

THE CANADIAN NORTHERN RAILWAY EXPRESS COMPANY, LIMITED

(included in "Canadian National Railway Company" from June 11, 1956)

INCORPORATED: November 18, 1910 - Dominion Letters Patent.

HISTORY: Under Dominion Letters Patent dated November 18, 1910, "The Canadian Northern Railway Express Company, Limited" was incorporated to act as a holding company for The Canadian Northern Express Company and The Canadian Northern Transfer Company, Limited.

AMALGAMATION: On June 11, 1956, Canadian National Railway Company, The Canadian Northern Railway Express Company, Limited and 16 other companies were amalgamated into one company under the name "Canadian National Railway Company".

By Agreement dated May 17, 1956 the Company amalgamated with and under the name of "Canadian National Railway Company." This Agreement was approved by Order in Council P.C. 1956-772 dated May 17, 1956, and deposited with the Secretary of State of Canada on June 11, 1956, the effective date on which the Company ceased to exist.

PROPERTY INVESTMENT: Nil.

INVESTMENT IN AFFILIATED COMPANIES:

Prior to Amalgamation on June 11, 1956:

	Stock (Book Value)	% Owned
Canadian National Express Company	\$1,000,000	100%
Canadian National Transfer Company	500,000	100%

CAPITAL STOCK: Prior to Amalgamation on June 11, 1956:

Authorized:	10,000 shares - \$100	\$1,000,000
Issued:	10,000 shares - \$100	1,000,000

All owned by The Canadian Northern Railway Company.

Under the terms of Amalgamation Agreement with Canadian National Railway Company, Dated May 17, 1956, the Certificates covering The Canadian Northern Railway Express Company, Limited outstanding Capital Stock were treated as cancelled.

FUNDED DEBT: As at June 11, 1956 - Nil.

\$3,000,000 4% First Mortgage Gold Bonds issued November 30, 1910, secured by Trust Deed dated November 30, 1910, maturing on December 1st. 1960.

Bonds cremated January 5, 1955

Mortgage discharged January 25, 1955

The Canadian Northern Railway Express Company, Limited 4%, 50 Year First Mortgage Gold Bonds, secured by Trust Deed November 30, 1910 and maturing December 1st, 1960. This mortgage was unguaranteed, and was a First Charge on all real property owned or to be acquired and also on all Property and assets. These Bonds were issued to Mackenzie, Mann and Company, Limited and in June 1911 were purchased by the Canadian Northern Railway Company and pledged with the Trustees of the Mortgages of June 30, 1903 and July 15, 1914. The mortgage was discharged January 25, 1955.

CANADIAN NORTHERN ROLLING STOCK, LIMITED

Charter surrendered February 24, 1931.

INCORPORATED: May 31, 1918 - Dominion Letters Patent.

HISTORY: Under Dominion Letters Patent dated May 31, 1918, "Canadian Northern Rolling Stock, Limited" was incorporated. The Company was organized for the purpose of purchasing, leasing or otherwise acquiring locomotives, rolling stock, rails, plants, machinery, steamships and steamship equipment, also mills, power houses, etc., in connection with the business of the Canadian Northern Railway Company.

Under an Agreement dated July 8, 1918, the "Canadian Northern Railway Company" purchased from Canadian Northern Rolling Stock, Limited 500 shares of the Capital Stock for \$50,000 and sold to the Canadian Northern Railway Company 500 shares of the Capital Stock of the Imperial Rolling Stock Company Limited for \$50,000.

Canadian Northern Rolling Stock, Limited purchased part of the rolling stock and equipment of the Canadian Northern Railway Company and paid for same out of funds raised through the issue of Equipment Trust Certificates Series "A", "B", "C" and "D" totalling \$27,000,000. The equipment was leased to the Canadian Northern Railway Company, and when the Certificates were retired by the Canadian Northern Railway Company the ownership of the rolling stock and equipment was transferred to the Canadian Northern Railway Company.

CHARTER SURRENDERED:

On February 24, 1931 after liquidation of all its obligations and disposal of all its assets Canadian Northern Rolling Stock, Limited was wound up and its corporate existence was terminated. Certificate of Surrender of Charter was issued by the Secretary of State of Canada on February 24, 1931 and the corporate existence of the Company was terminated on that date.

The Certificates representing all the Capital Stock issued and outstanding were cancelled. The Seal, original Minute Books and other corporate documents pertaining to the corporate existence of Canadian Northern Rolling Stock, Limited are in the custody of the Secretary, Canadian National Railway Company, Montreal.

CAPITAL STOCK:	Authorized:	5,000 shares - \$100	\$500,000
	Issued:	500 shares - \$100	50,000

Share Certificates were cancelled when the corporate existence of the Company was terminated on February 24, 1931.

CANADIAN NORTHERN STEAMSHIPS, LIMITED

(included in "Canadian National Railway Company" from June 11, 1956)

INCORPORATED: October 21, 1909 - Dominion Letters Patent.

HISTORY: Under Dominion Letters Patent dated October 21, 1909, (notice thereof published in Canada Gazette, page 1113), "Canadian Northern Steamships, Limited" was incorporated and empowered to construct, purchase, lease, charter and operate steamships, tugs, dredges, lighters, vessels and boats of every description, buildings, hotels, shops, etc.

Under Agreement dated February 23, 1910, Mackenzie, Mann and Company,

Limited sold to Canadian Northern Steamships, Limited, three steamers in consideration of which the Canadian Northern Steamships, Limited agreed to pay to Mackenzie, Mann and Company, Limited, \$200,000 which was to be applied in full payment of 2,000 shares of the Capital Stock held by Mackenzie, Mann and Company, Limited and five directors, and as a further consideration the Steamship Company agreed to issue to Mackenzie, Mann and Company, Limited a further 18,000 shares fully paid up.

The Canadian Northern Railway Company acquired the Stock on April 23, 1910, and pledged it under the mortgage securing the Canadian Northern Railway Company's 4% First Mortgage Perpetual Debenture Stock and Bonds and pledged as a Second Charge under the mortgage securing Canadian Northern Railway Company Guaranteed Debenture Stock and Bonds maturing September 1, 1934.

Commencing in May 1910, the Company operated two 21-knot, 12,000 ton steamers ("*Royal Edward*" and "*Royal George*") between Montreal and Quebec, Canada, and Bristol, England. The S.S. "*Royal Edward*" was torpedoed during World War I on October 13, 1915 and the claim for loss amounting to \$1,834,585.21 was paid through the British Admiralty.

Under Agreement dated May 10, 1916, the Company withdrew from the Atlantic Service and sold the S.S. "*Royal George*" to the Cunard Steamship Company for £320,000 as of March 3, 1916.

AMALGAMATION: On June 11, 1956, Canadian National Railway Company, Canadian Northern Steamships, Limited and 16 other Companies were amalgamated into one Company under the name "Canadian National Railway Company".

PROPERTY INVESTMENT:

Prior to Amalgamation on June 11, 1956, the Company owned the Car Ferry "*Canora*"; Barges *C.N. 107* and *C.N. 109*; and Tugs *C.N. 1*, and *C.N. 2*; which were operated by The Canadian Northern Railway Company (Canadian National Railways) between Port Mann and Vancouver Island. The investment was included in property accounts of Canadian Northern Railway.

CAPITAL STOCK:

Prior to Amalgamation on June 11, 1956:

Authorized:	20,000 - \$100 par value	\$2,000,000
Issued:	20,000 - \$100 par value	2,000,000

All owned by The Canadian Northern Railway Company.

Under the terms of Amalgamation Agreement with Canadian National Railway Company, dated May 17, 1956, the Certificate covering Canadian Northern Steamships, Limited outstanding Capital Stock was treated as cancelled.

FUNDED DEBT:

As at June 11, 1956 - Nil.

CANADIAN NORTHERN SYSTEM TERMINALS (LIMITED)
(included in "Canadian National Railway Company" from June 11, 1956)

INCORPORATED: September 18, 1907 - Dominion Letters Patent.

HISTORY: Under Dominion Letters Patent, September 18, 1907, "Canadian Northern System Terminals (Limited)" was incorporated primarily to purchase terminal facilities at various points on the system.

Canadian Northern System Terminals Limited was formed in 1907 and

Certificates were issued for 20 shares to each of six directors, and no further stock was issued till 1912. Under Agreement dated June 1, 1912 the Company issued to Mackenzie, Mann and Company, Limited \$2,000,000 of its Capital Stock fully paid off. This Stock was acquired by the Canadian Northern Railway Company under authority of Dominion Act 4-5 George V, Chapter 20, assented to June 12, 1914, and was pledged under the Canadian Northern Railway Company's 4% Guaranteed Debenture Stock and Bonds, secured under Trust Deed dated July 15, 1914 and maturing September 1, 1934. This mortgage was discharged on April 1, 1939 and the Capital Stock was turned over to Canadian National Realities Limited, to be held in trust for the Canadian Northern Railway Company.

Terminal properties were acquired at important points on the Canadian Northern Railway System including Quebec, Montreal, Ottawa, Toronto, Hamilton, Sudbury, Port Arthur, Winnipeg, Brandon, Regina and Calgary. The company also owned the Prince Arthur Hotel at Port Arthur, Ontario, and the Prince Edward Hotel at Brandon, Manitoba, which were sold in 1954.

AMALGAMATION: On June 11, 1956, Canadian National Railway Company, Canadian Northern System Terminals (Limited) and 16 other companies were amalgamated into one company under the name "Canadian National Railway Company".

PROPERTY INVESTMENT:

Included in property accounts of Canadian Northern Railway, and is not recorded separately.

CAPITAL STOCK:

Prior to Amalgamation on June 11, 1956:

Authorized:	20,000 shares - \$100	\$2,000,000
Issued:	20,000 shares - \$100	2,000,000

All owned by The Canadian Northern Railway Company.

Under the terms of Amalgamation Agreement with Canadian National Railway Company, dated May 17, 1956, the Certificate covering Canadian Northern System Terminals (Limited) outstanding Capital Stock was treated as cancelled.

A mortgage was created on the property of the Company, secured by Trust Deed dated June 5, 1912 and maturing June 5, 2011. This issue known as the Canadian Northern System Terminals Limited First Mortgage, 99 year Debenture Stock and Bonds amounting to \$7,000,000, and are a First Charge on certain lands, premises, terminal and hotel facilities in and near certain cities. These lands were owned by the Canadian Northern Railway Company, and were pledged with the National Trust Company as security for an issue of Canadian Northern Railway Company's 4% First Mortgage Perpetual Consolidated Debenture Stock and Bonds and were a Second Charge on Canadian Northern Railway Company's 4% Guaranteed Debenture Stock and Bonds secured by Trust Deed dated July 15, 1914. As the latter mortgage was discharged on September 1, 1939, the Bonds are pledged only under the first mentioned 4% perpetual issue. The Bonds were released and the mortgage discharged on November 25, 1955.

CANADIAN NORTHERN WESTERN RAILWAY COMPANY

(Included in "Canadian National Railway Company" from June 11, 1956)

INCORPORATED: December 5, 1910 - Alberta Act 1 George V, Chapter 48.

DECLARATORY: Works and undertaking declared to be works for the general advantage of Canada - Dominion Act 4-5 George V, Chapter 20, 1914; P.C. 443, February

20, 1917; and Proclamation, February 20, 1917, published in Extra Canada Gazette, February 28, 1917.

HISTORY: Under Alberta Act 1 George V, Chapter 48, December 5, 1910, "Canadian Northern Western Railway Company" was incorporated to construct and operate a railway from Edmonton or Strathcona to Pine or Peace River Pass; also a line from The Canadian Northern Railway between Edmonton and Calgary to Rocky Mountain House, to Brazeau and McLeod Rivers, with branches to coal areas, etc.

Dominion P.C. 443, February 20, 1917 declared the railway for the advantage of Canada and open for traffic.

AMALGAMATION: On June 8, 1954, Canadian Northern Western Railway Company and 11 other companies were amalgamated into one company under the name "Canadian Consolidated Railways". The latter Company was amalgamated with "Canadian National Railway Company" June 11, 1956.

PROPERTY INVESTMENT: Included in property accounts of Canadian Northern Railway, and is not recorded separately.

LOCATION: The Railway was completed and opened for traffic as follows:

(b) Warden	to	Otway	114.66 miles	August 18, 1914
Ullin	to	Brazeau	54.22 miles	August 18, 1914
Terminal Junction	to	Strathcona	1.51 miles	December 14, 1914
Peace River Junction	to	Sangudo	32.10 miles	December 21, 1914
(a) Camrose Junction	to	Alliance	59.72 miles	January 27, 1916
Sangudo	to	Robinson	1.60 miles	September 27, 1916
Medicine Hat Junction	to	Cessford	47.00 miles	December 17, 1919
St. Paul Junction	to	Speddin	98.50 miles	December 26, 1919
Speddin	to	St. Pauls	22.41	December 10, 1920
Cessford	to	Stevensville	11.75 miles	July 21, 1921
Robinson	to	Whitcourt	38.39 miles	November 29, 1921
Red Deer Junction	to	Red Deer	<u>6.06 miles</u>	October 20, 1922
Total -			487.92 miles	

ABANDONMENTS:	Wardlow	to	Stevenville	5.06	1929
	(c) Red Deer Junction	to	Red Deer	5.39	1941
	Terminal Junction	to	South Edmonton	1.51	1954

Notes:

(a) Canadian Pacific Railway constructed line from Alliance to Youngstown over which Canadian National has running rights in perpetuity.

(b) Between Otway and Ullin Canadian National has running rights over C.P.R.

(c) Between Red Deer Junction and Red Deer Canadian National has running rights over C.P.R.

CAPITAL STOCK: Prior to amalgamation on June 8, 1954:

Authorized:	60,000 shares - par value \$100	\$6,000,000
Issued:	20,000 shares - par value \$100	\$2,000,000

On March 28 1911, 25% of the authorized capital stock, namely \$1,500,000 was subscribed for, 10% of which was paid up in cash as follows:

Provisional Directors	\$ 5,000
Mackenzie, Mann and Company, Limited	<u>1,495,000</u>
Total,	\$ 1,500,000

Later it was decided that a total of \$2,000,000 fully paid up stock would be issued to Mackenzie, Mann and Company Limited, on account of construction work done, and on May 28, 1914 the certificates previously issued were surrendered and 19,940 shares fully paid up were issued to Mackenzie, Mann and Company, Limited, and 60 shares to the Directors.

Directors	60 shares	\$ 6,000
Mackenzie Mann & Company	<u>19,940 shares</u>	<u>1,994,000</u>
Total -	20,000 shares	\$ 2,000,000

These shares were transferred to the Canadian Northern Railway Company and pledged under the Mortgage of July 15, 1914 securing the Canadian Northern Railway Company 4% Guaranteed Debenture Stock and Bonds, which was discharged on September 1, 1939.

Upon amalgamation on June 8, 1954, the outstanding share certificates were cancelled and in substitution therefor common stock of Canadian Northern Consolidated Railways of equal value was included in the share certificate issued by Canadian Northern Consolidated Railways to The Canadian Northern Railway Company.

FUNDED DEBT:

Guaranteed by the Province of Alberta.

