

HOUSE....No. 204.

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Commonwealth of Massachusetts.

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HOUSE OF REPRESENTATIVES, April 8, 1868.

The Committee on Railways and Canals, to whom was referred the Bill in relation to railroad corporations, report the Bill in a new draft.

Per order,

WILLIAM MIXTER.

## Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Sixty-  
Eight.

### AN ACT

In relation to Railroad Corporations.

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

1   SECT. 1. No railroad corporation shall create any  
2 additional new stock, and issue any certificates thereof  
3 to any person whatever, unless the par value of the  
4 shares issued are first paid in cash to the treasurer  
5 thereof.

1   SECT. 2. No such corporation shall divide or pay  
2 over to its stockholders any of its earnings or receipts,  
3 exceeding the sum of five per cent. semi-annually,  
4 upon its capital stock paid in, exclusive of the gov-  
5 ernment tax; but all the excess of said earnings and  
6 receipts shall be expended in additions and in the  
7 repairs of its railroad, and in procuring additional

8 equipment for the transportation of freight and pas-  
9 sengers and in the payment of the necessary expenses  
10 of said road.

1     SECT. 3. All certificates of stock issued in viola-  
2 tion of the provisions of this act shall be void, and  
3 the directors of any such corporation issuing the same  
4 shall be liable to a penalty of one thousand dollars  
5 each, to the use of the Commonwealth, to be recovered  
6 by indictment in any county, where any of said direc-  
7 tors reside: *provided*, that if any such director shall  
8 prove that he objected to, and filed his dissent to such  
9 issue with the clerk of said corporation, and did not  
10 vote therefor, and disclosed the fact to the district-  
11 attorney of the district in which he resides, within one  
12 month after such vote, he shall not be liable for the  
13 same.

1     SECT. 4. All acts and parts of acts inconsistent  
2 with the provisions of this act, are hereby repealed.

1     SECT. 5. This act shall take effect upon its pas-  
2 sage.

