of said Interest Coupons, or either of them, or any part thereof; and if the same shall remain unpaid for the period of six months, from and after the time when the same should have been paid, according to the terms of said Bonds, then the said parties of the second part, or either of them, upon the refusal of the other, or their successors in said trust, by themselves, or their agents or servants, in that behalf, may upon the request of the holder or holders of not less than one thousand of said Bonds, on which the interest or principal shall so be, and have so remained in default, as aforesaid, enter into and upon, and take possession of all, or, in their or his dis-

In case of default,
for six months.

On request of hold-
ers of 1000 Bonds.

Trustees to take
possession.

cretion, any part of the said premises and property hereinbefore described, and work and operate the said railroad, and receive the income, receipts and profits thereof; and out of the same, pay: **FIRST**, the expense of running and operating the same, including therein such reasonable compensation as they or he may allow to the several persons employed or engaged in the running and superintendence of the same; and a reasonable compensation to the parties of the second part, or their successors, or such of them as shall act in the premises, for their or his care, diligence and responsibility in the premises: **SECOND**, the expenses of keeping the said road, the appurtenances, the locomotives and the rolling stock thereof, in good and sufficient repair, to prevent deterioration in the value thereof, and all other reasonable and proper charges and expenses of the care and management thereof: and, **THIRD**, pay as far as the same will suffice, all interest and the principal, if any, which may be due on said Bonds, and in case of any deficiency, to apply said receipts, after the payment of all said charges and expenses, to the payment thereof rateably, without preference of any kind; or the said parties of the second part may, in such case, foreclose this Mortgage, and sell and dispose of according to law, all the rights, property, privileges, franchises, real and personal, with the appurtenances herein and hereby granted, or so much thereof as may be necessary, and out of the money arising from such sale, pay: **FIRST**, the cost and charges and expense of the foreclosure and sale, including therein, reasonable counsel fees for conducting said proceedings, to be allowed and fixed by the Court, but not exceeding thirty thousand dollars: **SECOND**, any expenses, costs and charges of the execution of this Trust previously incurred and remaining unpaid: **THIRD**, a reasonable compensation to the Trustees, or one of them, who may act, for their or his care, trouble and service, in completing the execution of this trust and the distribution of the proceeds of sale, to be fixed by the Court, but not exceeding fifty thousand dollars: and, **FOURTH**, to distribute the residue of said proceeds among the holders of said Bonds, in proportion to their several interests until all have been paid in full, principal and accrued interest.

Or foreclose and
sell.

And the said parties of the first part hereby agree and covenant, to and with the said parties of the second part and their successors in said trust, that they will pay all ordinary and

extraordinary taxes, assessments and other public burdens and charges, which shall or may be imposed upon the property herein described and hereby mortgaged, and every part thereof: and the said parties of the second part, the survivor of them or their successors in said Trust, or any one or more of the holders of said bonds may in case of the default of the said parties of the first part in this behalf, pay and discharge the same, and any other lien or incumbrance upon said property which may in any way, either in law or equity, be or become in effect a charge or lien thereon prior to these Presents, or to which this mortgage may be subject or subordinate, and for all payments thus made the parties so making the same shall be allowed interest thereon, at the rate of seven per cent. per annum, and such payments, with the interest thereon, shall be and are hereby secured to them by these Presents and declared to be payable and collectable in the same sort of currency or money wherein they shall have been paid, and the same shall be payable by said parties of the first part to said parties of the second part upon demand, in trust for the party or parties paying the same, and may be paid out of the proceeds of the sale of said property and franchises as hereinbefore provided.

Company to pay all taxes, &c.

And it is hereby further covenanted and agreed that the said parties of the first part shall not and will not execute or issue any of the said Bonds, on any part of said line of railroad, only in such amounts and at such times as are or may be authorized by Acts of Congress, and only in strict conformity to the terms of said Acts of Congress, and the same shall, when issued, have attached thereto, duly cancelled stamps to such an amount as may be required by the laws of the United States and the State of Nevada.

And the said parties of the first part hereby further covenant and agree to and with the said parties of the second part and their successors in said Trust, that they will at any and all times hereafter, upon the request of the said parties of the second part execute, acknowledge, and deliver to the said parties of the second part and their successors in said Trust, all and every such further necessary and reasonable conveyances and assurances of the said premises, or any part thereof, as may by the parties of the second part, or the survivor of them, or his or their successors in the Trust hereby created, be reasonably advised or required, for more fully carrying into effect the objects of this

Covenants of further assessments.

conveyance, and the said parties of the second part and their successors in said Trust, shall be entitled to receive a just and proper compensation for all services rendered by them in the discharge of said Trust, and the same shall be deemed to be secured hereby.

And it is hereby stipulated and agreed that the said parties of the second part and their successors in said Trust shall not be responsible for the acts or omissions of any agent or agents employed by him or them in any manner in and about the execution of the Trust hereby created, when such agent or agents are selected with reasonable discretion, or with the approbation, or with the knowledge and without the express disapprobation of said parties of the first part, nor shall either of the said parties of the second part be responsible for any act or omission of the other in the execution of said Trust.

In case of death or resignation of Trustee: successor, how appointed.

