

THE TORONTO BELT LINE RAILWAY COMPANY

(property acquired by Canadian National Railway Company December 31, 1943).

Inactive since December 31, 1943.

INCORPORATED: March 23, 1889 - Ontario Act 52 Victoria, Chapter 82.

HISTORY: Under Ontario Act 52 Victoria, Chapter 82, March 23, 1889, "The Toronto Belt Line Railway Company" was incorporated to construct a railway from the Grand Trunk Railway in the eastern part of the City of Toronto passing to the north of the City and connecting with the same railway to the northwest or west of the City.

Under Agreement dated January 20, 1890, the line when constructed was to be leased to The Grand Trunk Railway Company of Canada for a term of 40 years from July 1, 1891, at an annual rental of \$18,500. Construction was commenced on January 20, 1890.

The Company encountered financial difficulties and was unable to complete construction at the stipulated time.

On June 1, 1892 another agreement was made between The Grand Trunk Railway Company of Canada and Osler, Hammond and Hendrie (who had in the meantime acquired 260 shares or a controlling interest in the capital stock of the Company) under which the latter undertook to complete the title to all lands and defend The Grand Trunk Railway Company of Canada against all claims, etc. The Grand Trunk Railway Company of Canada agreed to take possession of the Belt Line and complete construction for \$10,000. The lease was for 40 years from June 1, 1892. The Grand Trunk Railway Company of Canada also agreed to purchase \$462,500 of bonds for \$444,000 and \$11,619.98 accrued interest, \$26,000 of capital stock being transferred to it at the same time without cash consideration.

Two sections of line were constructed and opened for traffic as follows:

	<u>Miles</u>	<u>Opened for Traffic</u>
Don Junction - Fairbank	8.25	1892
Swansea - Carlton (West Toronto)	4.50	1892

Of this mileage, 1.73 from Don Crossover to Rosedale forms part of the main line to Parry Sound; 0.04 from Don Junction to Queen Street was turned over to The Toronto Terminals Railway Company, 7.93 is used as spur tracks and 3.09 miles have been discontinued.

SALE OF PROPERTY:

Effective December 31, 1943, pursuant to Agreement dated December 31, 1943 between Canadian National Railway Company and The Toronto Belt Line Railway Company duly authorized by Dominion Order in Council 9916 dated December 31, 1943, and by shareholders of The Toronto Belt Line Railway Company at special general meeting at which shareholders of more than two-thirds in value of the capital stock of the Company were present or were represented by proxy, the undertakings, property, rights, privileges, franchises and powers of The Toronto Belt Line Railway Company were sold to Canadian National Railway Company in consideration of the payment of \$410,047.33, and as of December 31, 1943 the Company ceased to exist.

CAPITAL STOCK:

As at December 31, 1943:

Authorized	2,500 shares at \$100	\$250,000
Issued:	500 shares at \$100	50,000
Owned by C.N.R.	334 shares at \$100	33,400
Owned by Public	166 shares at \$100	<u>16,600</u>

In 1892 The Grand Trunk Railway Company of Canada acquired 260 shares of capital stock without cash consideration when they purchased the outstanding bond issue of \$462,500, and on June 22, 1892 Messrs. J. D. Edgar and J. T. Moore (two of the original promoters of the Company) transferred 74 shares free to L. J. Sargent as nominee of The Grand Trunk Railway Company of Canada, making a total of 334 shares owned by The Grand Trunk Railway Company of Canada. Certificates respecting these 334 shares are in the name of Canadian National Realities, Limited in Trust for Canadian National Railway Company and are retained with official records by the Secretary, Canadian National Railway Company, Montreal.

Certificates respecting the remaining 166 shares are in the names of three individuals who cannot now be located.

LONG-TERM DEBT: As at December 31, 1943:

4% 40-year First Mortgage Coupon Bonds in the amount of \$462,500 dated April 2, 1890 were issued under Mortgage dated April 2, 1890, and matured July 1, 1931. These bonds were acquired in 1892 by The Grand Trunk Railway Company of Canada and were redeemed in settlement sale of the Company's property on December 31, 1943. The bonds were cremated on February 9, 1944, and discharge of the Mortgage was registered on January 20, 1944 in the Registry Office for East and West Riding, County of York, Ontario.

TORONTO DWELLINGS, LIMITED

(formerly subsidiary of "Canadian National Realities, Limited") dissolved July 20, 1931

INCORPORATED: March 19, 1906 - Ontario Letters Patent.

HISTORY: Under Ontario Letters Patent dated March 19, 1906 "Toronto Dwellings, Limited" was incorporated, and empowered to purchase, lease or otherwise acquire lands, buildings or structures thereon etc., and to sell, lease, exchange, mortgage or otherwise dispose of the whole or any portion of the lands and any structures now or hereafter erected thereon as may be deemed necessary.

The Capital Stock was originally issued as fully paid up to Mackenzie, Mann and Company, Limited on March 29, 1906 for \$40,000 and it was assigned by them to the Canadian Northern Railway Company fully paid up on January 30, 1918. Under agreement dated January 31, 1918 the Canadian Northern Railway Company sold it to Canadian National Realities Limited fully paid and non accessible for \$40,000 cash.

On January 1, 1925 the remaining properties having a ledger value of \$446,262 and other assets of \$488,734, and liabilities of \$591,118 of Toronto Dwellings, Limited were taken over by Canadian National Realities, Limited at the same amounts.

DISSOLUTION: On July 20, 1931, after liquidation of all its obligations and disposal of all its assets Toronto Dwellings, Limited was dissolved and its corporate existence was terminated. The Charter and Certificate of Dissolution were forwarded to the office of Provincial Secretary of the Province of Ontario on July 17, 1931 and the corporate existence of the Company was terminated as of July 20, 1931.

