HOUSE . . . . No. 1741

The Commonwealth of Massachusetts

EXECUTIVE DEPARTMENT,
STATE HOUSE, BOSTON, March 30, 1945.

To the Honorable Senate and House of Representatives.

In accordance with the provisions of Article LVI of the amendments of the Constitution, I am returning herewith House Bill 696, entitled "An Act Exempting Sales Of Shares Of Certain Co-operative Corporations From The Sale Of Securities Law, So Called", with the recommendation that the bill be amended by adding at the end of Section 1 thereof, the following:

provided that, exclusive of expenses of organization of such corporation actually incurred, no expenditure, except for stamp taxes, printing and postage, be made by or on behalf of such corporations for the promotion or sale of its capital stock.

This bill exempts any sale of shares or securities of any corporation incorporated under Chapter 157, which relates to co-operative corporations whose authorized capital stock does not exceed $50,000. It changes the present law by adding to section 3 of Chapter 110A a new section (1½) which serves to exempt the sale of shares or securities of any corporation incorporated under said Chapter 157 whose capital stock does not exceed $50,000, as stated above.

I am in favor of the principle of this legislation provided that some safeguard is placed in the present bill to limit the amount of expenditure that may be made by any such corporation in the promotion of its stock.

For these reasons, briefly stated, I make this recommendation.

MAURICE J. TOBIN,
Governor of the Commonwealth.