

of the account shall be made and exhibited to the stockholders," § 1953.¹ Capital may be increased or diminished upon two-thirds stock vote and compliance with all formalities as to original article, § 1954. In case of increase, 20 per cent of amount added must be paid in, § 1955, L. 1889, chapter 64. The treasurer shall make an annual report, § 1956, L. 1889, Ch. 65. Under penalty for failure so to do, Gen. Stat. § 1959. Corporation has a lien on stock for the stockholder's debts to it, § 1960.² Equity in stock pledged may be sold by company, § 1963. Investment companies issuing debentures based on mortgages, etc., are taxed, regulated, and required to take out a license; so also must an investment broker, L. 1889, ch. 248.

Railroads.—Not less than twenty-five persons may incorporate, § 3433. It may have not less than nine directors,³ a majority of whom are to be residents.⁴ The capital stock must be not less than ten thousand dollars a mile. Total debt never to exceed paid-in capital,⁵ § 3434. Five thousand dollars a mile is to be subscribed, and ten per cent. paid in cash before incorporation. The officers' affidavits, and sworn report of engineer must be filed, § 3436. Not to commence work until ten thousand dollars a mile is subscribed, § 3437. Charter ceases unless work is begun, and ten per cent expended within two years (which may be extended to four years) and road put in operation within five years, § 3440.⁶ No other railroad shall take stock in a company formed under this act, unless specially authorized by general assembly, Id. § 3442. Non-competing railroads meeting at state line may consolidate, if outstanding bonds do not exceed one-half the amount actually expended upon such roads, § 3443. No evidences of debt shall be issued in consideration of, or in connection with such consolidation, § 3444. Consolidation agreement must be ratified by a two-thirds stock vote, Id. § 3445. Such consolidated company may mortgage entire road to secure bonds and provide therein for foreclosure sale of all property in both states by decree of competent court of this state, Id. § 3447. Such consolidated company may sue and be sued in any county in this state cut by its line, and at least six directors shall be citizens of this state, Id. § 3449. Railroad company may prohibit officers from voting proxies for stock not their own, Id. § 3457. Stockholders in arrears are not to be allowed to vote, § 3458. Every railroad before applying to railroad commissioners for their approval of the location, shall deposit eleven dollars per mile of proposed road, Id. § 3459. "No railroad shall lay out and finally locate its road, without the written approbation

¹See Cook on Stock and Stockholders and General Corporation Law, chapter xxx.

²Id., chapter xxxi.

³Id., chapter xxxvi, § 592.

⁴Id., chapter xxxvii.

⁵Id., chapter xli.

⁶Id., chapter xxxviii.