Certificates representing 1,000 shares of \$100 each of capital stock issued and outstanding were cancelled. The Seal, original Minute Books and other corporate documents were pertaining to the corporate existence of Toronto Dwellings, Limited are in the custody of the Secretary, Canadian National Railway Company, Montreal.

PROPERTY INVESTMENT:

On January 1, 1925, the remaining properties of the Company having a ledger value of \$446,262, were transferred to Canadian National Realities, Limited at the same value.

CAPITAL STOCK:

Prior to dissolution on July 20, 1931:

Authorized:	1,000 shares of \$100 each	\$100,000
Issued:	1,000 shares of \$100 each	100,000

All owned by Canadian National Realities, Limited.

Share Certificates were cancelled when the corporate existence of the Company was terminated on July 20, 1931.

THE TORONTO, NIAGARA AND WESTERN RAILWAY COMPANY

(formerly wholly owned subsidiary of "The Canadian Northern Railway Company")
corporation inactive since April 11, 1934

INCORPORATED:

October 24, 1903 - Dominion Act 3 Edward VII, Chapter 196.
June 26, 1906 - Dominion Act 6 Edward VII, Chapter 169, name changed
(see History).

DECLARATORY:

Works declared to be for the general advantage of Canada - Dominion Chapter 196,
October 24, 1903.

HISTORY:

Under Dominion Act 3 Edward VII, Chapter 196, October 24, 1903, "The Toronto and Hamilton Railway Company" was incorporated to construct, and operate by other than steam as motive power, a railway from Toronto to Hamilton. The purpose was to provide a connection between Toronto and the International Boundary at Niagara Falls to secure for The Canadian Northern Railway Company a share of the business entering Canada through the Niagara Frontier.

Under Dominion Act 6 Edward VII, Chapter 169, June 26, 1906; the name was changed to "The Toronto Niagara and Western Railway Company".

Under Dominion Act 6 - 7 Edward VII, Chapter 51, 1916, the Toronto, Niagara and Western Railway Company was declared to be one of the Constituent Companies of the Canadian Northern System referred to in Dominion Act 4 - 5 George V, Chapter 20, 1914, and the limitation as to steam motive power was repealed.

Considerable land was acquired for right-of-way between and in the Cities of Toronto and Hamilton, but no construction work was done. With the acquisition of the Grand Trunk Railway and its amalgamation with Canadian National Railway Company construction of this line was not required.

The Company had no outstanding liabilities, and having disposed of its assets the common stock owned by The Canadian Northern Railway Company became valueless. By authority of the Trustees of the Company dated April 11, 1934, the Certificates representing 1,250 shares of \$100 par value each were cancelled, and are in the custody of the Secretary, Canadian National Railway Company, Montreal.

CORPORATE STATUS:

Although the Certificates representing the outstanding capital stock of the Company were cancelled and all other affairs of the Company were wound up as of April 11, 1934, no action has been taken to have the necessary Act passed by the Parliament of the Dominion of Canada terminating the Company's corporate existence. Although it remains in

existence the Company is inactive.

PROPERTY INVESTMENT:

On October 31, 1933 the remaining properties of the Company, having a ledger value of \$321,014, were transferred to Canadian National Realities, Limited at the same value.

CAPITAL STOCK:

Authorized:	60,000 shares - \$100 par value each	\$6,000,000
Issued:	1,250 shares - \$100 par value each	125,000
All owned by The Canadian Northern Railway Company - 10% paid up.		\$12,500

Under Section 8 of Act 6 - 7 George V, Chapter 57, May 18, 1916 the Capital Stock became part of the security for the Canadian Northern Railway Company 4% Guaranteed Debenture Stock and Bonds issued July 15, 1914. In May 1918 the Capital Stock (10% paid up) was turned over to the Canadian Northern Railway Company. This was done when the Canadian Northern Railway Company assumed the liabilities of Mackenzie, Mann and Company, Limited to the banks in connection with the affairs of the Canadian Northern Railway Company. On May 15, 1920, 1,150 shares were transferred to Canadian Northern Realities Limited.

On October 31, 1933 the remaining properties of the Toronto, Niagara and Western Railway Company located in Toronto and Hamilton, having a ledger order of \$321,014 were transferred to Canadian National Realities Limited.

Share Certificates cancelled by authority of the Trustees of the Company dated April 11, 1934.

THE TORONTO TERMINALS RAILWAY COMPANY.

HISTORY:

Under agreement dated July 26, 1892, between Grand Trunk Railway and Canadian Pacific Railway provision was made for a new Union Depot as per tripartite agreement of the same date with the City of Toronto. A valuation of the old Grand Trunk station built in 1872 was fixed at \$650,000 and the cost of the new Depot, opened in 1896, was \$725,658.16.

The Board of Railway Commissioners for Canada issued an Order on February 23, 1905 authorizing the Grand Trunk Railway Company of Canada to expropriate certain lands in the City of Toronto, described therein, for a passenger station and passenger station yards only, in addition to those then occupied and lying north of Esplanade Street and between Yonge and York Streets. The station to be a Union Station with provision to handle the progressive traffic of the James Bay Railway Company.

Under agreement dated April 22, 1905, the City of Toronto agreed to lease certain lands, described therein to the Grand Trunk Railway Company of Canada for all time to come, at a rental of \$14,000 per annum for 21 years and \$20,000 for the next 21 years and thereafter at a rental to be agreed upon. Certain streets are to be closed, but after 42 years the annual rental to be determined as though the streets hereby agreed upon to be closed and still open. Granting a fixed assessment for lands including buildings thereon of \$500,000 for a term of ten years.

On May 3, 1905 the Board of Railway Commissioners issued an Order varying the Order of February 23, 1905 by omitting certain lands therein specified and expropriating the balance.

