

SPECIAL ACTS AND RESOLUTIONS

PASSED BY THE

GENERAL ASSEMBLY

OF THE

STATE OF CONNECTICUT,

AT THE

January Session, 1889.



PUBLISHED BY AUTHORITY.

HARTFORD, CONN.:

PRESS OF THE CASE, LOCKWOOD & BRAINARD COMPANY.

1889.

may fix the compensation of all officers and appointees, and regulate and control their duties and services.

SEC. 8. Said corporation may adopt all by-laws necessary for the proper conduct of its affairs; *provided*, the same shall not be repugnant to the provisions of this resolution, nor contrary to law; the trustees of said corporation may establish and make such rules and regulations in reference to any property left with said corporation, and to the management thereof, as shall seem for the best interests of all parties, and which shall not be contrary to law nor repugnant to the provisions of this resolution. All elections for president by the trustees shall be by ballot, and the board of trustees may determine what number of their body shall constitute a quorum.

SEC. 9. Special meetings of the stockholders may be called by the board of trustees whenever they may deem the same necessary, and the secretary shall mail a notice of the time and place, and the object of such special meeting, to each stockholder, at least five days prior to the holding of such meeting.

Approved, June 19, 1889.

[Senate Joint Resolution No. 211.]

[445.]

INCORPORATING THE WATER WORKS SECURITY COMPANY OF CONNECTICUT.

Resolved by this Assembly: SECTION 1. That Silas Chapman, Jr., of Hartford, D. B. Spalding of Stonington, Charles E. Searls of Thompson, and Walter L. Wilcox of Norwalk, with all others who may hereafter from time to time become associated with them, are hereby created and established a body politic and corporate by the name of The Water Works Security Company of Connecticut, and by that name shall be capable of purchasing and holding all kinds of property, both real and personal, and of improving, leasing, selling, and conveying the same at pleasure.

SEC. 2. The capital stock of said corporation shall not be less than fifty thousand dollars, nor more than five hundred thousand dollars, divided into shares of the par value of one hundred dollars each; and no business shall be transacted by the corporation until the whole amount of its capital stock is subscribed for and actually paid in, and no shares shall be issued until the par value of such shares shall have actually been paid in, in cash.

SEC. 3. Said corporation is hereby authorized and empowered to purchase the first mortgage bonds of any water supply company, or water works corporation, or the municipal water bonds, notes, or scrip, issued for the construction of water works by any city or town of the United States; *provided*, the total issue of such bonds shall in no case exceed eighty per centum of the cost of the works and property pledged to secure them; the aforesaid municipal securities being excepted hereunder. The whole or any portion of the securities so purchased may be deposited by the said corporation with any trust

company, or with trustees, to be held by it or them in trust as a pledge for and to secure the payment of the principal and interest of the bonds or debenture hereinafter authorized to be issued by this corporation.

SEC. 4. Said corporation may issue bonds or debentures, to secure the payment of which it shall from time to time assign, transfer, and set over to any trust company or to trustees securities purchased in accordance with the provisions of section three, to be held by such trust company or trustees in trust for the benefit of the holders of said bonds or debentures.

SEC. 5. The total amount of bonds or debentures issued by this corporation shall at no time be in excess of fifteen times the sum of its unimpaired capital and of its surplus.

SEC. 6. The corporation shall set apart as a guarantee fund not less than ten per centum of its net earnings in each and every year, until such fund, with the accumulated interest thereon, shall amount to one-half of the capital stock actually subscribed and paid in, in cash. Said guarantee fund shall be invested in the securities in which savings banks are allowed to invest by the laws of this state.

SEC. 7. Said corporation may invest any of its surplus or unapplied funds in such securities as it is hereby authorized to purchase, and may at all times make sale of said securities to any amount; *provided*, such sale shall not impair the trust and guarantee funds herein provided.

SEC. 8. Said corporation shall publish annually, in one or more newspapers published in the city of Hartford, a statement of its assets and liabilities, sworn to by its president, treasurer, and a majority of its directors.

SEC. 9. The bank commissioners shall visit said corporation semi-annually or oftener, and shall have the same powers in regard to it that they have in the case of savings banks. If they shall find its financial condition to be unsound, or the stock so held as to render worthless to debenture holders the guarantee afforded by its capital, it shall be their duty to take such action as is provided by law in case of banks under like circumstances.

SEC. 10. The stock, property, and affairs of said corporation shall be managed by a board of not less than three nor more than nine directors, who shall be elected by a stock vote and shall remain in office until the next annual meeting and until their successors are chosen.

SEC. 11. In order to carry out the provisions of this resolution and to organize said corporation, Silas Chapman, Jr., D. B. Spalding, and Charles E. Searls, or a majority of them, are hereby authorized and appointed to receive subscriptions to the capital stock, and when the same shall have been fully subscribed, to call the first meeting of the corporation, giving at least five days' notice thereof by mail to all subscribers.

SEC. 12. The books of the corporation shall, at all reasonable times, be open for inspection to the stockholders, and to all holders of bonds and debentures issued by said corporation or of notes or other evidences of debt guaranteed by it.

Approved, June 19, 1889.