Canadian Northern Western Railway Company 4½% First Mortgage Guaranteed Debenture Stock and Bonds, secured by Trust Deed dated April 8, 1913. Amount - \$6,424,000. Retired on February 16, 1942 on maturity.

Canadian Northern Western Railway Company First Mortgage Guaranteed Debenture Stock and Bonds secured by Trust Deed dated January 9, 1914. Amount \$2,779,997.73. Retired on maturity on October 22, 1943.

Funded Debt not guaranteed

Canadian Northern Western Railway Company 4% Debentures secured by Trust Deed dated July 15, 1914.

Mortgage discharged on April 1, 1939.

Funded Debt after June 8, 1954: - nil

THE CANADIAN YUKON RAILWAY COMPANY

INCORPORATED:

May 20, 1898, B.C. Act 61 Victoria, Chapter 50

HISTORY:

The Canadian Yukon Railway Company was incorporated on May 20, 1898 under British Columbia Act 61 Victoria, Chapter 50 to build a railway from a point at or near Douglas Channel, or from some point in British Columbia capable of being used as an ocean port, as may be so designated by the Dominion Government under the provisions of a contract entered into between said government and William Mackenzie and Donald Mann, dated January 25, 1898, to some point at or near the south end of Teslin Lake.

British Columbia Act 61 Victoria, Chapter 30 assented to February 27, 1899 repealed B.C. Act 61, Chapter 30, but this did not in any way affect any claims which William Mackenzie and Donald Mann might make for a breach of contract in connection with certain agreements. William Mackenzie and Donald Mann submitted a claim for - \$302,717.19.

Order-In-Council P.C. 2041 dated November 30, 1901 submitted the claims of Mackenzie and Mann to the Exchequer Court of Canada with certain reservations. On May 3, 1902 Justice Burbridge of the Exchequer Court presented his findings in an award of \$327,678.10 plus \$830.20 costs a total of \$328,508.30. Eventually Mackenzie and Mann received \$282,000.00.

DISSOLUTION: Under Act 17 George V, Chapter 55, British Columbia, assented to March 7, 1927, the Charter of the Canadian Yukon Railway Company was dissolved.

CANNAR OILS LIMITED
(wholly owned subsidiary of "Canadian National Railway Company")
sold December 31, 1950

INCORPORATED: October 22, 1942 - Dominion Letters Patent.

HISTORY: Under Dominion Letters Patent dated October 22, 1942, "Cannar Oils Limited" was incorporated to exploit the possibility of oil recovery in the Vermilion, Alberta oil field. Canadian National Railways were in urgent need of an assured supply of fuel oil during the war period and the project was sponsored by Dominion Order in Council P.C. 1/9007 dated October 1, 1942.

On November 12, 1942, 620 acres of oil lands were leased from Western Drilling Company, Limited; a minimum of 50 wells was to have been drilled. It was estimated the possible production would be between 1,000 and 2,000 barrels per day. Only 29 wells were drilled as the field did not come up to expectations. Of these 29 wells, 10 were dry or abandoned and 7 were marginal and temporarily closed. 12 wells were productive. During the 7½ years from July 4, 1943, when production commenced, to December 31, 1950, 419,989 barrels or an average of 55,998 per annum were produced. The capital expenditure amounted to \$578,919 of which \$231,030 represents development expenditure including expenditure on unproductive wells.

Financial returns for the 7½ years were:

Revenue	\$484,534
Expenses	<u>319,899</u>
Net Revenue	164,635
 Royalties paid	 54,670
Interest due C.N.R.	<u>167,395</u>
Loss	\$ 57,430

The revenue was based on a fixed price to the Canadian National Railways of \$1.15 per barrel; the market value of oil was in excess of this price during most of the period of production.

For the first 2½ years production totalled 222,919 barrels, with a net profit of \$31,860; however production fell from 88,726 barrels in 1946 to 33,800 barrels in 1949, and to 15,997 in 1950.

CAPITAL STOCK: Authorized: 1000 shares. No par value. Net loss on 7½ years operation
\$57,430.
No Par value.

Issued:	20 shares at \$500
Cannar Oils Limited was sold to Western Developments Limited (successors to Western Drilling Company Limited) on December 31, 1950 for \$25,000. C.N.R. loss on the enterprise was as under:-	
Advances, including \$100 for capital stock	<u>\$650,350</u>
Written off against reserve for amortization of war projects (1944, \$425,000; 1949, \$145,000; 1950, \$24,724)	\$594,724
Sale of Capital Stock, also miscellaneous salvage	26,726
Cancellation of 1950 interest charged on Advance A/c	<u>28,900</u>
	\$ 650,350

THE CAPE BRETON RAILWAY COMPANY, LIMITED
(property included in "Canadian Government Railways" from June 30, 1920)

INCORPORATED: March 30, 1899 - Nova Scotia Act 62 Victoria Chapter 126
July 26, 1901 - Nova Scotia O.C., name changed (see History).

HISTORY: Under Nova Scotia Act 41 Victoria, Chapter 55, April 4, 1878, "The Cape Breton Railway Coal and Iron Company" was incorporated to construct a railway from the Strait of Canso to Louisburg or Sydney by way of St. Peters, etc.

Under Nova Scotia Act 47 Victoria, Chapter 70, April 19, 1884, "The Cape Breton Railway Extension Company, Limited" was incorporated to construct a railway from the Strait of Canso to Sydney or Louisburg.

Under Nova Scotia Act 49 Victoria, Chapter 75, May 11, 1886, the last mentioned Act of Incorporation was revived with certain amendments, construction to be commenced before May 1, 1887, vigorously prosecuted and completed within three years of that date.

Under Nova Scotia Act 53 Victoria, Chapter 72, April 15, 1890, "The Cape Breton Railway Extension Company, Limited" was incorporated to construct a railway from the Strait of Canso to Sydney or Louisburg, etc.

Under Dominion Act 55-56 Victoria, Chapter 36, July 9, 1892, "The Canso and Louisburg Railway Company" was incorporated to construct and operate a railway from the Strait of Canso, or from a point at or near McIntyre Station on the Intercolonial Railway, via St. Peters, to Louisburg and Sydney.

Under Nova Scotia Act 59 Victoria, Chapter 84, February 15, 1896, "Canso and Louisburg Railway Company Limited" was incorporated to construct a railroad from the Strait of Canso to Sydney or Louisburg with branch to Arichat.

Under Nova Scotia Act 62 Victoria, Chapter 126, March 30, 1899, "Cape Breton Railway Extension Company, Limited" was incorporated. The purpose of those requesting incorporation was to provide a shorter route between Canso and Louisburg than then existed, which was The Intercolonial Railway from Canso to Sydney via Bras D'Or Lakes.

Under Nova Scotia Order-in-Council, July 26, 1901, the name of Cape Breton Railway Extension Company, Limited was changed to "The Cape Breton Railway Company, Limited".

Construction of a line from Point Tupper to St. Peters (31 miles) was completed, and opened for traffic on September 8, 1903.

Under Dominion Act 5, George V, Chapter 16, April 15, 1915, the Minister of Railways and Canals was authorized to acquire any railways directly connected with the existing Government Railways system in the Maritime Provinces, which in his opinion

could be more conveniently or usefully operated as part of the Government Railways system.

Dominion P.C. 1324, June 12, 1920, recommended purchase by Dominion of Canada of The Cape Breton Railway from Point Tupper to St. Peters for \$100,000.

Vote 469, Dominion Act 10-11 George V, Chapter 73, July 1, 1920, provided \$100,000 for the purchase of the assets and undertakings of The Cape Breton Railway.

Dominion P.C. 1443, June 30, 1920, declared the railway from Point Tupper to St. Peters to be part of the Government Railways system.

In 1923, a new connection, 0.51 miles long, from St. Peters Junction to a junction with the existing line at mile 5.65 from Point Tupper was built by Canadian Government Railways and opened for traffic in October. This section replaced the section of the original line from the junction at Point Tupper to mile 5.65, of which about 5 miles have been abandoned, the remainder now being used as a spur.

PROPERTY INVESTMENT:

As at December 31, 1960:

Road	\$200,603
------	-----------

DONATIONS AND GRANTS:

Subsidies were as follows (Statistics of Steam Railways of Canada - 1938, Page 62)

Dominion	\$196,800
Province of Nova Scotia	99,200
Municipal	<u>10,000</u>
	\$306,000

LOCATION:

New Glasgow Division:

St. Peters Junction - St. Peters	25.51 miles
----------------------------------	-------------

Discontinued

Point Tupper - near St. Peters Junction	5.65 miles	(in 1923)
---	------------	-----------

THE CARAQUET AND GULF SHORE RAILWAY COMPANY

(property included in "Canadian Government Railways" from June 30, 1920)

INCORPORATED: 1911 - By Amalgamation authorized under New Brunswick Chapter 122, April 13, 1911.

HISTORY:

"The Caraquet Railway Company"

Under New Brunswick Act 37 Victoria, Chapter 76, April 8, 1874, "The Caraquet Railway Company" was incorporated to build from a point on The Intercolonial Railway to Caraquet or Shippegan Harbour.

The railway appears to have been constructed and operated by the contractors as the different sections were completed.

Gloucester Junction	to	Stonehaven	20.00 miles	About June 30, 1888
Stonehaven	to	Upper Caraquet	25.00 miles	About June 30, 1886
Upper Caraquet	to	Pokemouche Jct.	14.30 miles	About June 30, 1887
Pokemouche Junction	to	Shippegan	<u>6.55</u> miles	About June 30, 1888
Total			65.85 miles	

New Brunswick Act 1, George V, Chapter 122, April 13, 1911, authorized Amalgamation under the name "The Caraquet and Gulf Shore Railway Company".

"The Gulf Shore Railway Company"

Under New Brunswick Chapter 49, April 6, 1885, "The Gulf Shore Railway Company" was incorporated to construct and maintain a railroad from some point on the Caraquet Railway in the Parish of Caraquet to Tracadie.

A line was constructed from Pokemouche Junction on the Caraquet Railway to Tracadie, a distance of 13.44 miles, about July 1, 1887.

New Brunswick Act 1, George V, Chapter 122, April 13, 1911, authorized Amalgamation under the name "The Caraquet and Gulf Shore Railway Company".

"The Caraquet and Gulf Shore Railway Company"

New Brunswick Act 1, George V, Chapter 122, April 13, 1911, authorized Amalgamation of The Caraquet Railway Company and The Gulf Shore Railway Company under the name "The Caraquet and Gulf Shore Railway Company" subject to Agreement ratified by Shareholders of the respective amalgamating companies.

Under Dominion Act 5, George V, Chapter 16, April 15, 1915, the Minister of Railways and Canals was authorized to acquire any railways directly connected with the existing Government Railways system in the Maritime Provinces, which in his opinion could be more conveniently or usefully operated as part of the Government Railways system.

Dominion P.C. 1260 dated May 22, 1918, authorized purchase by Dominion of Canada of The Caraquet and Gulf Shore Railway for the sum of \$200,000.

Dominion P.C. 1318 dated June 10, 1920, approved the purchase for \$200,000, and Dominion P.C. 1443 dated June 30, 1920 declared the railway to be part of the Government Railways system from June 1, 1920.

Vote 469, Dominion Act 10-11 George V, Chapter 73, July 1, 1920, provided \$200,000 for the purchase of the assets and undertakings of the Caraquet and Gulf Shore Railway.

PROPERTY INVESTMENT:

As at December 31, 1960:

Road	\$1,458,511
------	-------------

DONATIONS AND GRANTS:

Subsidies were (Statistics of Steam Railways of Canada - 1938, Page 62)

Caraquet Railway

Dominion	\$224,000
----------	-----------

Province of New Brunswick	180,000	\$404,000
---------------------------	---------	-----------

Gulf Shore Railway

Dominion	53,699
----------	--------

Province of New Brunswick	41,950	<u>95,649</u>
---------------------------	--------	---------------

\$499,649

LOCATION:

Campbellton Division:

Gloucester Junction - Shippegan	66.15 miles
---------------------------------	-------------

Pokemouche Junction - Tracadie	13.14 miles
--------------------------------	-------------

THE CENTMONT CORPORATION

(wholly owned subsidiary of Central Vermont Railway, Incorporated)

INCORPORATED: December 6, 1929 - Under the Laws of the State of Vermont, Articles of Association being filed with Secretary of State of Vermont on December 6, 1929.

HEAD OFFICE: St. Albans, Vermont.

HISTORY: Under General Laws of the State of Vermont, "The Centmont Corporation" was incorporated on December 6, 1929 (Articles of Association having been filed with Secretary of State of Vermont on December 6, 1929), for the purpose of acquiring and liquidating certain non-carrier real estate without the necessity of obtaining release from the mortgage on the property of Central Vermont Railway, Incorporated on the occasion of each sale; and to hold certain subsidiary stock of Central Vermont Railway, Incorporated. The Corporation is empowered to engage in the business of buying, mortgaging, pledging, owning, selling and/or exchanging real estate, lands, tenements, bonds, stock, securities, and/or evidence of indebtedness of all kinds; to engage in the business of buying, mortgaging, pledging, owning, selling, exchanging and/or leasing railroad locomotives, railroad cars and other railroad equipment of all kinds; to act as Trustee for the benefit of any person, firm or corporation in respect of any or all of the above named property; and as Trustees to issue and deliver Certificates or other evidence of beneficial ownership in respect of any or all of the above named property.

I.C.C. Central Vermont Reorganization Supplemental Order dated January 28, 1930, authorized the transfer of real estate not required for carrier purposes, claims, stocks and bonds of certain subsidiaries, from Central Vermont Railway, Incorporated to the Centmont Corporation for the purposes indicated, to be excluded from the First and General Mortgage of Central Vermont Railway, Incorporated dated January 1, 1930, upon the express condition that Central Vermont Railway, Incorporated shall cause The Centmont Corporation to use the proceeds from the sale of any of its property to call the preferred stock of said corporation, shall hold in a separate fund all money received from said corporation for said stock, shall use this fund only for investment in road and equipment, which shall not be subject to further capitalization, and shall not, without the approval of the Interstate Commerce Commission, sell or otherwise dispose of any part of the stock of The Centmont Corporation, except to Central Vermont Railway, Incorporated upon call of said stock as herein provided.

CAPITAL STOCK: Prior to December 22, 1958.

Authorized	Common	\$50,000
Authorized	Preferred Shares	11,000 N.P.V.
Issued	Preferred Shares	9,875 N.P.V.
Cancelled	Preferred Shares	8,611 N.P.V.
Outstanding	Preferred Shares	1,264 N.P.V.

FUNDED DEBT: Nil. As at December 22, 1958.

DISSOLUTION: The Certificate of Dissolution was filed by the Secretary of State of Vermont on December 22, 1958 and effective as of that date, the Company ceased to exist.

NON-NEGOTIABLE DEBT TO AFFILIATED COMPANIES: Notes due Central Vermont Railway, Incorporated - \$281,000.