An agreement was executed May 31, 1905, effective February 23, 1905, under which rentals received by the City of Toronto on property acquired by the Grand Trunk Railway Company of Canada shall be paid to the Grand Trunk or credited to the rent due the City by the Grand Trunk Railway Company.

The Toronto Terminal Railway Company was incorporated on July 13, 1906 under Act 6 Edward VII, 170 Dominion of Canada to acquire the requisite lands for the erection of a Union Passenger Station in Toronto and to provide the necessary buildings, tracks, sidings and other terminals facilities as may be required for the handling and interchange of all passenger, express and mail traffic.

Under the Act of Incorporation the Grand Trunk Railway Company of Canada was empowered to sell assign, transfer and convey its Union Station property to the Toronto Terminal Railway Company upon terms and conditions to be agreed upon also the Canadian Pacific Railway Company was empowered to sell and convey to the Terminal Company certain lands owned in the City of Toronto.

Securities were authorized not exceeding \$3,000,000

Under Act 3 - 4 George V, Chapter 202, Dominion of Canada passed June 6, 1913, the amount of securities authorized was increased to \$10,000,000.

Under Act 3 - 4 George V, Chapter 11, Dominion of Canada, passed June 6, 1913, the Canadian Pacific Railway Company the Grand Trunk Railway Company of Canada and the Toronto Harbour Commissioners were authorized to expropriate for the Toronto Viaduct and works connected therewith all or any lands and lands covered by water in the City of Toronto lying south of the right of way of the Canadian Pacific Railway From Yonge Street to Berkeley and south of the right of way of the Grand Trunk Railway Company of Canada from Berkeley Street to Cherry Street, etc.

Under Agreement dated July 29, 1913 between the
Corporation of the City of Toronto
The Toronto Harbour Commissioners
The Grand Trunk Railway Company of Canada
The Canadian Pacific Railway Company

It was agreed that instead of Viaduct directed by orders of the Board of Railway Commissioners No. 7200 dated June 9, 1909, No. 13568 dated April 25, 1911, No. 16019 dated February 22, 1911 and No. 17033 dated July 18, 1912 a Viaduct as shown on plans and profile dated April 25, 1913, identified by signatures of parties thereto, should be constructed subject to approval by the Board of Railway Commissioners at a proportional cost as agreed upon.

The Board of Railway Commissioners issued Order No. 19926 on July 31, 1913 approving Viaduct plan dated April 25, 1913 and the Agreement of July 29, 1913.

Under Agreement dated March 5, 1914 between
The Toronto Terminals Railway Company
The Grand Trunk Railway Company of Canada and
The Canadian Pacific Railway Company

The Terminals Company assumed the obligations of the Grand Trunk Railway Company and the Canadian Pacific Railway Company under the agreement of July 29, 1913 as regards the Viaduct and shown red and blue on attached plan and agreed to erect thereon an adequate passenger station with all the necessary tracks, side tracks and appurtenances for the handling of the passenger, baggage and express business of the Grand Trunk, Canadian Pacific or any other railway guaranteed to use same.

Each railway agreed to take a fifty percent in the Terminals Company, and to guarantee the bonds of the Terminals Company. Portions of the terminals would be used for freight business.

The Grand Trunk agreed:

- (1) To sell to the Toronto Terminals Railway the present Union Station property for \$1,375,658.16 and cancel existing Union Station Agreement.
- (2) To transfer to the Toronto Terminal Railway of such lands as were

acquired under Board of Railway Commissioners Order dated February 23, 1905 and agreement with the City of Toronto on April 22, 1905 (or acquired since) at cost plus five-percent per annum from date of acquisition to date of transfer to the Terminals Company.

- (3) To transfer such other lands as may be required
- (4) To subscribe to one-half of the Capital Stock
The railways agreed to subscribe to one-half of the Capital Cost each.
- (5) To make the Union their principal passenger Station in Toronto. The railways agreed to by way of rental
 - (a) Interest at 5% per annum on amount of Capital Cost
 - (b) Rentals assumed by Terminals Company
 - (c) All insurance premiums

Maintenance costs are estimated on a wholeage basis.

Under Act 4 - 5 George V, Chapter 58, Dominion of Canada, passed April 8, 1915 provision was made for freight terminals.

Under agreement dated May 31, 1915 between the corporation of the City of Toronto and the Grand Trunk Railway Company of Canada the lease of certain lands to the Grand Trunk Railway Company of Canada under agreement of April 22, 1905 was witnessed. Under another agreement of the same date the Grand Trunk Railway Company assigned to the Toronto Terminals Railway Company the above lands.

Under agreement dated September 15, 1915 the Minister of Public Works on behalf of His Majesty leased about one acre of property from the Toronto Terminals Railway Company for a Post Office and other Government purposes at a rental of \$17,000 for 21 years plus lessors taxes and thereafter at an agreed or arbitrated rental.

Under Act 14 - 15 George V, Chapter 70, Dominion of Canada, passed July 19, 1924. Board Order No. 7200 and its supplementary Orders as well as Agreement of July 29, 1913 annulled and declared to be of no effect. Viaduct works shall be constructed by the Canadian National Railway Company or Canadian Pacific Railway Company the cost of which shall be borne by the Canadian National, Canadian Pacific or City of Toronto.

Issue of securities limited to \$30,000,000 authorized. The Canadian National Railway Company and the Canadian Pacific Railway Company were empowered each to subscribe to one-half of the Capital Stock and guarantee one-half of the principal and interest on the securities.

Agreement of November 7, 1924. between the
Corporation of the City of Toronto
Canadian National Railway Company
Canadian Pacific Railway Company
Toronto Harbour Commissioners.

Construction of Viaduct according to plan dated November 7, 1924 authorized. The City of Toronto to assume thirty percent of the cost of all works shown therein.

