

HOUSE No. 1460.

[House, No. 1317, as it will stand if the report of the committee of conference is adopted.]

Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred.

AN ACT

To incorporate the New England Cotton Yarn Company.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Frank G. Webster, Frank W.
2 Remick, Lawrence A. Ford, Harry G. Beyer,
3 Alfred F. Hayden, Edward J. Holmes, John E.
4 Whitcomb and Thomas W. Mackinney, their
5 associates and successors, are hereby made a
6 corporation by the name of the New England
7 Cotton Yarn Company, for the purpose of carry-
8 ing on the purchase, manufacture and sale of
9 cotton, wool, silk, linen, flax, hemp, jute and all

10 other fibrous substances, and all products thereof,
11 and of all supplies, materials and implements for
12 use in the mills of said corporation, and for this
13 purpose shall have all the powers and privileges,
14 and be subject to all the duties, restrictions and
15 liabilities set forth in all general laws now or
16 hereafter in force relating to manufacturing cor-
17 porations, except as otherwise expressly provided
18 herein.

1 SECTION 2. The amount of the capital stock
2 of said corporation shall be fixed and limited by
3 the corporation at one million dollars, and said
4 corporation shall not begin business until the
5 whole amount of its capital stock has been paid in.

1 SECTION 3. The capital stock of said corpo-
2 ration shall be divided into shares of preferred
3 stock and shares of common stock in such pro-
4 portions as the corporation may determine, except
5 that the number of shares of preferred stock shall
6 not exceed the number of shares of common stock,
7 the par value of both classes of stock to be one
8 hundred dollars for each share.

1 SECTION 4. The capital stock of said corpo-
2 ration may from time to time be increased above
3 or reduced below the amount provided for by
4 section two, as provided by the general laws of
5 the Commonwealth relating to such corporations:
6 *provided, however,* that upon such increase of
7 capital, shares of preferred and of common stock

8 of said corporation as authorized by the provi-
9 sions of this act, may be issued in such propor-
10 tions as the stockholders in voting for such
11 increase may determine in accordance with section
12 hereof. Any such increase of capital stock
13 shall be paid in either in cash or by a conveyance
14 of property at a fair valuation, as provided in and
15 subject to the provisions of section forty-eight of
16 chapter one hundred and six of the Public
17 Statutes.

1 SECTION 5. The holders of said preferred stock
2 shall be entitled to receive out of the net profits
3 of the corporation, semi-annual dividends of three
4 and one-half per centum, being at the rate of
5 seven per centum per annum, and shall not share in
6 any profit in excess thereof, which dividends shall
7 be paid or provided for in each period of six
8 months before any dividends shall be set apart
9 or paid upon the common stock; said dividends
10 on the preferred stock to be cumulative, but with-
11 out interest on deferred payments. Holders of
12 the said preferred stock shall be entitled to all the
13 privileges of common stock holders.

1 SECTION 6. In case of the liquidation, disso-
2 lution or other termination of said corporation
3 the holders of said preferred stock shall be enti-
4 tled to payment of the par value of their shares,
5 together with the amount of accrued and unpaid
6 dividends, if any, before any payments are made
7 to the holders of the common stock. After the

8 holders of the preferred stock have received the
9 full amount of the par value of their shares and
10 accrued and unpaid dividends thereon, the remain-
11 ing assets shall be divided equally among the
12 holders of the common stock.

1 SECTION 7. Each certificate of stock shall
2 have printed on its face the substance of sections
3 four, five and six of this act.

1 SECTION 8. This act shall take effect upon its
2 passage.