INVESTMENTS: As at December 31, 1960:

	<u>Par</u>	<u>Cost</u>
Central Vermont Transit Corporation -		
50 shares of \$100 each -	\$ 2,000	\$ 2,000

Central Vermont Transportation Company - 1500 shares of \$100 each -\$150,000	<u>\$ 60,000</u>
	<u>\$ 62,000</u>
Other miscellaneous property and organization expenses	\$122,553.79

OPERATING RESULT:

1930 - 1939	Loss	- \$ 436,625.58
1940 - 1949	Loss	- \$1 454,703.49
1950 - 1957	Loss	- <u>\$2 690,450.60</u>
Total	Loss	- \$4,581,779.67

THE CENTRAL COUNTIES RAILWAY COMPANY

(Majority capital Stock acquired by "Canadian National Railway Company" in 1948).

INCORPORATED: June 23, 1887 - Dominion Act 50-51, Victoria, Chapter 82.
April 16, 1889 - Dominion Act 52, Victoria, Chapter 80, name changed (see History).

HEAD OFFICE: Montreal, Quebec.

HISTORY: Under Dominion Act 50-51, Victoria, Chapter 82, June 23, 1887, "The Prescott County Railway Company" was incorporated to construct a railway from Hawkesbury to the Canada Atlantic Railway in Glengarry (Glen Robertson), etc.

Under Dominion Act 52, Victoria, Chapter 80, April 16, 1889, the name was changed to "The Central Counties Railway Company."

The line was completed and opened for traffic as follows:

Glen Robertson	to	Hawkesbury	21.00 miles	January 4, 1892
South Indian	to	Rockland	16.61 miles	September 4, 1895
Rockland Spur			<u>0.76 miles</u>	September 4, 1895
Total			38.37 miles	

In 1948 Canadian National Railway Company acquired 4,880 shares of Capital Stock, 120 shares remain in the hands of the Public. These remaining 120 shares are owned by 6 different parties, whose present location is not known.

PROPERTY INVESTMENT:

As at December 31, 1960:	
Road	\$975,000.00
Improvements on leased property	232,323.58 Cr.
Acquisition adjustment	<u>565,684.91 Cr.</u>
	\$176,991.51

DONATIONS AND GRANTS:

Subsidies were as follows: (Statistics of Steam Railways - 1938, Page 62)
Municipal \$24,000

INVESTMENT IN AFFILIATED COMPANIES:

As at December 31, 1960:
Advances due by Canadian National Railway Company \$475,000

LOCATION: Ottawa Division - Vankleek Subdivision:
Glen Robertson - Hawkesbury 21.00 miles

CAPITAL STOCK: Authorized: 5,000 shares - \$100 each \$500,000
 Issued: 5,000 shares - \$100 each 500,000
 4880 shares owned by Canadian National Railway Company - acquired in 1948 -
 Unpledged.
 120 shares held by Public.
 Certificate representing 4880 shares in the name of Canadian National Realities, Limited
 in trust for Canadian National Railway Company are held in Royal Trust Company vaults,
 Montreal.

LONG-TERM DEBT: As at December 31, 1960 - Nil
 4% First Mortgage Bonds consisting of two issues totalling \$475,000 issued and
 secured by Trust Deeds dated March 14, 1910, and maturing on September 14, 1949 were
 paid off at maturity date by Canadian National Railway Company. Both Trust Deeds
 were discharged on May 12, 1950.

DIRECTORS

Donald Gordon
 Wilfrid Gagnon
 J. A. Northey
 J. R. Griffith
 W. G. Stewart
 H. W. Marsh

OFFICERS

Donald Gordon	Chairman & President
N. J. MacMillan	Executive Vice-President
A. H. Hart	Vice-President
S. F. Dingle	Vice-President
E. A. Bromley	Vice-President
Dr. O. M. Solandt	Vice-President
J. L. Toole	Vice-President
W. T. Wilson	Vice-President
H. C. Friel	Vice-President - Law
J. A. McDonald	Vice-President
R. H. Tarr	Vice-President & Secretary
H. C. Grayston	Vice-President
J. E. Gauthier	General Manager
J. M. Young	Assistant Secretary
D. W. Gilmour	Assistant Secretary
L. H. Mills	Comptroller
E. J. Denyar	Treasurer
H. M. Blaiklock	General Manager of Real Estate

THE CENTRAL ONTARIO RAILWAY

(included in "Canadian National Railway Company" from June 11, 1956)

INCORPORATED: March 29, 1873 - Ontario Act 36 Victoria, Chapter 73,
 March 10, 1882 - Ontario Act 45 Victoria, Chapter 61, name changed (see History).

DECLARATORY: Declared to be for the general advantage of Canada - Dominion, Chapter 60, April 19,

1884.

HISTORY:

Under Province of Canada, Act 16, Victoria, Chapter 245, June 14, 1853 "The Prince Edward Railway Company" was incorporated to construct a railway from Point Traverse to Picton, thence to Carrying Place, thence to intersect the Grand Trunk Railway between the mouth of the Trent River and Brighton; also branches in Prince Edward County.

Under Ontario Act 36 Victoria, Chapter 73, March 29, 1873 "The Prince Edward County Railway Company" was incorporated to construct a railway from any point on the Grand Trunk Railway between Trenton and Brighton to the town of Picton.

Under Ontario Act 45 Victoria, Chapter 61, March 10, 1882 the name was changed to "The Central Ontario Railway".

The railway was completed and opened for traffic as follows:

Picton	to	Trenton Jct.	32.13 miles	October 27, 1879
Trenton Junction	to	Coe Hill	72.08 miles	August 28, 1884
Ormsby Junction	to	Bancroft	19.60 miles	November 2, 1900
Bancroft	to	Maynooth	15.80 miles	November 7, 1907
Maynooth	to	Wallace	<u>15.90</u> miles	April 21, 1911
Total			155.51 miles	

AMALGAMATION:

On June 8, 1954, The Central Ontario Railway and 11 other companies were amalgamated into one company under the name "Canadian Northern Consolidated Railways". The latter Company was amalgamated with "Canadian National Railway Company" June 11, 1956.

PROPERTY INVESTMENT:

Included in property accounts of Canadian Northern Railway, and is not recorded separately.

SUBSIDIES:

Subsidies and Land Grants were as follows: (Statistics of Steam Railways - 1938, Page 63).

Dominion	\$205,863
Ontario	278,000 55.36 acres
Municipal	93,500

CAPITAL STOCK:

Prior to Amalgamation on June 8, 1954:

Common Stock	Authorized:	30,400 shares - par \$100	\$3,040,000
	Issued:	30,400 shares - par \$100	\$3,040,000
5% Preferred Stock	Authorized:	3,000 shares - par \$100	\$ 300,000
	Issued:	2,910 shares - par \$100	\$ 291,000

Under an Agreement dated April 5, 1909, Mackenzie, Mann and Company, Limited, purchased from the Trust and Guaranty Company Limited, \$3,290,000 of the Capital Stock of the Central Ontario Railway. The vendors also agreed to transfer to Mackenzie, Mann and Company, Limited as much of the remaining stock as they might acquire, and \$39,000 was subsequently transferred. On July 13, 1914 Mackenzie, Mann and Company, Limited transferred to the Canadian Northern Railway Company:

Capital Stock	Common	\$3,038,000
Capital Stock	Preferred	<u>\$ 291,000</u>
Total		\$3,329,000

The whole of the Capital Stock was deposited with the Trustees of the Mortgage of July 15, 1914 securing the Canadian Northern Railway Company's 4% Guaranteed

Debenture Stock and Bonds which was discharged on April 1, 1939.

Upon Amalgamation on June 8, 1954, the outstanding share Certificates were cancelled and in substitution therefor Common Stock of Canadian Northern Consolidated Railways of equal value was included in the share Certificate issued by Canadian Northern Consolidated Railways to The Canadian Northern Railway Company.

FUNDED DEBT:

The Central Ontario Railway Company's 5% First Mortgage, 25 Year Gold Bonds secured by Trust Deed dated January 1, 1909 and maturing January 1, 1934. These Bonds constituted a First Charge on all the property of the Company. They were cancelled on maturing on January 1, 1934, and the mortgage was discharged on September 1, 1936.

Amount issued as of June 8, 1954, \$200,000.

CENTRAL VERMONT AIRWAYS, INCORPORATED

(dissolved May 8, 1950)

(formerly wholly owned subsidiary of "The Centmont Corporation")

INCORPORATED:

October 27, 1933 - Under the Laws of the State of Vermont.

HISTORY:

On October 27, 1933, "Central Vermont Airways, Incorporated" was incorporated under the Laws of the State of Vermont, with the hope of getting a mail contract, and the intention of operating a line, in conjunction with Boston-Maine Airways, Incorporated, between Boston, Massachusetts and Montpelier Vermont, with intermediate stops at Concord, New Hampshire, and White River Junction, Vermont.

The first flight from Montpelier to Boston and return was made on October 27, 1933. The route was extended to Burlington, Vermont, February 7, 1934 and further extended to Montreal March 21, 1934. Service on the extension to Montreal was discontinued in November, 1934.

Prior to March 1, 1937 the Line was operated by Boston-Maine Airways, Incorporated with planes leased from National Airways, Incorporated (of which Company Miss Amelia Earhart, the world renowned flyer, was Vice-President) with which Company there was also an agreement with respect to its mail contract.

Effective March 1, 1937, Boston-Maine Airways, Incorporated, was reorganized. Paul F. Collins and S. J. Solomon, former President, and Assistant Secretary, respectively, of National Airways, Incorporated, became owners of 50% of the Common Stock of Boston-Maine Airways, Incorporated and the latter Company acquired the planes and equipment of National Airways, Incorporated. The other 50% of the Common Stock was issued 25% each to Boston and Maine Railroad and Maine Central Railroad. The purpose of the reorganization was (1) to extend the Boston-Burlington service to Montreal to connect with the then proposed Trans-Canada Air Lines, (2) to extend the Boston-Bangor service to Saint John and Halifax, the latter to connect with the proposed Trans-Atlantic service, (3) operate a dual service Boston-Burlington and re-establish the Boston-Montreal service, (4) to secure Montreal-New York mail contract.

By contract dated March 1, 1937, between Boston & Maine Railroad, Maine Central Railroad, Boston-Maine Airways, Incorporated, and Central Vermont Railway Incorporated the latter Company was given an option to acquire 319 shares of Preferred Stock and 250 shares of Common Stock of Boston-Maine Airways, Incorporated Under authority of Central Vermont Railway Incorporated Directors Resolution of December 15, 1939, Central Vermont Railway Incorporated transferred its option rights to its subsidiary, Central Vermont Airways, Incorporated. The latter Company acquired the

stock from Boston & Maine Railroad and Maine Central Railroad (50% from each) for the sum of \$39,700, and became ¹/₆th stockholder in Boston-Maine Airways, Incorporated, which was in the same proportion as the balance of stock then held by Boston & Maine Railroad and Maine Central Railroad, respectively.

By Directors Resolution #180 dated September 10, 1943, all of the 28,518 shares of the Common Capital Stock of North East Air Lines, Incorporated (formerly Boston-Maine Airways, Incorporated) were sold to Boston and Maine Railroad at \$6.25 per share. Cheque for \$178,231.80 representing sale price less \$5.70 Massachusetts transfer tax was received on September 11, 1943.

The proceeds of the sale were transferred to The Centmont Corporation its parent company, in reduction of advances of \$39,700, and the balance in the form of a dividend.

Central Vermont Airways, Incorporated had no other property or assets and its Capital Stock then became of no value, and was held by The Centmont Corporation pending the winding up of the Company.

DISSOLUTION:

At Meeting of Stockholders of Central Vermont Airways, Incorporated held on April 21, 1950 it was voted to dissolve the Company. Certificate of dissolution was filed on May 8, 1950, with Secretary of State, State of Vermont. The 10 certificates representing 50 shares of Common Stock which were issued and outstanding were cancelled by perforation. The charter, seal, original minute books, and other corporate documents pertaining to the corporate existence of the Company are in the custody of the Clerk and Treasurer, Central Vermont Railway, Incorporated, St. Albans, Vermont.

CAPITAL STOCK:

Authorized: 50 shares of Common Stock of \$100 each \$5,000
 Issued: 50 shares of Common Stock of \$100 each \$5,000

Prior to dissolution the Capital Stock was all owned by The Centmont Corporation, a wholly owned subsidiary of Central Vermont Railway Incorporated.

CENTRAL VERMONT RAILROAD COMPANY

INCORPORATED:

November 23, 1872 - State of Vermont Special Act #204.

HISTORY:

Vermont Central Railroad Company

Under Vermont Special Act #53, Vermont Central Railroad Company was incorporated on October 31, 1843 and the following lines were constructed and opened for traffic:

			<u>Miles</u>	<u>Opened</u>
Windsor	to	White River Junction, VT.	14.78	February 13, 1849
White River Junction	to	Bethel, VT.	25.30	June 26, 1848
Bethel	to	Roxbury, VT.	21.00	September 17, 1848
Roxbury	to	Northfield, VT.	7.00	October 10, 1848
Northfield	to	Montpelier, VT.	9.57	June 20, 1849
Montpelier	to	Middlesex, VT.	5.00	August 30, 1849
Middlesex	to	Waterbury, VT.	5.00	September 29, 1849
Waterbury	to	Burlington, VT.	29.20*	December 31, 1849
Total			116.85	

* The portion of this line between Winooski Bridge and Burlington, 2.5 miles was abandoned in 1862.

The corporation failed to pay the interest on its First Mortgage Bonds and surrendered possession of the property to Trustees of First Mortgage Bonds June 28, 1852. Deeds of surrender were given to Trustees of First Mortgage Bonds on May 12, 1854, and to Trustees of Second Mortgage Bonds June 21, 1854. Trustees of First Mortgage Bonds retained possession until July 1, 1855, when they were displaced by an order of the Chancery Court, Franklin County, VT, dated May 17, 1855, which gave possession of the property to Vermont and Canada Railroad Company under the terms of the mortgage securing the lease of that property.

By order of the Chancery Court, Franklin County, VT, dated May 6, 1856 possession of the property was restored to Trustees of First Mortgage Bonds as Receivers.

The property remained under the continuous management of various Receivers appointed by and subject to the direction of the Chancery Court, Franklin County, VT, until June 30, 1884, when the Receivers were finally discharged in accordance with orders of the Court dated January 17, 1884 and January 31, 1884.

On June 30, 1884, under the foreclosure, Consolidated Railway Company of Vermont acquired the property (excluding the portion of line between Winooski Bridge and Burlington which had been abandoned in 1862), and leased the property to Central Vermont Railroad Company for 99 years from that date.

HISTORY:

Vermont and Canada Railroad Company

Under Vermont Special Act #25, Vermont and Canada Railroad Company was incorporated on October 31, 1845, and the following lines were constructed and opened for traffic:

			<u>Miles</u>	<u>Opened</u>
Winooski Bridge	to	Burlington, VT.	2.20	May 31, 1861
Essex Junction	to	St. Albans, VT.	23.97	October 18, 1850
St. Albans	to	Vermont-New York		
		State Line	22.17	June 1, 1851
Swanton, VT.	to	Canada Line	<u>10.80</u>	November 14, 1864
			59.14	

A line was also constructed from Canada Line to Stanstead, Shefford and Chambly Junction (near Iberville, QC), 23.60 miles, under the charter granted to The Montreal and Province Line Railway Company, which was a project of Vermont and Canada Railroad Company. This line was also opened for operation on November 14, 1864. In 1899 Central Vermont Railway Company acquired this line at a price of \$500,000.