The Agreement of November 7, 1924 was approved by the Executive Committee of the Directors of the Canadian National Railway Company on November 11, 1924 and was ratified and confirmed by Order in Council P.C. 2035 issued November 18, 1924.

CAPITAL STOCK:	Authorized:	\$2,000,000
	Issued:	500,000
	Owned by Canadian National Railway Company	250,000
	Owned by Canadian Pacific Railway Company	250,000
FUNDED DEBT:	Authorized 5%, 50 year, First Mortgage Bonds	\$30,000,000
	Issued December 31, 1954	25,610,000

Owned by Canadian National Railway Company	12,805,000
Owned by Canadian Pacific Railway Company	12,805,000

DIRECTORS AND SHAREHOLDERS:

C.N. Realities, Limited in trust for C.N.R. Company	2,440	
Donald Gordon	20	
N. J. MacMillan, Q.C.	20	
R. H. Tarr	20	
C.P.R. Company	2,440	
N. R. Crump	20	
R. A. Emerson	20	
H. C. Reid	20	
Each Company	<u>2,500</u>	
Total		5,000 shares (fully paid)

OFFICERS:

N. R. Crump	President (1960)
Donald Gordon	Vice-President (1960)
J. H. Spier)	
G. W. Miller)	Joint Managers
J. A. Haines	Superintendent in charge of Maintenance and Operations
R. T. Vaughan	Secretary
L. A. Fuller	Assistant Secretary
F. C. Schoales	Treasurer
R. A. Flint	Accountant
W. R. Burnett	Solicitor
H. C. Friel, Q.C.)	
I. D. Sinclair)	Consulting Counsel
A. V. Johnston)	
C. A. Colpitts)	Consulting Engineers.

TRANSCONTINENTAL TOWNSITE COMPANY LIMITED

(not included in "Canadian National Railway Company Annual Report")

INCORPORATED: October 19, 1910 - Manitoba Letters Patent.
May 23, 1933 - Dominion Act 23 - 24 George V, Chapter 33 - succeeds provincial Company.

HISTORY: Under Manitoba Letters Patent, October 19, 1910, "Transcontinental Townsite Company, Limited" was incorporated.

The Company is used as a receptacle for worthless properties which are jettisoned by other Canadian National Railway System companies to avoid taxes and which are generally allowed to go by forfeiture.

The Company is maintained separately and is not included in Canadian National Railway Company Annual Report. For many years the Directors were appointed from the staffs of the railway Law and Real Estate Departments in Winnipeg.

The Company is mentioned in the first schedule to Dominion Act 10 - 11 George V, Chapter 13, 1920, and is comprised in the Canadian National Railways by reason of

the definition of that term in the Canadian National Railways Act.

Parliaments declaration of general advantage as contained in the Canadian National - Canadian Pacific Act (Dominion Act 23 - 24 George V, Chapter 33, 1933) includes the works of this Company. Section (2) of the Act *incorporates the shareholders of the provincial companies comprised in National Railways* and provides that any company so incorporated "shall have the same name, directors and undertaking as the Canadian National Railways and shall act in succession to the provincial Company" and "in continuity thereof as respects all its affairs by, under and subject to the provisions of this Act." While in some respects the wording of the section above quoted is defective the Law Department expressed the opinion that the Chairman of the Board and the Directors of Canadian National Railway Company are, by force of the Act, Chairman of the Board and Directors of Transcontinental Townsite Company Limited.

PROPERTY INVESTMENT:

In 1925, the properties then held by Transcontinental Townsite Company, Limited were transferred to The Grand Trunk Pacific Development Company, Limited, and on January 1, 1933 the remaining properties of The Grand Trunk Pacific Development Company, Limited - Townsite Department (including the above) - were taken over by Canadian National Realities, Limited.

CAPITAL STOCK:	Authorized:	7,000 shares of \$5 each	35,000
	Issued:	4,678 shares of \$5 each	23,390

At the Shareholders meeting on July 10, 1928 the par value of the capital stock was reduced from \$100 to \$5.

The Capital Stock is held by the Directors as follows:

DIRECTORS:

W. T. Patterson, Q.C.	4,674 shares @ \$5.00.	\$23,370
Paul Blanchet	1 shares @ \$5.00.	5
J. H. Tilley	1 shares @ \$5.00.	5
F. R. Marks	1 shares @ \$5.00.	5
Eric Hayward	<u>1 shares @ \$5.00.</u>	<u>5</u>
Total	4,678 shares @ \$5.00.	\$23,390

OFFICERS:

W. T. Patterson, Q.C.	President
Paul Blanchet	Vice-President
J. H. Tilley	Secretary
J. H. Tilley	Treasurer
F. R. Marks	Assistant Secretary-Treasurer
Eric Hayward	Director

FUNDED DEBT: As of December 31, 1960: - Nil

CORPORATE RECORDS:

On June 28, 1951 Mr. Frank Thomas, General Manager of Real Estate sent the Minute Book and Stock Certificate Books to Mr. S. G. Baird in Winnipeg, Manitoba.

THE UNITED STATES AND CANADA RAILROAD COMPANY
(majority capital stock owned by Canadian National Railway Company)

line leased to Canadian National Railway Company

INCORPORATED: July 6, 1888 - State of New York - Documents relating to amalgamation filed with Secretary of State at Albany, New York. (see History).

HISTORY: Under State of New York Laws United States and Canada Railway was incorporated May 26, 1883. Articles of Association dated May 24, 1883 were filed with the Secretary of State of New York on May 26, 1883.

Under State of New York Laws "The Massena Springs and Fort Covington Railroad Company" was incorporated September 12, 1884. Articles of Association dated September 10, 1884 were filed with Secretary of State of New York on September 12, 1884.

Under agreement dated June 26, 1888 at Franklin, New York, ratified by shareholders of respective Companies at meetings held in Fort Covington, New York, on July 6, 1888, and documents filed with the Secretary of State at Albany these two Companies were amalgamated affective May 17, 1888, under the name "The United States and Canada Railroad Company".

