

CHAPTER 132.

CHAP. 132.

AN ACT to allow to the Susquehanna and Tide Water Canal Companies, to fund their debt and issue additional Stock. Passed April 28, 1852.

WHEREAS, the Susquehanna Canal and the Tide Water Canal, constitute one continuous work through the territories of Pennsylvania and Maryland, and are owned and governed by the same corporations; And whereas, the Legislature of Pennsylvania, at its present session, has passed a law, relating to said companies in the following words to wit: Whereas, the Susquehanna Canal Company, by reason of the excess of the actual, over the estimated, cost of their Canal, were obliged to contract debts to a large amount for the completion of that work, which indebtedness exists in various forms secured by different mortgages in different degrees of priority, but the larger part of it being unpreferred and comprehended only in a general deed of trust for the benefit of creditors, executed by the said company on the twenty-third day of December, one thousand eight hundred and forty-one; And whereas, a large amount of arrear interest has accrued upon the said unpreferred debt which renders it impracticable to give to the said debt, in the hands of the holders thereof, the same value and availability which it would derive from the conversion of the said arrear interest into capital stock, and a remodelling of the affairs of the said company, so that the holders of said debt shall receive new bonds for the principal of said debt, bearing interest payable semi-annually; And whereas, the condition of prosperity of said company is now such, that such a measure may be proposed, which, it is understood, is very generally desired by all parties interested therein, Therefore,

SECTION 1. Be it enacted by the Senate and House of Representatives, of the Commonwealth of Pennsylvania, and it is hereby enacted by the authority of the same, That whenever two-thirds, in value, of the creditors of the said company, upon whose debts arrear interest may be due, shall have signified their assent to arrangement proposed to be made by means of this act, it shall and may be lawful for the said company to issue new stock of the said company, to an amount equal to the indebtedness of the said company, for arrear interest to the first day of January, one thousand eight hundred and fifty-four, or any earlier period, if the company should deem it expedient, and also for the arrear interest

Preamble.

Company may issue new stock whenever two-thirds of creditors have signified assent to arrangement.