In August 1849, these lines were leased in perpetuity to Vermont Central Railroad Company. In 1852 the latter Company was placed in the hands of Receivers. Various Receivers operated the property until June 30, 1884, when the Receivers were discharged by order of the Court, and the lease was assigned to Central Vermont Railroad Company for 99 years from that date.

AMALGAMATION:

On December 14, 1891, by articles of consolidation, and under authority of Vermont Act 112, November 5, 1890, the following three companies were consolidated, and their franchises, railroads and other property were transferred to and merged in Central Vermont Railroad Company:

Consolidated Railroad Company of Vermont
Vermont and Canada Railroad Company
Montpelier and White River Railroad Company

HISTORY:

Lamoille Valley Extension Railroad Company

Under Vermont Special Act #209, Lamoille Valley Extension Railroad Company was incorporated on October 25, 1872. Stockholders held their first Meeting and elected directors on August 24, 1880. A line was built from Maquam, VT to Vermont-New York State Line, 12 miles, and opened for traffic on December 31, 1883. The road was leased from that date, in perpetuity, to Ogdensburg and Lake Champlain Railroad Company.

In June 1884, Central Vermont Railroad Company acquired a controlling interest in Ogdensburg and Lake Champlain Railroad Company and elected its own directors. In July 1884 operation of Lamoille Valley Extension Railway Company's line was suspended on account of being a parallel line. Operation of the property was never resumed.

The Lamoille Valley Extension Railroad Company's bondholders brought suit against Ogdensburg and Lake Champlain Railroad Company, and the lease was declared valid. Settlement was made by exchanging Ogdensburg and Lake Champlain Railroad Company bonds guaranteed by Central Vermont Railroad Company for Lamoille Valley Extension Railroad Company bonds. The Ogdensburg and Lake Champlain Railroad Company bonds were later taken up by Central Vermont Railroad under the guarantee. Central Vermont Railroad Company later acquired all the Capital Stock of Lamoille Valley Extension Railroad Company from Ogdensburg and Lake Champlain Railroad Company.

On December 7, 1887, Central Vermont Railroad Company acquired the property of Lamoille Valley Extension Railroad Company.

HISTORY:

Montpelier and White River Railroad Company

Under Vermont Special Act #162, Montpelier and White River Railroad Company was incorporated on November 8, 1867. A line was constructed from Montpelier to Barre, VT. 6.57 miles, and opened for traffic January 7, 1875. A line was also constructed from Barre Junction to Williamstown, VT, 7.28 miles, and opened for traffic June 30, 1888.

These lines were leased to Central Vermont Railroad Company until December 14, 1891, when, under authority of Vermont Special Acts #112, 1890 and #253, 1892, they were acquired by Central Vermont Railroad Company and consolidated with lines it acquired from Consolidated Railroad Company of Vermont and Vermont and Canada Railroad Company on the same date.

On December 14, 1891, by articles of consolidation, and under authority of Vermont Act 112, November 5, 1890, the following three companies were consolidated, and their franchises, railroads and other property were transferred to and merged in Central Vermont Railroad Company:

Consolidated Railroad Company of Vermont
Vermont and Canada Railroad Company
Montpelier and White River Railroad Company

HISTORY:

Consolidated Railroad Company of Vermont

Under sections 3461 to 3479 of Chapter 158 of Revised Laws of Vermont, approved November 28, 1882, Articles of Association incorporating Consolidated Railroad Company of Vermont were filed with Secretary of State of Vermont April 23, 1883, following decree of foreclosure granted to the First Mortgage Bondholders against Vermont Central Railroad Company and its Second Mortgage Bondholders by United States Circuit Court, District of Vermont, on March 27, 1883.

On June 30, 1884, under the foreclosure, Consolidated Railroad Company of

Vermont acquired the main line from Windsor, VT to Winooski Bridge, VT, 116.5 miles and the branch line from Montpelier Junction to Montpelier, VT, 1.5 miles, total, 118 miles, from Vermont Central Railroad Company, and effective the same date, leased the lines to Central Vermont Railroad Company for 99 years from that date.

On December 14, 1891, by articles of consolidation, and under authority of Vermont Act 112, November 5, 1890, the following three companies were consolidated, and their franchises, railroads and other property were transferred to and merged in Central Vermont Railroad Company:

Consolidated Railroad Company of Vermont
Vermont and Canada Railroad Company
Montpelier and White River Railroad Company

HISTORY:

Central Vermont Railroad Company

Under Vermont Special Act #204, Central Vermont Railroad Company was incorporated on November 23, 1872, for the purpose of purchasing the Vermont Central and Vermont and Canada railroads, or either of such railways.

On June 21, 1873, Chancery Court, Franklin County, Vermont, appointed Central Vermont Railroad Company as Receivers and Managers of Vermont Central Railroad. The Company continued in this capacity until June 30, 1884 when discharged in accordance with Order of Court dated January 17, 1884 and January 31, 1884.

On June 30, 1884, Consolidated Railway Company of Vermont acquired the property formerly owned by Vermont Central Railroad Company, which included the main line from Windsor, Vermont, to Winooski Bridge, VT, 116 miles, and the branch line from Montpelier Junction to Montpelier, 1.5 miles, and effective the same date, leased the lines to Central Vermont Railroad Company for 99 years from that date.

On December 7, 1887, Central Vermont Railroad Company acquired the line which had been constructed from Maquam, VT to Vermont-New York State line, 12 miles, (operation of which was discontinued in July 1884) from Lamoille Valley Extension Railroad Company.

On December 14, 1891, by articles of consolidation, and under authority of Vermont Act 112, November 5, 1890, the following lines were consolidated, and their franchises, railroads and other property were transferred to and merged in Central Vermont Railroad Company:

MAIN LINE

		<u>Acquired from</u>
Windsor, VT to Essex Junction, VT	110.70 miles	Consolidated Railroad of Vermont.
Essex Junction to Canada Line	<u>41.50</u> miles	Vermont & Canada Railroad.

Total Main Line 152.20 miles

BRANCH LINES

Montpelier Junction to Montpelier, Vt	1.50 miles	Consolidated Railroad of Vermont.
Essex Junction to Winooski Bridge	5.80 miles	Consolidated Railroad of Vermont.
* Fonda Junction to New York State Line	16.90 miles	Vermont & Canada Railroad.
Winooski Bridge to Burlington	2.20 miles	Vermont & Canada Railroad.
Montpelier to Williamstown	13.85 miles	Montpelier & White River Railroad.
Barre Junction to Barre, VT.	1.20 miles	Montpelier & White River

Maquam to New York State Line	12.00 miles	Railroad. Lemoille Valley Extension Railroad.
Total Branch Lines	53.45 miles	

Total in U.S.	205.65 miles
State Line to S.S. & C. Junction	<u>22.77</u> miles
Total	228.42 miles

The consolidation and merger of these companies was ratified and confirmed by Vermont Act 253, November 10, 1892.

* The bridge across Lake Champlain between Alburg, Vermont and Rouses Point, New York, approximately 1 mile in length is jointly owned, 50% each, by Rutland Railroad Company and Central Vermont Railway Incorporated. Both companies operate over the bridge.

On March 20, 1896 by decree of United States Circuit Court, District of Vermont, E. C. Smith, St. Albans, and Charles M. Hays, Montreal, were appointed Receivers of Central Vermont Railroad Company and continued as such until April 20, 1899, the property having been sold under foreclosure to Central Vermont Railway Company.

CENTRAL VERMONT RAILWAY COMPANY

(corporate existence terminated)

(formerly majority stock owned by Canadian National Railway Company)

INCORPORATED: November 16, 1898 - State of Vermont Special Act #159.

HISTORY: Under Vermont Special Act #159, Central Vermont Railway Company was incorporated on November 16, 1898.

Under Deed dated April 15, 1899, Central Vermont Railway Company (successor of Central Vermont Railroad Company) acquired the existing line of railroad from Essex Junction to Cambridge Junction, 26 miles, and all the rights of way, real estate, franchises, etc. pertaining to the Burlington and Lamoille Valley Railroad Company extending from Burlington, VT to Cambridge Junction, VT (which had been under foreclosure since January 15, 1887, and leased to Central Vermont Railroad Company for 99 years from May 1, 1889) for the sum of \$250,000 in 4% Gold Mortgage Bonds of Central Vermont Railway Company dated May 1, 1899.

On April 15, 1899, Central Vermont Railway Company acquired the property of Missisquoi Valley Railroad Company including the line of railroad from St. Albans, VT to Richford, VT, 28.85 miles, (which had been leased to Central Vermont Railroad Company from June 30, 1888 until March 20, 1896 and operated by Receivers of Central Vermont Railroad Company from March 20, 1896 to April 20, 1899 when Central Vermont Railway Company took over operation.)

On April 20, 1899 Central Vermont Railway Company acquired under foreclosure sale, the property of Central Vermont Railroad Company including the following lines of railroad which had been operated by Receivers of Central Vermont Railroad Company since March 20, 1896.

Windsor Bridge	to	Canada Line	147.83 miles
Montpelier Junction	to	Barre	8.05 miles
Barre Junction	to	Williamstown	14.03 miles
Essex Junction	to	Burlington	7.47 miles

Swanton Junction to	Vermont New York Line	16.91 miles
Maquam to	Vermont New York Line	<u>12.00</u> miles
Total		206.29 miles

On April 20, 1899, the lease of New London Northern Railroad to Consolidated Railroad Company of Vermont, dated October 17, 1891, and effective for 99 years from December 1, 1891, assigned to Central Vermont Railroad Company December 9, 1891 (including lease of Brattleboro and Whitehall Railroad to New London Northern Railroad Company dated May 10, 1880), was assigned to Central Vermont Railway Company. There leased lines had been operated by Receivers of Central Vermont Railroad Company from March 20, 1896 to April 20, 1899, and comprised the following:

Brattleboro, VT to New London, Connecticut	121.02 Miles
Brattleboro to South Londonderry, Vermont	<u>35.35</u> Miles
Total	156.37 Miles

Under Agreement dated August 2, 1899, effective May 1, 1899, between Central Vermont Railway Company and bondholders of The Stanstead, Shefford and Chambly Railroad Company whereby the Central Vermont Railway Company guaranteed 4% Debentures of The Stanstead, Shefford and Chambly Railroad Company held by the Public in the amount of \$155,865.25, Central Vermont Railway Company acquired all the issued and outstanding Capital Stock of The Stanstead, Shefford and Chambly Railroad Company - 5,000 shares, par value £25 each - \$608,333.33, without cost.

On April 20, 1899, Central Vermont Railway Company acquired the line constructed by Vermont and Canada Railroad Company under the charter granted to The Montreal and Vermont Junction Railway Company, from Canada Line to Stanstead, Shefford and Chambly Junction (near Iberville, Quebec) 22.77 miles, at a cost of \$500,000, which was charged to account 701.

In 1900 a branch line, 0.79 miles, was built and opened for traffic from Vermont - New York line to Rouses Point.

In consideration of guaranteeing the principal and interest on \$200,000 4% First Mortgage Gold Bonds of The Montreal and Province Line Railway Company dated October 1, 1900 and secured by Trust Deed to National Trust Company dated December 7, 1900, Central Vermont Railway Company acquired all the authorized and issued shares of Capital Stock (10,000 shares of \$100 each - \$1,000,000 - unpledged) of The Montreal and Province Line Railway Company at a cost of \$1.

On November 3, 4, and 5, 1927 disastrous floods occurred in Vermont, which destroyed and damaged many bridges and much of the tracks and it was considered necessary to submit to receivership and refinance the rehabilitation by the issue of receivers' certificates. Canadian National Railway Company owned 21,846 shares of the 30,000 outstanding shares of Common Stock, which had been subscribed for in 1899, by The Grand Trunk Railway Company of Canada, and which passed to Canadian National Railway Company when the last two mentioned Companies were amalgamated January 30, 1923. Canadian National Railway Company also owned \$14,198,205.55 Refunding Mortgage Bonds and had advanced \$20,725,274.20 from time to time for improvements meeting operating deficits, and other corporate necessities making a total pecuniary investment of over \$37,000,000.

On December 12, 1927 receivers were appointed by the United States District Court for the District of Vermont upon a creditor's bill of complaint filed by Canadian National Railway Company. Receivers appointed were George A. Gaston and John W. Redmond.

On April 24, 1928, the New York Trust Company as Trustee under the Refunding Mortgage of March 15, 1920, certain defaults having been made thereunder, filed a bill asking for the appointment of receivers and the foreclosure of the mortgage.

The same receivers were appointed under this complaint as had been previously appointed. Appropriate ancillary proceedings ensued in the Federal Judicial districts of Massachusetts, Connecticut, and Southern New York. A decree of foreclosure and sale was entered on May 13, 1929, and the properties were sold on July 29, 1929 to Horace H. Powers and E. Deschenes for \$22,000,000, payable either in cash or partly in securities of and claims against Central Vermont Railway Company at their distributive value plus the assumption \$5,000,000 face value of 4½% outstanding receivers certificates issued January 16, 1928 and maturing January 16, 1930, plus certain minor liabilities set out in the decree. The sale was confirmed by decree entered August 19, 1929. The properties were then acquired by Central Vermont Railway, Incorporated, a new Company incorporated on August 12, 1929 for that purpose. The receivers were discharged on January 31, 1930 and Central Vermont Railway, Incorporated commenced operation of the property on February 1, 1930.

CAPITAL STOCK: Prior to foreclosure sale July 28, 1929:

Authorized:	30,000 shares of \$100	\$3,000,000
Issued:	30,000 shares of \$100	3,000,000

21,846 shares owned by Canadian National Railway Company
65 shares owned by 13 Directors
8,089 shares owned by Public.

INVESTMENT IN AFFILIATED COMPANIES:

	Owned by Central Vermont Railway Company	Book Value
Prior to foreclosure sale July 28, 1929:	<u>Outstanding</u>	<u>Par</u>
Bethel Granite Railway Company	25,000	\$ 23,600
Central Vermont Transportation Company	200,000	200,000
Montreal and Province Line Railway Company	1,000,000	982,000
Montreal & Vermont Junction Railway Company	197,300	197,300
Southern New England Railway Company	3,000,000	2,993,000
Southern New England Railroad Corporation	1,856,000	1,849,000
The Stanstead, Shefford & Chambly Rld. Co.	125,000	125,000

CORPORATE STATUS:

On February 1, 1930 the Canadian National Railway Company, in exchange for obligations of \$38,860,776 due from Capital Stock, Funded Debt and miscellaneous advances, received in exchange thereof:

Central Vermont Railway Incorporated Common Stock	\$10,000,000
Central Vermont Railway Incorporated 1st. Gen. Mtge. 5% Bonds	12,000,000
Debenture Bonds Series	<u>5,000,000</u>
"A" 5½%	
Total	\$ 17,000,000

CENTRAL VERMONT RAILWAY, INCORPORATED
(wholly owned subsidiary of Canadian National Railway Company)

INCORPORATED: August 12, 1929 - Under the General Laws of the State of Vermont, Articles of Association having been filed with the Secretary of State for Vermont on August 12, 1929.