The Line was completed and opened for traffic as follows:

United States and Canada Railroad Company			
International Boundary	to Fort Covington	0.61 miles	December 24, 1883
Massena Springs & Fort Covington Railroad Company			
Fort Covington	to Massena Springs	<u>21.57</u> miles	January 1, 1889
Total		22.18 miles	

The line is leased to The Grand Trunk Railway Company of Canada (Canadian National Railway Company) under agreement dated September 27, 1888 for a term of 21 years from January 1, 1889. The annual rental is \$11,255 representing 5% interest on 1st Mortgage Bonds, \$11,250 and \$5 per annum on 2nd Mortgage Bonds, plus taxes.

PROPERTY INVESTMENT:

As at December 31, 1958:			
	Road	\$652,870	
	Improvements on leased property	<u>74,215</u>	\$727,085

ACCRUED DEPRECIATION:

As at December 31, 1958:	
Leased Property	\$59,382

DONATIONS AND GRANTS:

\$11

LOCATION:

St. Lawrence Division:		
Dundee	- Massena Springs, New York	22.18 miles

CAPITAL STOCK:

As at December 31, 1958			
Authorized:	9140 shares - \$ 25 each	\$228,500	
	15 shares - \$100 each	<u>1,500</u>	\$230,000
Issued:	8776 shares - 25 each		219,400

8,759 shares are owned by Canadian National Railway Company and 17 shares are held by Public. Certificates representing 8,727 shares in the name of Canadian National Realities, Limited, in trust for Canadian National Railway Company and 32 shares in the

names of Directors (endorsed in blank) are held in Royal Trust Company vaults, Montreal.

About the time the Grand Trunk leased the United States and Canada Railroad an effort was made to locate the holders of the outstanding capital stock of record and it was found that after the consolidation of the Massena Springs and Fort Covington Company and the old United States and Canada Railroad Company, many of the original subscriptions had been cancelled and others obtained, but there is no official record of the fact, nor any stock register.

At that time it was evident that some of the unlocated amounts had been paid in cash and the money expended for work done upon the line prior to 1887, during its early stages; some subscriptions were paid partially and some in full by labour done in the grading of the roadbed; others were cancelled owing to diversion of the line in another direction than that originally contemplated, and new subscriptions were obtained, but the early records of the Company were so fragmentary and imperfect that it was at that time impossible to obtain a proper record.

Upon the consolidation of the two above mentioned Companies and the latter lease of those Companies to the Grand Trunk, it was considered that there might be some question about the personal liability of the shareholders who had not paid up their stock (if it could be ascertained) for any debts of the Company but as a matter of fact the Company had practically no debts except a few hundred dollars still owing for unsettled right-of-way claims, and these, the Lessee, the Grand Trunk agreed to pay when the claims were proved.

LONG-TERM DEBT:

5% First Mortgage Coupon Bonds, secured by Mortgage dated August 18, 1888, matured January 1, 1910, held in Canadian National Railway Company Treasury - Unpledged. \$225,000

5% Second Mortgage Bonds, secured by Mortgage dated March 19, 1891 subject to Mortgage dated August 18, 1888, matured January 1, 1910, held in Canadian National Railway Company Treasury - Unpledged.	\$208,470
Investment advances due Canadian National Railway Company	27,698

AMALGAMATION:

Under Agreement dated October 2, 1959 the United States and Canada Railroad Company was amalgamated with and under the name of the Canadian National Railway Company. This agreement was approved by Order in Council PC 1959-1238 dated September 24, 1959 and effective September 30, 1959.

UNITED STATES SOCIAL SECURITY LEGISLATION

RAILROAD RETIREMENT ACT

On June 27, 1934, the President of the United States approved an Act (Public No. 485 - 73D Congress) (S-3231) to provide a retirement system for Railroad employees, to provide unemployment relief, and for other purposes. The effective date was August 1, 1934 (the first day of the second month after the taking effect of the Act). The term "Railroad Retirement Act" was authorized to be used in citing the Act and subsequent amendments thereto.

The Act provided for compulsory retirement at age 65 (with specified exceptions) and for the payment of an annuity not in excess of \$120 per month commencing February 1, 1935 (not less than 6 months after the effective date) to each employee having attained the age 65 years or having completed a service period of 30

years. Each employee was required to contribute a percentage upon his compensation not in excess of \$300 per month and the carrier was required to contribute an amount equal to twice the contributions of each employee. An interim percentage of the contribution by the employee was set at 2% pending the Railroad Retirement Board's determination of a different percentage. The deductions were required to be made, and were made, on the payrolls commencing August 1, 1934. Railroads in the United States, however, questioned the validity of the Legislation and on October 30, 1934 the Courts declared the Act to be unconstitutional and invalid. An appeal was made and on May 6, 1935 the Supreme Court of the United States declared the Act to be unconstitutional. The 2% deducted from employees on payrolls from August 1934, to April 1935, inclusive, was refunded.

RAILROAD RETIREMENT ACT OF 1935

On August 29, 1935, the President of the United States approved an Act (Public No. 399, 74th Congress, H.R. 8651) to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes, cited as the "Railroad Retirement Act of 1935". While the enactment date was August 29, 1935, and the Act became law on that date, the effective date was March 1, 1936. Annuities did not become payable until 90 days later. A companion act known as "Carriers' Taxing Act" was also approved on August 29, 1935, and became effective on March 1, 1936.

RAILROAD RETIREMENT ACT OF 1937

On June 24, 1937, the President of the United States approved the "Railroad Retirement Act of 1937" (Public No. 162, 75th Congress, Chapter 382, H.R. 7519), amending the Railroad Retirement Act of 1935.

