

trust, to negotiate, sell or dispose of the same at not less than their par value and to use or expend the proceeds thereof in such manner and on such terms as said board may determine in and about the construction of such railroad and the procuring of a right of way therefor.

SEC. 5. The common council of the city of Faribault shall annually levy a tax, sufficient in amount to pay the interest on said bonds, and at the proper time shall also levy a tax and provide a sinking fund sufficient to pay the principal of said bonds when the same becomes due and payable.

SEC. 6. This act shall take effect and be in force from and after its passage.

Approved April 14, 1891.

CHAPTER 196.

[S. F. No. 100.]

AN ACT TO AUTHORIZE THE CITY COUNCIL OF THE CITY OF NEW ULM, IN BROWN COUNTY, TO ISSUE THE BONDS OF SAID CITY IN AID TO THE ST. PAUL, NEW ULM & SOUTHWESTERN RAILWAY.

Be it enacted by the Legislature of the State of Minnesota :

SECTION 1. That the city council of the city of New Ulm, in Brown county, is hereby authorized and empowered to issue the bonds of said city, with interest coupons thereto attached, in the sum of twenty-four thousand (24,000) dollars, which bonds shall be used for the purpose of aiding the St. Paul, New Ulm & Southwestern Railway Company in the construction of its line of railroad into the said city of New Ulm.

SEC. 2. Said bonds shall be issued in sums not less than one hundred (100) dollars, nor more than one thousand (1,000) dollars each, payable to the St. Paul, New Ulm & Southwestern Railway Company or bearer, and may bear interest at any rate not exceeding five (5) per cent per annum, payable annually, and the principal shall be payable at such time or times, not less than twenty (20), nor more than thirty (30), years after the date of said bonds; and said bonds may be made redeemable by the city at its pleasure, at any time after twenty (20) years and before their maturity, as said city council may by resolution determine. Said bonds and coupons thereto attached shall be signed by the mayor and attested by the city clerk of said city, and the bonds sealed with the seal of said city, and be payable in lawful money at such place or places as said city council shall designate.

SEC. 3. Said bonds when issued shall be placed in escrow with some suitable person to be selected by said city council, and who is a resident of said city of New Ulm, there to remain in safe custody and not to be delivered to said company until the railroad of said St. Paul,

New Ulm & Southwestern Railway Company is constructed and completed from its northern terminus into the city of New Ulm, when the said bonds shall be delivered by the custodian thereof to said company; *Provided*, that if the said railway company shall fail to so construct and complete said portion of its line of road within two (2) years from the date the said bonds are placed in escrow, then the custodian thereof shall redeliver the same to the city council of said city for cancellation and said bonds shall thereafter be null and void.

SEC. 4. Said city council is hereby authorized and empowered, and it is hereby made their duty, to levy a tax from time to time upon taxable property of said city, sufficient to meet the payment of the interest coupons as they shall become due and until the payment of principal and interest of said bonds is fully provided for; which taxes shall be payable in money and shall constitute a fund for the payment of said bonds and interest thereon, and shall not be applied to any other purpose whatever until said bonds and interest are fully paid, after which any surplus proceeds of such taxes shall be placed in the general fund of said city.

SEC. 5. Before any bonds shall be issued under the provisions of this act, the question of issuing such bonds shall be submitted to the qualified voters of the city of New Ulm at a general or special election, in the discretion of the city council of said city of New Ulm. If at a special election, ten (10) days' notice of such election shall be given by the city clerk of said city. The ballots to be used at such election shall have written or printed, or partly written and partly printed, thereon "For the issuance of twenty-four thousand dollars (\$24,000) of bonds to aid in the construction of the St. Paul, New Ulm & Southwestern Railway Company—Yes—No," and each voter voting thereon shall erase, mark, cross or scratch out one of said words "Yes" or "No" and leave the other on the ballot when deposited in the ballot box; and no ballot shall be counted except those having one of said words "Yes" or "No" thereon. Such election shall be held conformable to the provisions of law for general or special elections in said city of New Ulm, and the ballots shall be counted, canvassed and returned in the manner provided for the election of city officers of said city; and if at such election it appears that a majority of all the votes cast upon said questions are in favor of issuing said bonds, then the city council may issue said bonds in the manner hereinbefore provided.

SEC. 6. This act shall take effect and be in force from and after its passage.

Approved January 29, 1891.