

SENATE No. 202.

Commonwealth of Massachusetts.

IN SENATE, April 11, 1866.

The Committee on Horse Railways, to whom was committed the Petition of the Worcester Horse Railroad Company for authority to issue preferred stock, have considered the same, and report the accompanying Bill.

Per order,

CHAS. ENDICOTT, *Chairman.*

Commonwealth of Massachusetts.

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

AN ACT

To authorize the Worcester Horse Railroad Company to issue Preferred Stock.

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. The Worcester Horse Railroad Company
2 is hereby authorized to increase the capital stock of
3 said corporation by the addition of not exceeding
4 seven hundred and fifty shares, each share to be of
5 the par value of one hundred dollars.

1 SECT. 2. The said new stock shall first be offered
2 to the stockholders in said corporation, who shall
3 have the exclusive right to subscribe for the same,
4 share for share, in proportion to the amount of old
5 stock by them held, until the first day of September,
6 in the year eighteen hundred and sixty-six.

1 SECT. 3. The said new stock, in the certificates
2 issued therefor, shall be called preferred stock; and
3 the directors of the company are authorized and
4 empowered, out of the net earnings of said company,
5 to declare and pay semi-annual dividends, not exceed-
6 ing eight per cent. per annum on said preferred
7 stock; to declare and pay out of the surplus, if any,
8 of said earnings, semi-annual dividends upon the old
9 stock, not exceeding six per cent. per annum, and
10 divide the residue, if any, of said earnings, equally
11 among the shares of said stock, new and old; and no
12 dividend shall hereafter be declared and paid upon
13 any other than said preferred stock, except the same
14 shall be paid out of the net surplus earnings of said
15 company, after the payment of the dividend of eight
16 per cent. per annum on said preferred stock.

1 SECT. 4. Said company is hereby authorized to
2 sell, mortgage, or lease its road and other property;
3 and the mortgages heretofore made and executed by
4 said company, are hereby ratified and confirmed; but
5 no such mortgage, sale or lease, is hereby ratified as
6 against creditors who have attached the property of
7 the corporation prior to the passage of this act.

1 SECT. 5. A meeting of the stockholders shall be
2 called within two months after the passage of this
3 act, of which each stockholder shall be notified, by
4 written notice delivered to him in person, or sent to
5 his residence by mail, post-paid, at least fourteen
6 days before said meeting, which notice shall specify
7 the object of the meeting, and have annexed to it a
8 copy of this act. No preferred stock shall be issued,

9 unless a majority of the whole capital stock shall
10 consent thereto by vote at said meeting, or by written
11 consent, filed with the clerk of said corporation;
12 within three months after the passage of this act.

1 SECT. 6. In case the corporation shall so decide by
2 a vote, or the written consent of two-thirds of the
3 capital stock, the present stockholders, at any time
4 before the first day of August next, may subscribe for
5 the said new stock, share for share, they paying the
6 par value of one hundred dollars for such new stock,
7 in such manner as the board of directors of the said
8 company shall direct at the time of subscribing; and
9 on delivering up their certificates of old stock, they
10 shall receive in lieu of one share of old stock and one
11 share of new stock, a certificate of two shares of
12 preferred stock.

1 SECT. 7. This act shall take effect from its
2 passage.