September 16, 1935 - Amended - Board of Directors increased from 11 to 14.

January 23, 1939 - Amended - Board of Directors increased from 14 to 15.

HEAD OFFICE:

St. Albans, Vermont.

HISTORY:

A majority of the Capital Stock of Central Vermont Railway Company consisting of 21,846 shares of the 30,000 of its outstanding shares of Common Stock of the par value of \$100 each was owned by Canadian National Railway Company, the stock having been subscribed for in 1899 by The Grand Trunk Railway Company of Canada, which continued to own it until 1923 when The Grand Trunk Railway Company of Canada was amalgamated with Canadian National Railway Company and all the assets of The Grand Trunk Railway Company of Canada including the beneficial interest in this stock passed to Canadian National Railway Company. Canadian National Railway Company also owned Refunding Mortgage Bonds of Central Vermont Railway Company to the amount of \$14,198,205.55, including interest to December 1, 1929, and had advanced to it from time to time the further sum of \$20,725,274.20 for the purpose of improving its property, making capital investments, meeting operating deficits and other corporate necessities, making an investment in Central Vermont Railway Company of \$34,923,479.75, which with the \$2,184,600 of stock it owned made its pecuniary interest in the old Company over \$37,000,000.

Following the disastrous floods which occurred in Vermont on November 3, 4, and 5, 1927, and which destroyed or damaged many bridges and much of the track it was considered necessary to submit to a receivership and refinance the rehabilitation by the issue of receivers' certificates. Accordingly on December 12, 1927, receivers were appointed by the United States District Court for the District of Vermont upon a creditor's bill of complaint filed by Canadian National Railway Company. On April 24, 1928, the Trustee under Central Vermont Railway Company's Refunding Mortgage of March 15, 1920, certain defaults having been made thereunder, filed a bill asking for the appointment of receivers and the foreclosure of the mortgage. The same receivers were appointed under this complaint as had been previously appointed. Appropriate ancillary proceedings ensued in the Federal judicial districts of Massachusetts, Connecticut and Southern New York. A decree of foreclosure and sale was entered on May 13, 1929, and the properties were sold on July 29, 1929, to Horace H. Powers and E. Deschenes for \$22,000,000, payable either in cash or partly in securities of and claims against the old Company at their distributive value, plus the assumption of \$5,000,000, face value of 4½% outstanding receivers' certificates, issued January 16, 1928 and maturing January 16, 1930 the issue of which had been authorized by Interstate Commerce Commission Order of February 1, 1928, plus certain minor liabilities set out in decree. The sale was confirmed by decree entered August 19, 1929, and was authorized by I.C.C. Central Vermont Railway Reorganization Order of December 14, 1929. (Finance Docket 7821).

On August 12, 1929, under the General Laws of the State of Vermont, Central Vermont Railway, Incorporated (organized July 30, 1929) was incorporated (Articles of Association filed with Secretary of State for Vermont on August 12, 1929) for the purpose of taking over the property formerly owned by Central Vermont Railway Company, and with authority to do business in Massachusetts and Connecticut. Ownership of the property was duly transferred to Central Vermont Railway, Incorporated.

The receivership remained effective until January 31, 1930. Central Vermont Railway, Incorporated commenced its operation of the property February 1, 1930.

By resolution of Canadian National Railway Company Directors, December 14, 1927, Canadian National Railway Company advanced \$100,000 towards expenditures in rehabilitation of Central Vermont lines.

To implement the guarantee by The Grand Trunk Railway Company of Canada

of principal and interest of Central Vermont Railway Company 5% Refunding Mortgage Bonds maturing May 1, 1930, under Trust Deed dated May 15, 1920, Canadian National Railway Company made arrangements with Dillon, Read & Company for redemption up to June 30, 1928, of these bonds, of which there were outstanding with the public \$8,609,000.

The arrangements in this connection provided for purchase of the bonds by Dillon, Read and Company under Agreement of December 12, 1927, bonds purchased to be held by Dillon, Read until June 30, 1928, for sale to Canadian National Railway Company. Under authority of Order in Council 1128, dated June 29, 1928, the amount advanced by Dillon, Read, was taken up direct by Dominion Government.

Under authority of Order in Council 329, February 20, 1929, the amount advanced by Dominion Government was taken by Bank of Montreal.

Under authority of Order in Council 1296, dated July 19, 1929, the Bank of Montreal loan was taken up direct by Dominion Government as of August 1, 1929. Authority for issuance and guarantee of securities amounting to \$8,609,000 was given under Dominion Chapter 7, 1930, and refund of this loan was made to Dominion Government out of the issue of Canadian National Railway Company 4³/₄% 25-year Guaranteed Gold Bonds amounting to \$50,000,000 made on June 15, 1930.

Under Agreement of August 16, 1929, between Central Vermont Railway, Incorporated and Canadian National Railway Company, the latter Company purchased the securities which Central Vermont Railway, Incorporated was authorized to issue under I.C.C. Central Vermont Railway Reorganization Order dated December 14, 1929. (Finance Docket 7821)

CENTRAL VERMONT RAILWAY COMPANY OBLIGATIONS:

	Held by	Owned by Can. Nat. Rly. Company
Prior to re-organization:	Public	(Cost)
Common stock authorized and issued:		
21911 shares par value \$100 each		\$ 261,700.85
8089 shares par value \$100 each	\$808,900.00	
Funded debt:		
5% 1st Refunding Mtge. Bonds	7,400.00	\$12,830,900.00
4% 1st Mtge. Bonds S.S. & C. Rly.	155,865.25	
4% 1st Mtge. Bonds Mtl. & Prov. Line	200,000.00	
6% Eqpt. Trust Series "E"	44,000.00	
5% Eqpt. Trust Series "F"	287,000.00	
4½% Receivers' Certificates		<u>5,000,000.00</u>
	\$694,265.25	\$17,830,900.00
Advances by Canadian National Railway Company		
Southern New England Railway		\$ 3,230,996.45
Southern New England Railroad Corporation		4,895,379.01
Central Vermont Transportation Company		476,794.72
Capital Expenditures		4,929,718.38
Debt Redemption		1,353,000.00
Traffic Agreement		68,631.96
Deficits		4,091,620.27
Unpaid interest		1,956,588.53
General Claims		21,779.79
Unsettled claims		<u>13,931.46</u>
		\$21,038,440.57
Less amounts due Central Vermont Railway Company		

Working capital	\$209,264.90	
Open account	<u>61,000.52</u>	<u>270,265.42</u>
		\$20,768,175.15
Total		* \$38,860,776.00

* Of this amount \$15,813,637.93 represents bonds, notes and advances applicable to period prior to January 1, 1923.

Canadian National Railway Company received in exchange for indebtedness of \$38,860,776 on February 1, 1930 from Central Vermont Railway, Incorporated.

Common Stock	\$10,000,000
5% First and General Mortgage Bonds	12,000,000
5½% Debenture Bonds, Series "A"	<u>5,000,000</u>
	\$27,000,000

CAPITAL STOCK:	Authorized:	100,000 shares of \$100 each -	\$10,000,000
	Issued:	100,000 shares of \$100 each -	\$10,000,000

Canadian National Railway Company owns 99,997 shares. The remaining three shares are held personally by Messrs. Jones, Wise and Stephenson, who are Directors. One certificate covering 99,986 shares in the name of Canadian National Railway Company and 11 certificates covering 11 shares in the names of Directors (endorsed in blank) are held in Royal Trust Company's vault in Montreal - unpledged.

FUNDED DEBT:	As at December 31, 1960:
	5% First and General Mortgage Gold Bonds, Series A, maturing January 1, 1960, owned by Canadian National Railway Company - \$12,000,000.

NON-NEGOTIABLE DEBT TO AFFILIATED COMPANIES:

As at December 31, 1960:

C.N.R. Demand Note #1	1/1/33	\$ 437,500
C.N.R. Demand Note #2	7/1/33	437,500
C.N.R. Demand Note #3	1/1/58	437,500
C.N.R. Promissory Note	2/1/58	<u>\$17,000,000</u>
		<u>\$18,312,500</u>
C.N.R. Advances	20,056,250	

Total **\$38,368,750**

ACCRUED DEPRECIATION:

As at December 31, 1955:	
Road and Equipment:	\$ 5,601,632

INVESTMENT IN PROPERTY:

As at December 31, 1960 :-	
Account 701	\$30,334,320

DONATIONS AND GRANTS:

As at December 31, 1955:	\$ 137,194.37CR
--------------------------	-----------------

INVESTMENT IN AFFILIATED COMPANIES:

As at December 31, 1955:	<u>Book Cost</u>	
<u>Stock</u>		
Central Vermont Transportation Company	\$59,078.59	\$59,078.59

OPERATING RESULTS:

February 1, 1930 to 1939	- \$9,376,026
1940 to 1949	- 5,829,393
1950 to 1959	- 5,240,238
1960	- 1,456,121

PROFIT & LOSS:

As at December 31, 1960:

- \$24,481,780

DIRECTORS

Donald Gordon	Montreal, Quebec
J. A. McDonald	Montreal, Quebec
J. E. Gauthier	Montreal, Quebec
J. F. Roberts	Montreal, Quebec
H. Brandon Jones	Montpelier, Vermont
D. M. Kerr	St. Albans, Vermont
B. Mongeau	Montreal, Quebec
H. H. Powers	St. Albans, Vermont
J. R. Reitemeyer	Hartford, Connecticut
H. C. Rice	Brattleboro, Vermont
F. W. Shepardson	Burlington, Vermont
J. H. Stacey	Windsor, Vermont
W. O. Wise	South Burlington, Vermont
F. W. Hutchinson	St. Albans, Vermont

EXECUTIVE COMMITTEE

Donald Gordon (Chairman)	Montreal, Quebec
J. A. McDonald	Montreal, Quebec
J. E. Gauthier	Montreal, Quebec
J. F. Roberts	Montreal, Quebec
F. W. Hutchinson	St. Albans, Vermont

OFFICERS

Donald Gordon	Chairman & President
J. A. McDonald	Vice-President
J. E. Gauthier	Vice-President
J. F. Roberts	Vice-President
E. A. Bromley	Vice-President
F. W. Hutchinson	General Manager
W. H. Riddington	Clerk
M. A. Bliss	Comptroller & Treasurer
E. L. Hoy	Assistant Clerk
R. T. Vaughan	Assistant Clerk
L. J. Mills	Assistant Comptroller
E. J. Denvar	Assistant Treasurer

CENTRAL VERMONT TERMINAL INCORPORATED

and

CENTRAL VERMONT TRANSPORTATION COMPANY**CENTRAL VERMONT TERMINAL INCORPORATED:**

May 22, 1936 - Under the General Laws of the State of Vermont. Articles of Association filed with the Secretary of State of Vermont on May 22, 1936.

CENTRAL VERMONT TRANSPORTATION COMPANY INCORPORATED:

November 12, 1908 - Under the General Laws of the State of Maine.

HISTORY:

About June 12, 1872, New London Northern Railroad established a line of freight cargo steamers operating on Long Island Sound between its railroad terminal at New London,

Connecticut, and Pier 36, East River, New York City, which it held under lease from the City of New York. The record is not entirely clear, but it appears that this service was continued by New London Northern Railroad or by other steamboat lines until the operation of freight cargo vessels between the two points was commenced by Central Vermont Railway Company about July 1, 1899 under a 10-year contract.

On November 12, 1908, under the General Laws of the State of Maine a separate company was incorporated under the name Central Vermont Transportation Company, and empowered amongst other things to carry on the business of building, acquiring, owning, chartering, selling, and otherwise disposing of, managing and operating steamships, barges, sailing vessels and boats of all sorts used for or in connection with transportation by water, of passengers and freight, to engage in the carriage of passengers or freight or both, upon the High Seas, or from a port or ports in the State of Maine to a foreign port or ports, or to a port or ports in other States; or upon waters where this corporation may navigate; to make and enter into any and all legal contracts with reference to, and in course of the prosecution of, the business described, with power to establish and collect tolls for services performed in carrying on such business.

The newly formed Company acquired vessels suitable for handling the freight between New London and New York and took over that part of the operation. The Terminal operations at New York, however, continued to be performed through the railroad organization jointly in the names of both the Central Vermont Transportation Company and the Central Vermont Railway Company. The terminal facilities were first located at Pier 36, East River, from about December 1871 until a transfer was made, apparently about 1890, to Pier 29 on South Street at the foot of Market in the Borough of Manhattan. The terminal services at New York included the operation of substations at various locations in the Metropolitan Area, and the handling of freight between Pier 29 and such substations, and between the Pier and connecting railways and boat lines extending to all rail and steamship terminals along New York Harbour.

Central Vermont Transportation Company was a wholly owned subsidiary of Central Vermont Railway, Incorporated, and both companies were operated under one management from the date of incorporation until April 1935.

The United States Merchant Marine Act was amended in 1930, and required 75% ownership by citizens of the United States of vessels transporting merchandise in coastwise service between points in the United States.

On January 7, 1935, the Supreme Court of the United States made a decision (Central Vermont Transportation Company versus Durning 294 U.S. 33) that the ownership by Central Vermont Railway, Incorporated of the capital stock of Central Vermont Transportation Company was in violation of Section 27 of the Merchant, Marine Act as amended and in order that the Company may continue operations lawfully it was necessary to sell the majority of capital stock to persons qualifying as United States citizens. In compliance with this decision, Central Vermont Railway, Incorporated sold 75% of Central Vermont Transportation Company's capital stock (1500 shares of \$100 each) to New London Northern Railroad Company (lessor of the line operated by Central Vermont Railway, Incorporated between Brattleboro, Vermont, and New London, Connecticut) for the price of \$60,000, and withdrew completely from the management and control of Central Vermont Transportation Company. The stock was delivered, and payment of \$60,000 was made on April 5, 1935, and New London Northern Railroad substituted its own directors and officers, and took over control of the property on April 8, 1935. Due to some doubt as to the charter of Central Vermont Railway, Incorporated with respect to its off-line terminal operations in New York City it was deemed desirable to form a separate company to undertake these services.

On May 22, 1936, Central Vermont Terminal, Incorporated was incorporated

under the General Laws of the State of Vermont. Articles of Association were filed with the Secretary of State of Vermont on May 22, 1936. Interstate Commerce Commission approval was granted October 9, 1936). (Finance Docket 11300). Under this I.C.C. Order and the powers granted with incorporation Central Vermont Terminal, Incorporated acquired for a nominal consideration of \$1 the leasehold interest of Central Vermont Transportation Company in Pier 29, East River, and assumed the Transportation Company's leasehold obligations in respect thereto, such as operation of Pier 29; and also assumed various cartage, lighterage, sub-station and stevedoring contracts then held in the name of Central Vermont Transportation Company. Central Vermont Terminal, Incorporated commenced its separate operations on November 1, 1936 and discontinued operations November 1, 1946, when the Transportation Company terminated its operation of the boat line between New London and New York.

Because of the type of traffic offered and increasing costs after 1945 it was found uneconomical to continue operation of Central Vermont Transportation Company's Boat Line between New London and New York. Consequently; Central Vermont, Transportation Company discontinued its operations on November 1, 1946. Central Vermont Terminal, Incorporated also discontinued its operations at the same time. The lease of the dock facilities at Pier 29 terminated on October 31, 1947, and was not renewed. The Central Vermont Transportation Company owned three vessels which were sold for scrap in 1948.