The Act provided for payments of monthly annuities not in excess of \$120, based on compensation not in excess of \$300 in any one month, to individuals who have attained age 65, women who have attained age 60 and have completed 30 years service, and a reduced annuity to individuals who have attained age 60 and have completed 30 years service or have become totally or permanently disabled.

The Act also provided, among other things, that beginning July 1, 1937 each individual then on the pension or gratuity roll of an employer, by reason of his employment, who was on such roll on March 1, 1937 shall be paid on July 1, 1937, and on the first day of each month thereafter during his lifetime a pension at the same rate as pension gratuity granted to him by the employer without diminution by reason of a general readjustment made subsequent to December 31, 1930, and applicable to pensioners of the employer: provided, however, that no pension payable under this section shall exceed \$120 a month: provided further that no individual on the pension or gratuity roll of an employer not conducting the principal part of his business in the United States shall be paid a pension under this section unless in the judgment of the Board he was on March 1st, 1937 carried on the pension or gratuity roll as a United States pensioner.

	<u>Public</u>	<u>Congress</u>		<u>Act</u> <u>Chapter</u> <u>No.</u>	<u>Approved</u>
Railroad Retirement Act	485	73 rd		S. 3231	June 27, 1934
Railroad Retirement Act of 1935	399	74 th		H.R. 8651	August 29, 1935
Railroad Retirement Act of 1937	162	75 th	382	H.R. 7519	June 24, 1937
Carriers' Taxing Act	400	74 th		H.R. 8652	August 29, 1935
Carriers' Taxing Act of 1937	174	75 th	405	H.R. 7589	June 29, 1937

Railroad Retirement Tax Act	572	79 th		H.R. 1362	July 31, 1946
Railroad Unemployment Insurance Act	722	75 th	680	H.R. 10127	June 25, 1938
Social Security Act	271	74 th		H.R. 7260	August 14, 1935
Federal Insurance Contributions Act					August 10, 1939
Federal Unemployment Tax Act					August 10, 1939
Internal Revenue Code					August 10, 1939

Various Acts of Congress amended the legislation, the most important of these being:

Public Law No. 572	79 th Congress		H.R. 1362	approved July 31, 1946
Public Law No. 744	80 th Congress			approved June 23, 1948
Public Law No. 234	82 nd Congress		H.R. 3669	approved October 30, 1951
Public Law No. 746	83 rd Congress	Chapter 1164	H.R. 7840	approved August 31, 1954

These amendments became effective on various dates including:

July 31, 1946	April 1, 1954
January 1, 1947	July 1, 1954*
July 1, 1948	September 1, 1954
November 1, 1951	

* Includes increase in maximum taxable and creditable compensation from \$300 to \$350 per month.

The amendments are quite comprehensive, and included such features as

- (a) Conditions for eligibility liberalized
- (b) Increases in benefits
- (c) Increase in minimum benefits
- (d) Benefits extended to spouse of annuitant
- (e) Monthly benefits to children (under age 18) of a deceased employee
- (f) Provision for full annuity retirement of women at age 60 if they have 30 years service
- (g) Inclusion of service after age 65 in computing retirement benefits
- (h) Monthly compensation computed on monthly compensation not in excess of \$300 for any month prior to July 1, 1954, and on monthly compensation not in excess of \$350 per month for any month after June 30, 1954.

The amendments also provide that effective November 1, 1951, claims from individuals who have less than 120 months creditable service will not be honoured by the Railroad Retirement Board, but will instead be referred to Social Security Administration for payment of benefits in accordance with the Social Security Act.

In many cases the amendments applied to individuals then in receipt of annuities as well as employers and those still in employment. For full details of the amendments reference should be made to the Acts themselves.

CARRIERS' TAXING ACT

On August 29, 1935, the President of the United States approved the "Carriers' Taxing Act" (Public No. 400, 74th Congress, H.R. 8652) to levy an excise tax upon carriers and an income tax upon their employees, and for other purposes, effective March 1, 1936. Both carriers and their employees were subject to the tax at the rate of 3½% on compensation not in excess of \$300 per month.

Section 12 of this Act provided that the taxes imposed by the Act should not

apply to any compensation received or paid after February 28, 1937.

On June 29, 1937, this Act was repealed by Section 11 of the Carriers' Taxing Act of 1937.

Payments under the Act were refunded.

CARRIERS' TAXING ACT OF 1937

On June 29, 1937, the President of the United States approved the "Carriers' Taxing Act of 1937" (Public No. 174, 75th Congress, Chapter 405, 1st Session H.R. 7589) which repealed the "Carriers' Taxing Act" of August 29, 1935, and required that effective January 1, 1937, 2-³/₄% of compensation not in excess of \$300 per month be deducted from employees on payrolls, and that the railways contribute an equal amount.

The rate of excise tax on employers and income tax on employees on compensation not in excess of \$300 per month was as follows:

		<u>Employer</u>	<u>Employee</u>
January 1937	to December 1939	2.75	2.75
January 1940	to December 1942	3.00	3.00
January 1943	to December 1945	3.25	3.25
January 1946	to December 1946	3.50	3.50

By amendments (Public Law 572, 79th Congress, 2nd Session H.R. 1362) approved July 31, 1946, the retirement tax provisions of the Internal Revenue Code are cited as the "Railroad Retirement Tax Act", and progressive increases in the rate of tax from January 1, 1947 up to 6¼% effective January 1, 1952, were prescribed.

RAILROAD RETIREMENT TAX ACT

Subchapter B of Chapter 9 of Internal Revenue Code) (1939 Code)

Chapter 22 Subtitle C. Internal Revenue Code (1954 Code)

On July 31, 1946, the President of the United States approved an Act (Public Law No. 572, 79th Congress, 2nd Session, H.R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and Subchapter B of Chapter 9 of the Internal Revenue Code. The amended provisions relating to the Internal Revenue Code are cited as the "Railroad Retirement Tax Act". The rate of excise tax on employers, and income tax on employees on compensation not in excess of \$300 per month was increased effective January 1, 1947 to 5.75%, with provision for progressive increases to 6¼% subsequent to December 31, 1951. The rate of tax in 1946 under the Carriers' Taxing Act of 1937, 3.50%, was continued to December 31, 1946.

