

by the 29th section it was, among other things, provided that, "if, at the end of two years after either of said roads shall be completed, from the beginning to the end thereof, it shall appear, from the average profits of the said two years, that the said clear income and profits will not bear a dividend of *ten per centum* per annum on the capital stock of the said Company so expended, then it shall, and may be lawful to, and for the said President, Managers and Company, to increase the tolls hereinbefore allowed, so much upon each and every allowance thereof, as will raise the dividend up to ten per centum per annum."

By the 30th section the Legislature reserved the right to buy out the Company by paying the cost of the road and such interest as, with the tolls received, would give the stockholders ten per cent. on their investment; and provided that after such purchase "the tolls shall be subject to the regulation of the Legislature"

These sections show very clearly, First, That the right to receive ten per centum on their investment was by the charter expressly given to the stockholders, and was held out as an inducement to them to take stock in an enterprise of doubtful success; and, next, that the power to increase the tolls was conferred as the necessary means to secure to the stockholders the receipt of dividends to the amount stipulated. In point of fact, the profits of the first two years after the completion of the road not only did not reach, but did not even approximate to ten per cent. on the capital expended; and the Company thenceforward had the right to raise its tolls. It, however, refrained from, and postponed, the exercise of this right, as well because it hoped for an increase of travel on the road, as because it was reluctant to do an act which, however just, was sure to draw upon the Company the disapprobation and censure of the traveling public; and it has therefore struggled on, making dividends which have not given to the stockholders six per cent., or anything near it, on their capital. For a period of thirty years past its usual dividends have been only from one and a half to two per cent. per annum, and within the last two years the increased price of the labor and materials, necessarily employed in the management and repair of the road, made it manifest that the road could not be kept in repair, and even a small dividend declared, without a material increase of the rates of toll.

The President and Managers beg leave to assure your Honorable Body that the rate of tolls which has, under these circumstances, been adopted, cannot with any propriety be characterized as "excessive." Instead of yielding to the stockholders ten per cent., as stipulated by the charter, it will not, and has not, up to this time, enabled the Company