

holder to accept the cash value of his stock as the same shall be ascertained and determined in the proceeding herein authorized, and any right of conversion or exchange of his stock for stock of the purchasing company shall by the institution of such proceedings be terminated and annulled.

Third—If by the terms of the agreement stockholders of the selling company shall be given the right to convert or exchange their shares of stock into shares of stock of the purchasing company, the failure or refusal of any holders of shares of the selling company to accept within the period of six months after the date named in said agreement for payment thereof the cash value of their said shares as defined and set forth in said agreement, shall be treated as and conclusively presumed to be an election on the part of such holders to accept the stock of the purchasing company to which by the terms of said agreement they shall be entitled, and thereafter such holders shall be entitled only to exercise the privilege of exchange of their stock for stock of the purchasing company upon the terms and conditions provided in said agreement, and the cash value of said shares as defined and set forth in said agreement shall be retained by and become the property of the purchasing company. But the provision of this paragraph shall not apply to the holder or holders of stock of the selling company who shall, pursuant to the provisions of paragraph Second thereof, have taken the proceedings authorized therein for the determination of the value of their shares.

Fourth—In connection with and to consummate any purchase authorized by the terms of this Act, the purchasing company may issue its own capital stock or bonds, either or both, to such amount as may be required by the agreement or as may be otherwise necessary in order to provide the price or consideration to be paid by the purchasing company or to pay off or retire the bonds or capital stock of the selling company, or to effect exchanges of the bonds and stock of the selling company for those of the purchasing company.

SEC. 2. *And be it enacted*, That this Act shall take effect from the first day of June, A. D. 1918.

Approved April 18th, 1918.