

stock of such stockholder, at the full market value thereof, without regard to any depreciation, or appreciation, in consequence of the said consolidation or merger, and the said [company] corporation may, at its election, either pay to the said stockholder, the amount of damages so found and awarded, if any, or the value of the stock, so ascertained and determined, and upon the payment of the value of the stock, as aforesaid, the said stockholder shall transfer the stock, so held by him, to said [company] corporation, to be disposed of by the directors of said [company] corporation, or be retained, for the benefit of the remaining stockholders; and in case the value of said stock, as aforesaid, is not so paid within thirty days from the filing of the said award and confirmation, by said court, and notice to said [company] corporation, the damages, so found and confirmed, shall be a judgment against said [company] corporation, and collected as other judgments, in said court, are by law recoverable: *Provided, however, That such award shall not be payable or become a judgment unless and until such consolidation or merger shall have been consummated.*

Recovery.

Proviso.

Section 2. This act shall become effective immediately upon its final enactment.

When effective.

APPROVED—The 2d day of July, A. D. 1937.

GEORGE H. EARLE

No. 599

AN ACT

To amend the act, approved the thirteenth day of May, one thousand eight hundred and eighty-nine (Pamphlet Laws, two hundred five), entitled "An act prescribing the amount of stock and bonds which may be issued by railroad companies heretofore or hereafter consolidated and merged," by making the same applicable to the surviving company in case of a merger and by modifying the limitations, restrictions and conditions affecting the issue of stock and bonds.

Section 1. Be it enacted, &c., That the act, approved the thirteenth day of May, one thousand eight hundred and eighty-nine (Pamphlet Laws, two hundred five), entitled "An act prescribing the amount of stock and bonds which may be issued by railroad companies heretofore or hereafter consolidated and merged," is hereby amended to read as follows:

Act of May 13, 1889 (P. L. 205), amended.

Section 1. Be it enacted, &c., That whenever any [merger and] consolidation or merger of the corporate rights and franchises [between] of two or more railroad companies shall hereafter be made under the laws of this Commonwealth, or of this Commonwealth and any

Amount to be specified in agreement for consolidation or merger.

*other state or states*, such railroads being neither paral-  
 lered or competing lines, it shall [and may] be law-  
 ful for the said companies to specify, in the joint agree-  
 ment for such consolidation [and] *or* merger, what  
 amount of capital stock and bonds of the consolidated  
*or surviving* company shall be issued to the stock and  
 bondholders, or either, of any one or more of said several  
 railroad corporations, parties to said joint agreement,  
 in lieu and exchange for the stock and bonds held by  
 them in said last named corporations respectively. The  
 amount of stock and bonds or either of them, so issued  
 or to be issued by the consolidated *or surviving* company  
 to the stock and bondholders, or either, of any one or  
 more of said [constituent] companies, *parties to said  
 joint agreement*, may when necessary to equalize the  
 interests of [the] *said* parties, [to the said joint agree-  
 ment] or otherwise, be in excess of the amount of the  
 authorized and outstanding issues of such company or  
 companies, but shall not be in excess of the actual value  
 of the corporate property and franchises of such  
 [constituent] company or companies, vested in the con-  
 solidated *or surviving* corporation [pursuant to such  
 merger and consolidation] *under such joint agreement*:  
 [nor shall the aggregate amount issued by said consoli-  
 dated company exceed the sum of one hundred and fifty  
 thousand dollars of stock, and one hundred and fifty  
 thousand dollars of bonds, per mile of the railroad, so  
 that the sum total of stock and bonds of such company  
 shall never exceed three hundred thousand dollars per  
 mile] Provided, That where the amount of stock and  
 bonds, or either, to be issued by the consolidated *or sur-  
 viving* company to the stock and bondholders, or either,  
 of any one or more of such [constituent] companies,  
 shall be in excess of the aggregate amount of authorized  
 and outstanding stock and bonds, or either, of such com-  
 pany or companies, the said agreement shall be accom-  
 panied by the affidavit of the president *or a vice presi-  
 dent and of the principal engineer* of such [constituent]  
 company or companies, that the [actual cash] value of  
 the property of such [constituent] company or com-  
 panies is, *in their judgment*, [equal to] *not less than* the  
 amount of stock and bonds, or either, to be issued to its  
 or their stock and bondholders, or either.

Amount which  
 may be issued.

Proviso.

Increase of capi-  
 tal stock and in-  
 debtedness by  
 new companies.

Section 2. That whenever any [merger or] consolida-  
 tion *or merger* of two or more railroad companies shall  
 have heretofore been made, the consolidated *or surviving*  
 company [so formed] shall have the same power to in-  
 crease from time to time its capital stock and indebted-  
 ness, but not exceeding the [amounts specified in the  
 first section of this act, nor the actual] value of its  
 property and franchises, upon filing with the returns of  
 the increase of said capital stock or indebtedness the

affidavits prescribed in the first section of this act: Provided, That no company [or companies] shall have the benefits conferred by the provisions of this act unless [they accept] *it accepts* in writing, filed in the office of the Secretary of the Commonwealth, the provisions of the Constitution of one thousand eight hundred and seventy-four.

Section 3. This act shall become effective immediately upon its final enactment. When effective.

APPROVED—The 2d day of July, A. D. 1937.

GEORGE H. EARLE

No. 600

### AN ACT

Concerning proxies authorizing representation and voting of capital stock of railroad corporations, at meetings and elections thereof.

Section 1. Be it enacted, &c., That stockholders, of railroad corporations organized under the laws of this State or under the laws of this State and any other state or states, wherever residing, who shall be entitled to vote at any corporate meeting or election thereof, shall have and be possessed of the right and power to vote thereat by proxy duly executed by the stockholder, and that one person may be constituted and act as proxy for any number of stockholders. Every proxy shall be executed in writing by the stockholder or by his duly authorized attorney in fact, either with or without notarial or other acknowledgment, and filed with the secretary of the corporation. A proxy, unless coupled with an interest, shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary; but the revocation of a proxy shall not be effective until notice thereof has been given to the secretary of the corporation. No unrevoked proxy shall be valid after eleven months from the date of its execution, unless a longer time is expressly provided therein; but in no event shall a proxy, unless coupled with an interest, be voted on after three years from the date of its execution. A proxy shall not be revoked by the death or incapacity of the maker, unless, before the vote is counted or the authority is exercised, written notice of such death or incapacity is given to the secretary of the corporation. A stockholder shall not sell his vote, or execute a proxy to any person for any sum of money or anything of value.

Stockholders of railroad corporations shall have right to vote by proxy.

One person may be constituted and act as proxy for any number of stockholders.

Form of proxy.

To be filed with the secretary of the corporation.

Revocable at will unless coupled with an interest

Revocation not effective before notice to secretary of corporation.

Not valid after eleven months unless expressly provided.

Absolutely invalid after three years from date, unless coupled with an interest. Effect of death.