CORPORATE STATUS:

The capital stock of Central Vermont Terminal, Incorporated authorized and issued consisted of 50 shares par value \$100 each - \$5,000 - all owned by Central Vermont Railway Incorporated - unpledged.

On November 27, 1953, after liquidation of all its obligations and distribution of its assets, Central Vermont Terminal, Incorporated was dissolved and its corporate existence was terminated. Certificate of Dissolution was filed with Secretary of State for Vermont on November 27, 1953.

The Certificates representing 50 shares of \$100 par value each of capital stock issued and outstanding were cancelled by perforation and destroyed. The Charter, Seal, original Minute Books and other corporate documents pertaining to the corporate existence of Central Vermont Terminals Incorporated are in the custody of the Clerk and Treasurer, Central Vermont Railway, Incorporated St. Albans, Vermont.

Subsequent to discontinuance of the Boat Line Service between New London and New York the 1500 shares of capital stock of Central Vermont Transportation Company which had been sold to New London Northern Railroad Company were re-acquired by Central Vermont Railway Incorporated on December 31, 1947, for \$60,000, and subsequently transferred to the Centmont Corporation at the same amount.

In October 1953 consideration was given to the question of winding up Central Vermont Transportation Company's corporate existence. It was decided, however, that the charter and ancillary rights should be maintained in good standing. The annual cost is approximately \$60.

CAPITAL STOCK:

Central Vermont Transportation Company.

Authorized: 10,000 shares of \$100 each, \$1,000,000.

Issued: 2,000 shares of \$100 each, \$ 200,000.

The stock was originally owned by Central Vermont Railway Company and was acquired by Central Vermont Railway Incorporated along with other property and assets of former Central Vermont Railway Company on January 30, 1930, and carried by the latter at book cost of \$117,913.92. When 1500 shares of this stock were sold effective April 1, 1935, to New London Northern Railroad Company for \$60,000, the book value of the remaining

500 shares held by Central Vermont Railway Incorporated was reduced to \$20,000 (to correspond with the market value of \$40 per share) by charging the difference of \$37,913.92 to Profit and Loss. In December 1947 Central Vermont Railway Incorporated re-acquired the 1500 shares from New London Northern Railroad Company for \$60,000 and transferred ownership to The Centmont Corporation at the same price, since which date 25% of the stock is owned by Central Vermont Railway, Incorporated and 75% is owned by The Centmont Corporation.

1 certificate for 498 shares in the name of Central Vermont Railway Incorporated and 1 certificate for 1493 shares in the name of The Centmont Corporation and 9 certificates for 9 shares in the names of Directors (endorsed in ____) are held by the Clerk and Treasurer, Central Vermont Railway Incorporated, St. Albans, Vermont - unpledged.

FUNDED DEBT: No securities in the name of this Company outstanding.

DIVIDENDS: Dividends paid to Central Vermont Railway, Incorporated (and Central Vermont Railway Company).

1911 -	1930 -	\$262,500.00
	1935 -	65,974.86
	1936 -	1,200.00

DISSOLUTION: Certificate of Dissolution, dated November 25, 1953, was filed with the Secretary of State of Vermont on November 27, 1953.

DIRECTORS:

Donald Gordon
S. F. Dingle
D. M. Kerr
E. J. Movalli
F. W. Hutchinson
W. H. Riddington
H. H. Powers
H. F. Little
M. A. Bliss

OFFICERS

Donald Gordon	President
S. F. Dingle	Vice-President
D. M. Kerr	Vice-President & General Manager
K. Baird	Clerk
M. A. Bliss	Treasurer
H. H. Powers	Assistant Clerk
C. A. Dobbins	Comptroller
L. J. Mills	Assistant Comptroller
E. J. Denyar	Assistant Treasurer

CENTRAL VERMONT TRANSIT CORPORATION

(Wholly owned subsidiary of The Centmont Corporation)

INCORPORATION: December 5, 1931 - Under the General Laws of the State of Vermont, Articles of Association having been filed with Secretary of State for

Vermont on December 5, 1931.

HEAD OFFICE: St. Albans, Vermont.

HISTORY: Under the General Laws of the State of Vermont, Articles of Association having been filed with Secretary of State for Vermont on December 5, 1931 "Central Vermont Transit Corporation" was incorporated for the purpose of engaging in over-the-road transportation by highway, both by motor truck and motor bus. The Corporation maintained its legal existence prior to June 22, 1956 through the payment of annual license tax.

In 1932 the Corporation commenced operating a motor truck over the highway from St. Albans, Vermont, to Montpelier and Barre, Vermont, and return, supplementing the Central Vermont Railway, Incorporated rail service between those points. This service included door to door pick up and delivery service and was maintained on a 5 or 6 round trip per week basis until finally discontinued in 1955.

DISSOLUTION: Certificate of dissolution dated June 21, 1956 was filed with the Secretary of State of Vermont on June 22, 1956.

CAPITAL STOCK: Authorized: 500 shares of \$100 each - \$50,000
Issued: 50 shares of \$100 each - \$ 5,000
The Capital Stock was issued on January 2, 1940, as of February 14, 1940, and is all owned by The Centmont Corporation. One certificate covering 46 shares in the name of The Centmont Corporation and 4 certificates in the names of Directors (endorsed in blank) covering 4 shares, are all held by Clerk and Treasurer, Central Vermont Railway Incorporated, St. Albans, Vermont.

FUNDED DEBT: No securities in the name of this Company are Outstanding.

CENTRAL VERMONT WAREHOUSE, INCORPORATED

(Dissolved July 9, 1948)

(formerly wholly owned subsidiary of The Centmont Corporation)

INCORPORATED: June 4, 1939 - Under General Laws of State of Vermont Articles of Association having been filed with Secretary of State for Vermont on June 4, 1939.

HISTORY: Under the General Laws of the State of Vermont, Central Vermont Warehouse, Incorporated was incorporated on June 2, 1939 (Articles of Association having been filed with the Secretary of State for Vermont on that date) for the purpose of engaging in the business of a Public Warehouseman under the Statute. Prior thereto Central Vermont Railway, Incorporated had been doing a general storage business at St. Albans and vicinity under an in transit tariff whereby the railway stored the merchandise and issued a warehouse receipt. Shippers found that it was cheaper to store merchandise in private warehouses under a tariff whereby the railway acts only as the transportation agency and leaving the shipper free to arrange with others for the storage. Central Vermont Warehouse, Incorporated was incorporated to engage in the storage business independently of the railway. This action was in line with the practice of several of the Trunk Lines operating out of New York City. The Company leased a portion of Central Vermont Railway, Incorporated Remington Storage Plant at Swanton and also Railway Sheds at St. Albans known as the Lipe Shed & Car Shops. The Corporation commenced

operations on February 1, 1940. Originally the physical handling of the traffic stored was done by a private contractor engaged by the Warehouse Company but later the handling was performed by railway forces. The Corporation discontinued its operations September 30, 1947, after which date the service was performed by Central Vermont Railway, Incorporated.

DISSOLUTION:

On July 9, 1948, after liquidation of all its obligations, and distribution of its assets including the payment of liquidating dividend of \$357.67 to The Centmont Corporation, Central Vermont Warehouse, Incorporated was dissolved and its corporate existence was terminated. Certificate of Dissolution was filed with Secretary of State of Vermont on July 9, 1948.

Certificates representing 50 shares of Common Stock which were issued and outstanding were cancelled by perforation. The Charter, Seal, Original Minute Books and other corporate documents pertaining to the corporate existence of the Company are in the custody of the Clerk and Treasurer, Central Vermont Railway, Incorporated, St. Albans, Vermont.

THE COMPANY OF PROPRIETORS OF THE CHAMPLAIN & SAINT LAWRENCE RAILROAD

(First Railroad Company incorporated and first Railroad built in Canada - included in "Canadian National Railway Company" from January 31, 1923)

INCORPORATED:

February 25, 1832, Province of Lower Canada Act 2 William IV, Chapter 58.

LEGISLATIVE REQUIREMENTS:

After completion the Company was required to measure the Railroad and to erect and maintain stones with proper inscriptions on the sides denoting the mileage at each mile post.

The Company was required to erect and maintain gates at each side of the public highway at level crossings. The gates were to be constantly kept shut except when they should be opened for the purpose only of letting railway traffic pass, after which the person in charge of railway traffic was required to cause said gates to be shut. This requirement was repealed under Chapter 18, January 30, 1841, which provided that at least one person be kept as a guard at each level crossing where gates were removed or had not been erected to prevent any obstruction remaining on the railroad or upon the public highway, and to watch over the safety of the persons and property passing and conveyed upon the highway or the railroad, and, in like manner and for the performance of a like duty, keep at least eight persons (including those to be stationed at the points aforesaid) to be stationed at distances not exceeding two miles from each other, on the railroad. This requirement remained in effect until repealed by Province of Canada Chapter 114, July 24, 1850, which enacted that "railway crossing" signboards painted in both English and French languages and stretching across the highway be erected, leaving 16 feet clearance above the highway at each level crossing.

The tariff rates for the first entire year ended November 30th after completion of the line were stipulated to be 21s 6d. per ton of freight and 4s. per passenger for the full distance, and proportionate rates for shorter distances, the rates thereafter to be regulated by the amount of dividends declared in the preceding year. Power was also granted to fix tariff rates for parcels not exceeding 125 lbs. weight, such rates being printed and stuck up in some conspicuous place in the office and every place where the rates are to be collected.

Province of Canada Act 13-14 Victoria Section 30, Chapter 114, July 24, 1850,

enacted that no By-law of the Company fixing tolls for carrying passengers or freight shall be effective until sanctioned by the Governor of the Province of Canada.

The Act of incorporation provided for submission to the Legislature of annual reports of Receipts and Expenditures and statistics of the amount of tonnage and number of passengers carried.

Under Province of Lower Canada Act 2, William IV, Chapter 58, February 25, 1832. "The Company of Proprietors of the Champlain and Saint Lawrence Railroad" was incorporated to construct and operate a railroad from Dorechester (St. Johns), Quebec, to the St. Lawrence River at Laprairie, etc., etc.

Under Lower Canada Act 6, William IV, Chapter 6, March 21, 1836, additional powers were granted to carry freight and passengers by ferry across the St. Lawrence river between Laprairie and Montreal Harbour at tariff rates specified in the Act, and to construct and operate a branch from Laprairie Junction to St. Lambert, and to extend the line from St. Johns, Quebec, to the boundary line near Rouses Point, New York.

The line from Laprairie to St. Johns was 4 feet 8½ inches gauge and was opened for operation on July 21, 1836. Various reports state that whilst the railway had a locomotive, it was not used on the day of official opening nor until the next year because of an accident to the engine. These reports are not correct but arise from the fact that owing to unfamiliarity with the capacity of the locomotive, and to some trouble experienced with it on a trial run, only two passenger cars were attached to it on the trip from Laprairie to St. Johns on July 21st, while the rest of the train was pulled by horses. But the locomotive proved its worth so well that, commencing Monday, July 25, 1836, a regular locomotive train service was put into effect, between Laprairie and St. Johns.

Under Province of Canada Act 10-11 Victoria, Chapter 121, 1847, presented for Royal Assent July 28, 1847, Royal Assent April 15, 1848, Royal Assent signified by Proclamation June 24, 1848 "The Montreal and Province Line Junction Railway Company" was incorporated to build from St. Johns to the New York boundary near Rouses Point.

Province of Canada Act 13-14 Victoria, Chapter 114, July 24, 1850, repealed the above mentioned Act and authorized The Champlain and St. Lawrence Railroad Company to extend its line from St. Johns to the New York boundary near Rouses Point, and also to construct a branch from what is now Laprairie Junction to St. Lambert.

A separate Company, i.e., The Champlain and St. Lawrence Railroad Company (which see) was incorporated on February 26, 1851 under the laws of the State of New York to cover the construction and operation of the line in United States from the boundary to Rouses Point, New York. The line (1.08 miles) was opened for traffic on August 26, 1851.

AMALGAMATION: Province of Canada Act 20 Victoria, Chapter 142, May 27, 1857, authorized Amalgamation of The Company of Proprietors of the Champlain and Saint Lawrence Railroad and The Montreal and New York Railroad Company under the name "Montreal and Champlain Railroad Company".

LOCATION:

		<u>Miles</u>	<u>Opened for Traffic</u>
St. Lawrence Division:			
St. Lambert -	Laprairie Junction	9.16	January 14, 1852
Laprairie Wharf -	St. Johns	16.50	July 21, 1836
St. Johns -	New York Boundary (Near Rouses Point, NY)	<u>21.08</u>	August 26, 1851
Total		46.74	
<u>Discontinued</u>			

Laprairie Junction - St. Lambert Wharf -	Laprairie South End of "S" Curve at St. Lambert	5.25 1.75	January 14, 1852 1866
---	---	------------------	------------------------------

CAPITAL STOCK: Prior to Amalgamation on May 27, 1857:
Authorized: 1,000 shares of £50 - £50,000 (\$243,333)

THE CHAMPLAIN AND ST. LAWRENCE RAILROAD COMPANY (NEW YORK)
(wholly owned constituent of "Canadian National Railway Company" from January 31, 1923)

INCORPORATED: February 26, 1851 - Articles of Association of the State of New York in pursuance and by virtue of an Act of the Legislature of the said State, entitled "An Act to authorize the formation of Railroad Corporations, and to regulate the same, passed April 2, 1850, three-fifths being present". The term was for 50 years, and was renewed under Certificate of Extension of Corporate Existence, filed in the Office of the Clerk of the County of Clinton, State of New York, August 3, 1900, for term of 50 years from February 26, 1901. In 1951 the Charter was renewed for a further 25 years to February 26, 1976.

HEAD OFFICE: Montreal, Quebec - Annual Meetings held in Rouses Point, New York, First Wednesday in July.

HISTORY: The Company was incorporated to construct and operate a railroad from the port and harbour in Rouses Point to a point on the Canadian Line. It was intended to be a link in the rail connection between Montreal and Lake Champlain. The line (1.08 miles long) was opened for operation on August 26, 1851, at the same time as the line from St. Johns to the boundary owned by the Canadian Company of the same name.

Under Agreement dated January 1, 1864, confirmed by Province of Canada Chapter 85, June 30, 1864, between Montreal and Champlain Railroad Company (successor by amalgamation of The Company of Proprietors of The Champlain and Saint Lawrence Railroad) and The Grand Trunk Railway Company of Canada, the lines between Montreal and Rouses Point were leased to the Grand Trunk Railway until 1872, when under the terms of said Agreement, and confirmed by Dominion Chapter 64, June 14, 1872, The Grand Trunk Railway purchased the entire lines, assets, rolling stock, franchises, shares and rights of the Company.

The charter respecting the part of the former Champlain and Saint Lawrence Railroad within United States territory is retained for legal and legislative purposes.

LOCATION: The railway was completed and opened for traffic from the Canadian boundary to Rouses Point (1.08 miles) on August 26, 1851 and now forms part of the Rouses Point subdivision.