The rate of tax was as follows:

		<u>Employer</u>	<u>Employee</u>	<u>On compensation up to</u>
January 1947	to December 1948	5.75%	5.75%)	
January 1949	to December 1951	6.00	6.00)	\$300 per month
January 1952	to June 30, 1954	6.25	6.25)	
July 1, 1954	to	6.25	6.25	\$350 per month

Amendments were made as follows:

Public Law 234	82 nd Congress,	H.R. 3669	approved October 30, 1951
Public Law 746	83 rd Congress,	H.R. 7840	approved August 31, 1954

RAILROAD UNEMPLOYMENT INSURANCE ACT

On June 25, 1938, the President of the United States approved the Railroad Unemployment Insurance Act (Public No. 722, 75th Congress, Chapter 680, 3rd Session H.R. 10127) to regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes.

This Act superseded, insofar as railroads and their employees are concerned, State Unemployed Insurance Acts and Title IX of Social Security Act. The Act provided effective July 1, 1939 for payment of tax by employers at the rate of 3% on compensation not in excess of \$300 for any calendar month, and for the payment of benefits to qualified employees.

As amended by Public Law 744, 80th Congress, approved June 23, 1948, the rate of tax may vary from ½% to 3% depending upon the credit balance in the railroad unemployment insurance account as of September 30 in each previous year.

The rate of tax was as follows:

			<u>on compensation up to</u>
July 1939	to December 1947	3.00%)	
January 1948	to June 30, 1954	0.50%)	\$300 per month
July 1954	to December 1955	0.50%)	
January 1956	to	1.50%)	\$300 per month

Amendments were made as follows:

Public Law 144	76 th Congress	H.R. 5474	approved June 20, 1939
Public Law	Congress		approved July 2, 1940
Public Law 764	76 th Congress		approved August 13, 1940
Public Law	Congress		approved October 10, 1940
Public Law 520	77 th Congress		approved April 8, 1942
Public Law 572	79 th Congress	H.R. 1362	approved July 31, 1946
Public Law 744	80 th Congress		approved June 23, 1948
Public Law 234	82 nd Congress	H.R. 3669	approved October 30, 1951
Public Law 746	83 rd Congress	H.R. 7840	approved August 31, 1954

The Amendments became effective on various dates as follows:

June 25, 1938	July 31, 1946
July 1, 1940	January 1, 1947
October 10, 1940	July 1, 1947 *
November 1, 1940	January 1, 1948
July 1, 1946	January 1, 1952
	July 1, 1954

* Includes addition of sickness and maternity benefits.

SOCIAL SECURITY ACT

On August 14, 1935, the President of the United States approved the "Social Security Act" (Public No. 271, 74th Congress H.R. 7260) to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes.

The Act comprised ten Titles as follows:

Title	I	Grants to States for Old Age Assistance
Title	II	Federal Old Age Benefits
Title	III	Grants to States for Unemployment Compensation Administration
Title	IV	Grants to States for Aid to Dependent Children
Title	V	Grants to States for Maternal and Child Welfare
Title	VI	Public Health Work
Title	VII	Social Security Board
Title	VIII	Taxes with respect to employment
Title	IX	Tax on Employers of eight or more
Title	X	Grants to States for Aid to the Blind
Title	XI	General Provisions

By subsequent amendments the following three Titles were added:

Title	XII	Advances to State Unemployment Funds
Title	XIII	Reconversion Unemployment Benefits for Seamen
Title	XIV	Grants to States for Aid to the Permanently and Totally Disabled

Title VIII imposed an excise tax on non-carrier employers, and an income tax on their employees effective January 1, 1937, with respect to compensation not in excess of \$3,000 during any calendar year, for service in the United States.

The rate of tax payable by each was 1% to March 31, 1939.

Section 11 of the "Carriers' Taxing Act" of 1935 exempted carriers and their employees from these taxes.

Effective April 1, 1939, the Federal Insurance Contributions Act superseded Title VIII.

Title IX imposed a payroll tax on all non-carrier employers who employ eight or more individuals in the United States on each of some twenty days during the calendar year, each day being in a different week, with respect to compensation not in excess of \$3,000 to any one employee during any calendar year for service in the United States, effective January 1, 1936. Credit up to 90% of this tax was permissible with respect to employers' contributions under State unemployment tax laws.

Effective with tax for the calendar year 1939 the Federal Unemployment Tax Act superseded Title IX, except section 904.

The rate of tax under Title IX was as follows:

January 1936	to December 1936	1%
January 1937	to December 1937	2%
January 1938	to December 1938	3%

Complete reference and dates of amendments are not readily available. Certain Canadian National pensions coordinated with Social Security annuities are affected by amendments effective on dates shown hereunder:

- November 1, 1951 railway service of less than 120 months creditable
- September 1, 1952 minimum benefits of \$20 increased to \$25
- September 1, 1954 minimum benefits of \$25 increased to \$30
- January 1, 1955 maximum wages creditable increased from \$300 to \$350 per month.

FEDERAL INSURANCE CONTRIBUTIONS ACT

(Subchapter A of Chapter 9 of Internal Revenue Code)

Chapter 21, Subtitle C, Internal Revenue Code

On August 10, 1939, the President of the United States approved Social Security Act Amendments of 1939, which included among other provisions the levy of taxes in equal amounts on both non-carrier employers and their employees to offset the cost of Federal old-age and survivors insurance benefits. These tax provisions are contained in Subchapter A of Chapter 9 of the Internal Revenue Code which was passed in February 1939. This Subchapter of the Code was also amended by the Social Security Act Amendments of 1939, and is now referred to as the Federal Insurance Contributions Act.

