

CHAPTER 250.

AN ACT to prevent conspiracies and formations of trusts against legitimate trade and commerce, and to suppress illegal combinations against the same.

SECTION 1. *Be it enacted by the General Assembly of the State of Tennessee,* That it shall not be lawful for any person or persons, or associations of persons, or any corporation in this State, or doing business in this State, to form, or agree to, or to conspire to form any trust, pool, or corner or combination, or any other arrangement or device, in or about any article of legitimate traffic, the production or manufacture or sale of such article that may injuriously affect, and for the purpose of injuriously affecting the legitimate trade and commerce of the county, or to limit the supply or production of said articles, whereby the price of such produce or manufactured articles, or other articles of legitimate trade may be unduly depressed and put down, or unduly raised or increased, for the purpose of speculation, either by pooling or purchasing said articles for the purpose of withdrawing them from market to destroy legitimate competition, or to create a monopoly or corner in the same, or to produce an undue demand for the same, and that to unduly raise the price of said articles, or by throwing the same on the market when so accumulated or purchased for the purpose of creating an undue depression in the price of such article, and by such means to destroy or limit legitimate competition in the production, manufacture, or sale of such articles, as by any other device or arrangement for such purpose. All such agreements, trusts, pools, corners, and combinations are hereby prohibited; *provided*, nothing herein contained shall be construed to prevent or interfere with parties engaged in legitimate trade and speculation.

SEC. 2. *Be it further enacted,* That any person or persons or corporation violating the first section of this Act, for the first offense, shall, on conviction, pay a fine of not less than two hundred and fifty dollars, and for the second offense a fine of not less than five hundred dollars, and the Attorney-General, for each conviction, shall have a taxed fee of fifty dollars, and

Trusts, corners, etc., prohibited.

Penalty for violation.

shall have, in addition, fifty per cent. of the money actually received on such fine, and he shall prosecute all such cases, *ex officio*, without any other prosecutor, and the courts shall give this Act in charge and the grand jury shall have full inquisitorial power in such cases.

Contracts not valid.

SEC. 3. *Be it further enacted*, That no contract made by any person or persons or incorporations, whereby to carry out, or agree to carry out, any of the agreements or combinations enumerated in and prohibited in the foregoing Act, shall be enforced in any of the courts of this State whether the same be made by citizens of this or any other State.

Forfeiture of franchises.

SEC. 4. *Be it further enacted*, That any corporation created or incorporated by or under the laws of this State, which violates any provisions of this Act, shall thereby forfeit its corporate rights and franchises, and its corporate existence shall thereupon cease and determine, and it shall be the duty of the Attorneys-General of the State, of their own motion and without leave or order of any court or judge, to institute an action in behalf of the people and in the name of the State for the forfeiture of such rights and franchises, and the dissolution of such corporate existence, or any citizen of the State, may institute such suit by proceedings in a Court of Chancery in the name of the State, and said corporations may be enjoined from violation of this Act, pending such proceedings, provided such citizen may not begin such proceedings without giving security for cost in such cases.

Passed April 4, 1889.

W. L. CLAPP,
Speaker of the House of Representatives.

BENJ. J. LEA,
Speaker of the Senate.

Approved April 6, 1889.

ROBT. L. TAYLOR,
Governor.