Under Agreement dated October 2, 1959 "The Champlain and St. Lawrence Railroad Company" and four other companies merged with and under the name "Canadian National Railway Company". This Agreement was approved by Order in Council P.C. 1959-1238 dated September 24, 1959, which was deposited in the office of the Secretary of Canada on September 30, 1960, and effective as of that date the Company ceased to exist.

Under the laws of the State of New York the merger Agreement was filed in the

office of the Department of State at Albany, New York on August 15, 1960.

PROPERTY INVESTMENT:

As at December 31, 1959:

Lessor R & E Property	\$ 50,000.00	
Lessee Improvements	<u>141,619.69</u>	\$191,619.69

CAPITAL STOCK:

Authorized: 250 shares par \$200 each -\$50,000

Issued: 50,000 (unpledged)

All owned by Canadian National Railway Company. Unpledged certificate in name of Canadian National Realities Limited in trust for Canadian National Railway Company is held by Railway in Royal Trust Company's vaults.

FUNDED DEBT:

As at December 31, 1959: - \$141,619.69 cost of Improvements on Leased Property due Canadian National Railway Company.

THE CHICAGO AND GRAND TRUNK RAILWAY COMPANY

LINES WEST OF DETROIT AND ST. CLAIR RIVERS:

From the very early days of The Grand Trunk Railway Company of Canada the Company had under consideration the establishment of a through route from Chicago to the Atlantic Seaboard.

It may be of interest to record here that at the first Meeting of Shareholders following the Amalgamation effective July 1, 1853, of five railway companies under the name "The Grand Trunk Railway Company of Canada", which was held at Quebec on July 27, 1854, in the report of General Manager, S. R. Bidder, he stated that:

"Whether as an amalgamated company with our neighbour the Great Western, or acting as an independent company, I am convinced that a large amount of the breadstuffs of Michigan, Iowa, Wisconsin and a portion of Illinois, which now find their way to the Seaboard by water and by United States lines of road, must pass over the Grand Trunk, not only on account of its being the cheaper and more direct route, but also because of the less number of handlings these goods would have, and the consequent extra rapidity with which they would be conveyed."

Both Mr. Thomas E. Blackwell, the Managing Director in 1859, and Mr E. W. Watkin (afterwards President) were enthusiastic believers in the necessity of the Grand Trunk securing a good share of United States through traffic and they were most optimistic in regard to its practical good to the parent company. The extension of the line from Toronto to Sarnia in 1859 made the project inevitable.

On March 16, 1858, the Chicago, Detroit and Canada Grand Trunk Junction Railroad Company was incorporated to build a line from Fort Gratiot (Port Huron), Michigan, on River St. Clair, opposite Point Edward (Sarnia) Ontario, to Detroit, a distance of 60 miles. The line was constructed under a well defined understanding that it would eventually be part of the Grand Trunk System. It was opened for traffic on November 21, 1859, and connected with the Michigan Central and Michigan Southern Railroads at Detroit. Under Agreement dated July 5, 1860 and lease dated October 11, 1860 and further supplemental lease dated April 1, 1863 The Grand Trunk Railway Company of Canada leased the line for 999 years from July 1, 1859.

Note: Prior to construction of St. Clair Tunnel which was commenced in November 1888, finished on August 30, 1890, and opened for traffic on September 19, 1891, traffic was moved across St. Clair River between Sarnia and Fort Gratiot

(Port Huron) by ferry. In 1875, an additional new (iron) car ferry: "*The Huron*" was placed in service to obviate interruptions in the service.

Prior to 1874, there was in existence a line known as the Port Huron and Lake Michigan Railway extending from Port Huron, Michigan, to Flint, Michigan, a distance of 64 miles. It exchanged some little traffic with the Grand Trunk but probably more with the Great Western Railway (later amalgamated with the Grand Trunk) with which it connected by a ferry between Sarnia and Port Huron. The Port Huron and Lake Michigan Railway ultimately consolidated with companies which had built or were authorized to build other sections which, when completed, would make a line through to Chicago.

There was also in existence a line from Lansing to Battle Creek, a distance of 45 miles, known as the Peninsular Railway Company, which was opened for traffic in 1869. This line was extended from Battle Creek to South Bend, a distance of 77 miles, which was opened for traffic in 1872. This line was further extended from South Bend to Valparaiso, a distance of 44 miles, which was opened for traffic in October 1873.

On July 30, 1873, the Chicago and Lake Huron Railroad Company was formed by consolidation and became owner of the lines from Port Huron to Flint and from Lansing to Valparaiso. It did not acquire the section between Flint and Lansing, a distance of about 50 miles, which was constructed and opened for traffic about January 1, 1877, by the Chicago and North-Eastern Railroad Company which was organized on August 12, 1874, for that purpose. This construction practically completed a through line from Port Huron to Valparaiso. The Pittsburg, Fort Wayne and Chicago Railroad (one of the Pennsylvania lines) was made use of between Valparaiso and Chicago, under some restrictions, for the traffic of the new route. It may be mentioned that the Pennsylvania Railroad Company had originally purchased a part of the Bonds of the Peninsular Railroad Company which had been organized to construct a line from the Michigan - Indiana state line to Valparaiso. The Grand Trunk Company had no financial interest in these lines until a later period.

From the year 1875, the through all-rail business of the Grand Trunk to and from the West was nearly all exchanged with the Michigan Central Railroad at Detroit Junction. It had practically no other connection of importance at the west end of its system. After the gauge was changed and the Company was placed in a position to handle through traffic promptly and efficiently certain adverse interests began to pay particular attention to it and to give trouble.

On October 15, 1877, The Grand Trunk Railway Company of Canada purchased the Capital Stock of Michigan Air Line Railroad, which had constructed a line from Richmond, Michigan, to Romeo, Michigan, a distance of 14.25 miles, and which was offered for sale and likely to fall into the hands of those who would use the line for competition against the Grand Trunk.

In 1878, through acquisition of stock, the control of the Michigan Central Railroad was secured by W. H. Vanderbilt, and that Company became affiliated with the New York Central Railroad Company. The same interest purchased control of the Canada Southern Railway. The Grand Trunk had then either to endeavour to secure some other outlet for its through traffic or quietly see it extinguished after all the large amount of Capital which had been expended to protect and extend the traffic. The situation was very clearly described in a speech of the President at the half-yearly meeting which took place in April 1879. The President said:-

"The acquisition of the Michigan Central Railway by Mr. Vanderbilt placed us at a great disadvantage in many ways. Traffic was clearly diverted from our system at the same time that friendly co-operation was offered to us".

The President also spoke of the measures which the Grand Trunk would have to apply before it could be hoped to place the road in its proper position as one of the main-

carrying and money-earning powers of the American Continent.

It will thus be seen that the line to Chicago was part of a far-sighted policy. Without connection with that city by an absolutely owned or controlled route, through shipments to the Seaboard, by the parent line, would have been seriously handicapped. In the year 1879, therefore, the Company was really faced with the problem of extending its system to the sources of Western Traffic or the alternative of becoming and remaining for years a line of local character.

It might be mentioned here that Dominion Act 42 Victoria, Chapter 11, May 15, 1879, which authorized the purchase by the Government of Canada of the Grand Trunk line from Hadlow to Riviere du Loup, 124.50 miles for \$1,500,000, provided as a condition of purchase that the Grand Trunk should apply that sum towards the procuring of a line from Port Huron, Michigan, to Chicago, Illinois.

When there appeared a prospect of the Grand Trunk securing an outlet for its through traffic, or a large part of it, to and from the West, independent of the Michigan Central Railroad from which road it was being cut off, the control of the Chicago and North Eastern Railroad Company (which owned the line between Flint and Lansing) was purchased by the same interest which had secured control of the Michigan Central and the Canada Southern lines, and this, with the avowed object of closing the new route against the Grand Trunk. This control was, however, subsequently surrendered.

On August 26, 1879, The North Western Grand Trunk Railway Company (Michigan) was incorporated under Articles of Association dated August 23, 1879 by William S. Shepard, who conveyed on the same date the railroad between Port Huron and Flint which he had purchased under foreclosure sale on June 21, 1879, and which formed that section of the Chicago and Lake Huron Railroad Company formerly owned by the Port Huron and Lake Michigan Railroad Company to the new Company. The Articles of Association were filed with the Secretary of State for Michigan on August 26, 1879.

On January 7, 1880, The Michigan Railway Company was incorporated by Joseph Hickson et al under Articles of Association dated January 6, 1880, which were filed with the Secretary of State for Michigan on January 7, 1880. Joseph Hickson et al conveyed to the new Company the railroad from Lansing to the Indiana State Line formerly owned by the Peninsular Railway Company (Michigan) and purchased by them at foreclosure sale on August 25, 1879 by Deed dated March 13, 1880.

On January 6, 1880, Indiana Railway Company was organized and, on March 13, 1880, acquired from Joseph Hickson et al, the line of railway from the Michigan - Indiana State Line to Valparaiso, formerly owned by the Peninsular Railway Company, which had been sold to Joseph Hickson et al, on November 1, 1879.

On April 6, 1880, The Chicago and Grand Trunk Railway Company was created by consolidation of the five companies listed below:

Northwestern Grand Trunk Railway Company
Chicago and Northeastern Railroad Company
Michigan Railway Company
Indiana Railway Company

Northwestern Grand Trunk Railway Company (Illinois and Indiana), and thus became owners of the railway lines extending from Port Huron, Michigan, to Elsdon, Illinois, (now forming part of Grand Trunk Western Railroad Company).

The railway from Port Huron to Chicago a distance of 335.54 miles was completed and opened for traffic as follows:

				Miles	Mileage
Port Huron and Lake Michigan Railway Company					
Port Huron to	Lapeer	June 3, 1871		45.80	

Lapeer to	Flint	December 12, 1871	<u>19.94</u>	
Total			65.74	65.74
The Chicago and North Eastern Railroad Company				
Flint to	Lansing	January 1, 1877	49.05	114.79
The Peninsular Railway Company				
Lansing to	Battle Creek	July 1, 1869	45.00	159.79
The Peninsular Railway Extension Company				
Battle Creek to	Michigan-Indiana State Line	January 1, 1872	64.44	224.23
The Peninsular Railroad Company Indiana				
Michigan-Indiana State Line to	South Bend	January 1, 1872	10.81	235.0
The Peninsular Railroad Company Indiana				
South Bend to	Valparaiso	October 13, 1873	44.75	279.79
The Chicago & State Line Extension Railway Company				
Valparaiso to	Indiana-Illinois State Line	February 8, 1880	25.11	304.90
The Chicago and State Line Railway Company				
Indiana-Illinois State Line to	Elsdon	February 8, 1880	21.89	326.79
The Grand Trunk Junction Railway Company				
Elsdon to	C. & W.I. Jct.	February 8, 1880	3.90	330.69
The Chicago and Western Indiana Railway Company				
C. & W.I. Jct. to	Dearborn Street, Chicago	February 8, 1880	4.85	335.54

On April 7, 1880, The Grand Trunk Junction Railway Company, was organized primarily to secure an entrance into the City of Chicago. This Company constructed the line between Elsdon & Chicago and Western Indiana Junction, a distance of 3.90 miles, which was opened for traffic in 1880.

By lease effective July 1, 1880, The Chicago and Grand Trunk Railway Company, acquired the right to passenger accommodations at Polk Street Station, the right to exclusive use of freight building and yard, and to use, in common with other Railroad Companies, the main tracks, etc. of Chicago and Western Indiana Railroad, including use of the line from Chicago and Western Indiana Junction to Polk Street Station.

The line from temporary stations in Chicago to Port Huron was opened for traffic on February 8, 1880.

By Agreement of December 22, 1880, The Grand Trunk Junction Railway Company took over The Chicago and Grand Trunk Railway Company's proprietary tenants interest in the Chicago and Western Indiana Railroad Company's lease of July 1, 1880; and on the same day leased its entire line in perpetuity to The Chicago and Grand

Trunk Railway Company. Thus The Chicago and Grand Trunk Railway Company had control, through ownership or long term lease, of the entire line from Port Huron to Chicago.

The Chicago and Grand Trunk Railway Company defaulted in payment of the principal of its First Mortgage Bonds which matured on January 1, 1900. There was also the urgent necessity of arranging for settlement of the Company's large floating debt, and of providing the means for improving the physical condition of the line and its equipment to place the railway on a more equal footing with other competing lines out of Chicago. In these circumstances a plan of re-organization was formulated, with the assent of the Directors of The Grand Trunk Railway Company of Canada.

As mentioned in greater detail under the heading "Grand Trunk Western Railway Company" foreclosure proceedings were instituted on January 3, 1900, and Receivers were appointed. The property was purchased at foreclosure sale by Charles M. Hays (then General Manager of the Grand Trunk Railway Company of Canada) and Elijah W. Meddaugh (who was for many years Solicitor for Grand Trunk Lines west of Detroit and St. Clair Rivers) to whom conveyances were made by Deeds dated November 2, 1900. On November 20, 1900 Messrs. Hays and Meddaugh organized three corporations under the laws of Michigan, Indiana and Illinois respectively, and the sections of the property within each State were subsequently conveyed to these respective corporations.

On November 22, 1900, "Grand Trunk Western Railway Company" was organized by consolidation of the above mentioned corporations organized in Michigan and Indiana. Grand Trunk Western Railway Company subsequently purchased the section of property within the State of Illinois from the corporation organized in Illinois. The Grand Trunk Western Railway Company thus became owner of the railway from Port Huron, Michigan to Elsdon, Illinois (327 miles), and successor of Chicago and Grand Trunk Railway Company. The entire Capital Stock of the reorganized Company was issued to The Grand Trunk Railway Company of Canada in consideration of guarantee of Bond interest payments.

THE CHICAGO AND KALAMAZOO TERMINAL RAILROAD COMPANY

(included in Grand Trunk Western Railroad Company from November 1, 1928)

ORGANIZED: July 1, 1895 - Under the laws of the State of Michigan.

HISTORY: Under Act No. 198 Session Laws of the State of Michigan, 1873, and Acts amendatory thereof, Articles of Association dated June 27, 1895 were filed with the Secretary of State of Michigan on July 1, 1895. M. Henry Lane and Frank B. Lay, of the Michigan Buggy Company organized "The Chicago and Kalamazoo Terminal Railroad Company" to construct and operate a line of railway within the City of Kalamazoo, Michigan, for the purpose of affording railway and terminal facilities for the principal industries in that city.

On February 28, 1907 the Grand Trunk Western Railway Company acquired the Capital Stock together with the franchise of the Company for \$150,000.

Under Indenture dated August 1, 1910 between Chicago, Kalamazoo and Saginaw Railway Company and Grand Trunk Western Railway Company the former Company's line between Pavilion Junction in the City of Kalamazoo and Pavilion, Michigan, approximately 9.50 miles from August 1, 1910.

The line from Main Street to Lake Street, a distance of 0.89 miles was constructed and the terminal trackage was opened for traffic on August 8, 1910.

By authority of Interstate Commerce Commission Order of November 8, 1929 (Finance Docket 7320), The Chicago and Kalamazoo Terminal Railroad Company and

nine other railway companies formerly owned and/or operated by the Grand Trunk Western System or by the Canadian National Railway Company, in the States of Michigan, Indiana, Illinois and Wisconsin were consolidated (effective November 1, 1928) under the name "Grand Trunk Western Railroad Company". For all accounting purposes consolidation was effective from January 1, 1929.