And it is hereby mutually covenanted, agreed, and declared, that in case either of the parties hereto of the second part shall die, or shall from any cause become incapacitated from discharging the duties of this Trust, or shall resign the same by an instrument under his hand and seal, duly acknowledged or proved as a conveyance, so as to entitle the same to be recorded, and delivered to the parties of the first part, or the remaining Trustee; then the remaining or surviving Trustee shall select, and by a like instrument duly acknowledged or proved, nominate to the said parties of the first part, and the said parties of the first part shall and will, by resolution, appoint the person so nominated as such new Trustee in place of the Trustee so dying, becoming incompetent or resigning, and so in case of the death, incapacity or resignation of any new or substitute Trustee, his place shall be filled in like manner and all the estate, property, rights and interests herein of the said Trustee so dying, becoming incompetent or resigning, shall, on the execution, acknowledgement and delivery of such nomination, immediately, and by force of this instrument, vest in said new Trustee as fully and completely in all respects as if he had been herein named as one of the said parties of the second part.

And it is hereby further stipulated and agreed that the City and County of San Francisco, and the Counties of Sacramento and Placer, in the State of California, shall not be liable for any of the debts or liabilities of said Company, to an amount beyond or exceeding the amount of the capital stock of said Company

subscribed by them or either of them, upon the books of said Company. And the said parties of the second part hereby accept the Trust created and declared by this instrument, and agree to discharge the same pursuant to the provisions in that behalf herein contained.

In witness whereof, the said Central Pacific Railroad Company of California have caused these Presents to be signed, in duplicate, by their President and Secretary, and sealed with their corporate seal; and the said parties of the second part have hereunto set their hands and seals, in duplicate, the day and year first above written.



U. S.
Internal Revenue
Stamp
for 25 cents,
cancelled.

LELAND STANFORD,
President C. P. R. R. Co. of Cal.

E. H. MILLER, Jr.,
Secretary C. P. R. R. Co. of Cal.

Nevada State
Revenue Stamp
for 25 cents, cancelled.

D. O. MILLS.



WM. E. BARRON.

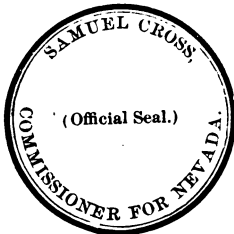


STATE OF CALIFORNIA, }
COUNTY OF SACRAMENTO. }

On this seventeenth day of January, A. D. 1867, personally appeared before me, Samuel Cross, a Commissioner of Deeds for the State of Nevada, duly appointed by the Governor thereof, Leland Stanford, known to me to be the President, and Edward H. Miller, Jr., known to me to be the Secretary of the Central Pacific Railroad Company of California, which Company is one

of the parties described in, and who executed the foregoing instrument, who acknowledged to me that they executed the said instrument as the act and deed of the said Central Pacific Railroad Company of California, freely and voluntarily, for the uses and purposes therein mentioned, and that the seal affixed to the said instrument is the corporate seal of the said Company and was affixed thereto by its authority.

In testimony whereof I have hereunto set my hand and affixed my official seal the day and year aforesaid.



U. S.
Internal Revenue
Stamp for 5 cents,
cancelled.

SAMUEL CROSS,
Commissioner.

STATE OF CALIFORNIA,
CITY AND COUNTY OF SAN FRANCISCO. }

On this nineteenth day of January, A. D. 1867, personally appeared before me, F. J. Thibault, a Commissioner of Deeds for the State of Nevada, duly appointed by the Governor thereof, D. Ogden Mills and William E. Barron, known to me to be persons described in, and who executed the foregoing instrument, who acknowledged to me that they executed the same freely and voluntarily for the uses and purposes therein mentioned.

In testimony whereof I have hereunto set my hand and affixed my official seal the day and year aforesaid.



U. S.
Internal Revenue
Stamp for 5 cents,
cancelled.

F. J. THIBAUT,
*Commissioner
for Nevada, in California.*

Recorded at request of Wells, Fargo & Co's. ag't, Feb'y 11th, 1867, at 10 A. M. Liber 3, Mortgages, fol. 71, Lander Co. Records, Nev.

RICH. BROWN,
Recorder Lander Co., Nev.

Recorded at request of W. F. & Co's. agent, Feb. 19th, 1867, at 8 o'clock A. M., in book A of Mortgages, page 270, Records of Humbolt Co., Nevada.

HIRAM WELCH,

Co. Recorder.

Recorded at request of Wells, Fargo & Co's. agent, February 27th, A. D. 1867, at 3 o'clock P. M., in book A of Mortgages, page 80, Records of Churchill County, Nevada.

M. W. HOYT.

County Recorder, Churchill Co., Nev.

Recorded at request of Wells, Fargo & Co's. agt., March 8th, 1867, in book C of Mortgages, 292. Washoe Co. Records, Nevada.

HENRY L. FISH.

County Recorder.

Recorded at request of Wells, Fargo & Co., March 11th, 1867, at 12 o'clock, M., in book E of Mortgages, on pages 329 to 336, inclusive, Storey Co. Records.

CHAS. H. FISH,

County Recorder.