LOCATION: Chicago Division
Terminal tracks within City of Kalamazoo:
a distance of 0.89 miles
Leased Lines
Chicago, Kalamazoo and Saginaw Railway:
Pavilion, Michigan to Pavilion Junction in the
City of Kalamazoo 9.35 miles
Trackage Rights
Chicago, Kalamazoo and Saginaw Railway:
Pavilion Junction to Lake Street, Kalamazoo 1.03 miles
Total operated Mileage 11.27 miles

CAPITAL STOCK: Outstanding as at November 1928:
1,000 shares of Common Stock of \$100 par value each - \$100,000.
All owned by Grand Trunk Western Railway Company.

FUNDED DEBT: As at November 1, 1928 - Nil.

THE CHICAGO AND WESTERN INDIANA RAILROAD COMPANY

INCORPORATED: June 5, 1879 under the laws of the State of Illinois. On January 26, 1932 the Charter was extended for a term of 50 years.

HEAD OFFICE: Chicago, Illinois, Dearborn Street Station.

ORGANIZED: This Company was organized on June 9, 1879 by Anthony J. Thomas and Charles Edward Tracy, et al of New York City, with a Capital Stock of \$500,000, for the purpose of constructing, maintaining and operating a line of railroad from a point on the Indiana - Illinois State Line in Thornton Township, Cook County, thence through or near the town of Dolton to a terminus to be located to the south of Van Buren Street in the City of Chicago, Illinois, and provided with depot grounds, yards, shops and other terminal facilities, and to lease certain of the said road and terminal facilities to railroad companies now located in the vicinity of the City of Chicago who desire to gain an entry into the City.

The Main Line was opened in December 1880 to Twelfth Street, Chicago and in June 1883 to Polk Street.

Leases were executed with the following companies:
Chicago and Eastern Illinois Railroad Company, October 24, 1879
Wabash, St. Louis and Pacific Railroad Company, October 25, 1879
Chicago and Grand Trunk Railway Company, July 1, 1880
Chicago and Atlantic Railway Company, November 1, 1880
Louisville, New Albany & Chicago Railway Company, December 1, 1881
Under Agreement dated December 22, 1880, the Grand Trunk Junction Railway

Company assumed the proprietary tenants interest of the Chicago and Grand Trunk Railway Company's lease of July 1, 1880 in the Chicago and Western Indiana Railroad Company as to station accommodation, etc. This procured entry into Polk Street Station, Chicago, and assumed the obligation to provide certain funds necessary for the construction of the Chicago and Western Indiana Railroad, and received therefore \$1,000,000 of the Capital Stock of Chicago and Western Indiana Railroad Company without cash consideration, and later its proprietary provision of Capital Stock of the Belt Railway Company of Chicago. On December 22, 1880, the entire line of the Grand Trunk Junction Railway Company was leased to the Chicago and Grand Trunk Railway Company in perpetuity.

The successors of the five original leases were:

- Chicago and Eastern Illinois Railroad Company
- Wabash Railroad Company
- Grand Trunk Western Railroad Company
- Chicago, Indianapolis and Louisville Railway Company
- Erie Railroad Company.

Under Agreement dated November 1, 1882 the five original Companies acquired in equal proportions the entire Capital Stock of the Chicago and Western Indiana Railroad Company, then amounting to \$5,000,000 in order to secure control of the Company and its property. These five Companies organized a corporation under the name of the Belt Railway Company of Chicago with a Capital Stock of \$12,000,000 of which \$6,100,000 was issued fully paid up and owned in equal proportions of \$1,220,000 each. On January 26, 1882 the Chicago and Western Indiana Railroad Company absorbed by consolidation, The South Chicago and Western Indiana Railroad, incorporated April 20, 1880 and The Chicago and Western Indiana Belt Railway, incorporated April 22, 1881. The former Company was organized for the purpose of giving to lessees of the Chicago and Western Indiana Railroad Company a connection with iron and lumber interests in South Chicago and the latter Company was organized for the purpose of building a road to connect the various railroads entering Chicago outside of the City, and transferring cars without entering the City.

On March 31, 1883 the Chicago and Western Indiana Railroad Company leased to the Belt Railway Company of Chicago the belt section of its railroad and also the so-called Indiana Elevator (dismantled in 1911) at a monthly rental of \$8,333.33. On November 1, 1912, a new lease was made for 50 years from date at an annual rental of \$867,840 plus taxes and interest on Bonds issued or to be issued for improvements or additions.

Under Agreement dated May 21, 1887, effective July 27, 1888 certain operating and property rights were leased to the Atchison Topeka and Santa Fe Railroad Company.

In 1912 the Company acquired the Chicago Union Transfer Railway Company, and in 1933 the Burlington, South Chicago Terminal Railroad Company.

Under Agreement dated November 1, 1912 seven other Companies joined the five which had been operating the Belt Railway Company of Chicago under a 999-year lease from the Chicago and Western Indiana Railroad. The Agreement calls for improvements in the terminal facilities in Chicago.

The companies concerned were:

- Atchison, Topeka and Santa Fe Railway Company
- Chicago, Rock Island and Pacific Railway Company
- Illinois Central Railway Company
- Pennsylvania Railroad Company

Chicago, Burlington and Quincy Railroad Company
Soo Line Railroad Company
Chesapeake and Ohio Railway Company
Grand Trunk Western Railroad Company
Wabash Railroad Company
Erie Lackawanna Railroad Company
Chicago and Eastern Illinois Railroad Company
Monon Railroad Company

The proportion of the working expenses payable by the twelve companies for use of the Belt Railway together with the proportion of such working expenses payable by the Belt Railway Company applicable to the separate operation include interest on agreed rate on the original valuation of the Belt Division and the amount paid in connection with the purchase of Clearing Yard plus interest at the same rate paid by the Chicago and Western Indiana Railroad Company on all funds and for additions and betterments to such division.

The Belt Division including the old Chicago Union Transfer Railway Company yards now known as the Clearing Yard is leased to the Belt Railway Company of Chicago under a fifty year exclusion lease dated November 1, 1912. This lease calls for the maintenance and operation of the Belt Line Division by and at the expense of the lessee and the unconditional payment by such lessee of an annual rental of \$867,840 plus taxes on the leased property, also interest on bonds used for improvements or additions to the Belt Railway after November 1, 1912.

The Belt Railway Company of Chicago has an option exercisable on a year's notice prior to September 1, 1962, to purchase the Belt Division for \$14,000,000 plus advances made by the Chicago and Western Indiana Railroad Company for additions and betterments since May 11, 1911. In March 1961 the Belt Railway Company announced its intention to purchase the Belt Division for about \$37,000,000.

MILEAGE:

December 31, 1960	Operated by C&WL RR.	Leased to Proprietary Tenants	Leased to Belt Ry.Co. Chicago RR. Co.	Leased to Soo Line	<u>Total</u>
First Main Line	26.97		27.16		54.13
Second Main Line	26.99		25.60		52.59
Third Main Line	17.14				17.14
Fourth Main Line	13.68				13.68
Other Main Line	12.74				12.74
Yard Tracks & Sidings	55.79	45.13	323.54	1.24	425.70
Total	153.31	45.13	376.30	1.24	575.98

Trackage Rights granted other Companies:

Belt Railway Company of Chicago 17.75 miles

Other Railways

12.78 miles

Total Trackage Rights

30.53 miles

CAPITAL STOCK: Authorized & Outstanding 50,000 shares @ \$100.00 \$5,000,000

FUNDED DEBT: DECEMBER 31, 1960.

Chicago and Western Indiana Railroad Company 4-³/₈ Series "A" First

Collateral Trust Sinking Fund Bonds issued May 1, 1952 Maturing May 1, 1982.

Authorized	\$65,000,000
Outstanding, December 31, 1960	51,311,000
Held in Sinking Fund	12,928,000
Held in Treasury Unpledged	761,000

Condensed Balance Sheet as at December 31, 1960:

Assets

Current Assets	\$ 3,609,705
Special Funds	1,878,326
Other Investments	747
Properties	87,523,726
Other Assets and Deferred Charges	1,111,142
Total Assets	\$94,123,646

Liabilities and Shareholders Equity

Current Liabilities	\$ 2,068,115
Long Term Debt	84,091,530
Other Liabilities & Deferred Credits	1,305,935
Shareholders Equity	6,658,066

Total Liabilities & Shareholders Equity \$94,123,646

DIRECTORS

Chicago & Eastern Illinois Railroad Company
D. O. Mathews
R. G. Rydin
Monon Railroad
H. J. Buchman
Erie Railroad Company
G. C. White
Grand Trunk Western Railroad Company
H. A. Sanders
Wabash Railroad Company
H. H. Pevler

OFFICERS

L. A. Evans	President & General Manager
F. J. Wasson	Vice-President
J. R. Ekholm	Secretary & Treasurer
G. D. Moriarty	Assistant Secretary & Assistant Treasurer
I. A. Schilke	Auditor
C. L. Holt	Assistant Auditor
F. C. Gagen	General Counsel

THE CHICAGO, DETROIT AND CANADA GRAND TRUNK JUNCTION RAILROAD COMPANY
(included in Grand Trunk Western Railroad Company from November 1, 1928)

ORGANIZED: March 16, 1858 - Under the laws of the State of Michigan.

HISTORY:

Under the laws of the State of Michigan, on March 16, 1858, "The Chicago Detroit and Canada Grand Trunk Junction Railroad Company" was incorporated to build a line from Fort Gratiot (Port Huron) Michigan, on River St. Clair, opposite Point Edward (Sarnia), Ontario, to Detroit. The line was constructed under a well defined understanding that it would eventually be part of the Grand Trunk System. It was opened for traffic on November 21, 1859, and connected with the Michigan Central and Michigan Southern railroads at Detroit. Prior to construction of St. Clair Tunnel which was opened for traffic on September 19, 1891, traffic was moved across St. Clair River by ferry to/from the Grand Trunk Railway at Sarnia, Ontario.

Under Agreement dated July 5, 1860 and lease dated October 11, 1860 and further supplemental lease dated April 1, 1863, The Grand Trunk Railway Company of Canada leased the line for 999 years from July 1, 1859.

Under Agreement of November 15, 1928 and Supplemental Agreement of October 17, 1929, the leasehold rights were vested in Grand Trunk Western Railroad Company, subject to conditions set forth in the Supplemental Agreement of October 17, 1929.

By Authority of Interstate Commerce Commission Order of November 8, 1929 (Finance Docket 7320), The Chicago, Detroit and Canada Grand Trunk Junction Railroad Company and nine other railway companies formerly owned and/or operated by the Grand Trunk Western System or by the Canadian National Railway Company, in the States of Michigan, Indiana, Illinois and Wisconsin were consolidated (effective November 1, 1928) under the name "Grand Trunk Western Railroad Company". For all accounting purposes consolidation was effective from January 1, 1929.

LOCATION:

Detroit Division - Mount Clemens Subdivision

Fort Gratiot (Port Huron) to West Detroit, approximately 55.65 miles. Main line used as siding 3.87 miles - total - 59.52 miles.

CAPITAL STOCK:

Outstanding as at November 1, 1928:

10,950 shares of Common Stock of \$100 par value each - \$1,095,000

All owned by Canadian National Railway Company and exchanged for 43,800 shares of Grand Trunk Western Railroad Company Common Stock of Non-Par value, to which a value of \$25 per share was assigned.

FUNDED DEBT AND CAPITAL ADVANCES:

Outstanding as at November 1, 1928:

First Mortgage Bonds held by Canadian National Railway Company	\$1,095,000.00
Second Mortgage Bonds held by Canadian National Railway Company	691,141.46
Capital Advances by Canadian National Railway Company	
to December 31, 1927	<u>2,425,846.87</u>
	\$ 4,211,988.33

The First and Second Mortgage Bonds were surrendered (and cancelled) in exchange for Grand Trunk Western Railroad Company 4½% First and General Mortgage Gold Bonds Series "A" dated January 1, 1930 and maturing January 1, 1980, having par value of \$1,786,141.46. Capital Advances were funded by the issue to Canadian National Railway Company of Grand Trunk Western Railroad Company 6% Cumulative Preferred Stock having par value of \$2,425,846.87.

Non-negotiable debt to Canadian National Railway Company incurred in 1928 was liquidated by issuance to Canadian National Railway Company of Grand Trunk

Western Railroad Company Common, and Preferred Stock.

ACCOUNTING:

Prior to 1918 the primary operating, income, and other accounts were included in The Grand Trunk Railway Company of Canada accounts. From 1918 to 1922 inclusive the net income or loss was included in The Grand Trunk Railway Company of Canada accounts as "Separately operated properties". Commencing January 1, 1923 the railway was, for accounting purposes, included in "Canadian National Railways", and the primary operating, income, and other accounts were so included.

CHICAGO, KALAMAZOO AND SAGINAW RAILWAY COMPANY

(leased to Grand Trunk Western Railroad Company for 99 years from August 1, 1910)

Controlled by the Michigan Central Railroad Company.

INCORPORATED:

July 3, 1883 - Under the General Laws of the State of Michigan
December 10, 1887 - Amended
July 10, 1888 - Amended

HEAD OFFICE:

Detroit, Michigan

HISTORY:

On July 3, 1883, Chicago, Kalamazoo and Saginaw Railway Company was incorporated under the General Laws of the State of Michigan, for the purpose of constructing a line from Pavilion, Michigan to Kalamazoo. The line from Main Street to Lake Street was constructed and the terminal trackage was opened for traffic on August 8, 1910.

Under Agreement dated August 1, 1910, Chicago, Kalamazoo and Saginaw Railway Company leased its line from Pavilion, Michigan to Pavilion Junction in the City of Kalamazoo, for a period of 99 years from that date, to Grand Trunk Western Railway Company (now Grand Trunk Western Railroad Company) at an annual rental of \$3,000, thus providing the latter Company with access to the City of Kalamazoo and to the property of The Chicago and Kalamazoo Terminal Railroad Company (now Grand Trunk Western Railroad Company).

LOCATION:

At Pavilion (owned 50% each by Chicago, Kalamazoo and Saginaw
Railway and Grand Trunk Western Railroad)
Pavilion, Michigan to Pavilion Junction, in Kalamazoo (leased to
Grand Trunk Western Railroad for 99 years from August 1, 1910)
In Kalamazoo

Road
Miles

0.15

9.35

1.03

CAPITAL STOCK:

Authorized: \$2,000,000
Issued: 450,000

Owned 60% Michigan Central Railroad
40% The New York Central Railroad Company.

INVESTMENT:

Road and Equipment as at December 31, 1960:

\$935,819

DIRECTORS:

J. F. Nash
W. R. Grant
J. B. Gray

A. E. Baylis
R. W. Carroll, New York

OFFICERS:

W. R. Grand,	President
J. F. Nash	Vice-President
A. E. Baylis	Vice-President
E. G. Jerome	Treasurer
R. W. Carroll	Secretary
R. E. Kappauf,	Comptroller

General Office: Detroit, Michigan
New York Office: 466 Lexington Avenue, New York, New York.