The Act became effective April 1, 1939, and superseded Title VIII of the Social Security Act.

The following system companies were affected:

Brooksby Realty Company
Canadian National Steamship Company, Limited
Canadian National (West Indies) Steamships, Limited
Central Vermont Transit Corporation
Grand Trunk Pacific Dock Company of Seattle
The Niagara, St. Catharines and Toronto Railway Company
Rail and River Coal Company

The rate of tax was:

		<u>Employer</u>	<u>Employee</u>		<u>On Wages up to</u>
April 1939	to December 1949	1%	1%)	\$3,000 in a
January 1950	to December 1950	1½%	1½%)	calendar year.
January 1951		1½%	1½%		\$3,600 in a
					calendar year.

FEDERAL UNEMPLOYMENT TAX ACT

(Subchapter C of Chapter 9 of Internal Revenue Code)

Chapter 23 Subtitle C Internal Revenue Code

On August 10, 1939, the President of the United States approved Social Security Act Amendments of 1939, which included among other provisions the levy of an excise tax on each non-carrier employer of eight or more. These tax provisions are contained in Subchapter C of Chapter 9 of the Internal Revenue Code which was passed in February 1939. This subchapter of the Code was also amended by the Social Security Act Amendments of 1939, and is now referred to as the Federal Unemployment Tax Act.

The Act superseded Title IX of the Social Security Act, except section 904, with respect to the tax for the calendar year 1939 and subsequent years.

The employer is allowed a credit of as much as 90% against this tax for contributions paid by him under State unemployment compensation laws approved by the Social Security Board.

The rate of tax is 3% payable by non-carrier employers on compensation to any one employee not exceeding \$3,000 during any calendar year.

STATE UNEMPLOYMENT TAX LAWS

The following States impose Unemployment Taxes against employers which tax applied to the following system companies:

Massachusetts	(Canadian National (West Indies) Steamships, Limited)	2.7%
New York	(The Niagara, St. Catharines & Toronto Railway Company)	2.7%
Ohio	(Rail & River Coal Company)	2.7%
Washington	(Grand Trunk Pacific Dock Company of Seattle)	2.7%

THE VALE RAILWAY.

The Vale Railway extending from Stellarton to Thorburn a distance of 5.79 miles was leased to the Canadian Government Railways under lease dated January 10, 1917, effective May 1, 1915 for a period of ten years. This agreement was approved by Order In Council P.C. 27 issued January 8, 1917. The annual rental was \$1,200 per year, and the lease contained an option to purchase the railway for \$30,000.

Under agreement dated June 4, 1925 the lease and option was renewed for another ten years from May 1, 1925 as authorized by Order In Council, dated May 29, 1925.

Under agreement dated June 4, 1935, approved by Order In Council dated August 21, 1935 the lease and option was extended for another five years from June 4, 1935.

Under authority of Order In Council issued November 29, 1940, the lease and option on the Vale Railway was extended for a further five years from June 4, 1940 under agreement dated December 11, 1940.

Under authority of Order In Council P.C. 643 issued September 20, 1945 the lease and option of the Vale Railway was extended under agreement dated October 4, 1945 for a period of five years from June 4, 1945.

Under authority of Order In Council P.C. 4716 issued October 4, 1950 an agreement dated October 17, 1950 was entered into extending the lease and option on the Vale Railway for a further five years from June 4, 1950.

Under arrangement arrived at in Ottawa on January 14, 1953, the Acadia Coal Company, Limited agreed to reduce the option price to \$25,000.

At a meeting of the Board of Directors of the Canadian National Railway Company held May 20, 1955 it was recommended that the option of purchase for \$25,000 be exercised subject to approval by the Governor-in-Council.

Under Authority of Order In Council P.C. 1955-775 issued May 26, 1955, the Canadian National Railway Company was authorized to purchase the Railway for \$25,000.

Order-In-Council P.C. 1955-893 was issued June 15, 1955 amending Order-In-Council P.C. 1955-775 to provide for the Vale Railway to be purchased by the Canadian National Railway Company in the name of Her Majesty in right of Canada for the account of the Canadian Government Railways.

The purchase was approved by AFE No. 5/531 dated September 12, 1955.

Purchase Price	\$25,000
Survey & Legal Expenses	<u>3,000</u>
	\$28,000

The operation under lease expired with lease agreement expiration on June 4, 1955.

The Deed of Purchase was executed April 9, 1958 from the Acadia Coal Company, Limited, to Her Majesty in right of Canada.

VAN BUREN BRIDGE COMPANY

(Controlled by Bangor and Aroostook Railroad Company of Maine)

INCORPORATED: January 30, 1913 - State of Maine Legislature of 1913.

HISTORY: Under State of Maine Act of legislature of 1913 "Van Buren Bridge Company" was incorporated and empowered to construct and maintain a railway bridge across the Saint John River from Van Buren, Maine, to St. Leonards, New Brunswick, subject to the consent of the Congress of The United States and of the proper authorities of the Dominion of Canada, with authority to unite with The Restigouche and Western Railway Company in constructing, equipping and working the bridge.

Under Dominion Act 3 - 4 George V, Chapter 203, June 6, 1913 (subject to proclamation of the Governor-in-Council), and agreeably with petition of The Restigouche and Western Railway Company, the Charter rights of The Restigouche and Western Railway Company for the construction, equipment and operation of the bridge were vested in Van Buren Bridge Company, the latter Company to maintain an office at St. Leonards, New Brunswick, as the domicile of the Company in Canada. Duplicate certified copies of the charter of the Company, granted under the laws of Maine, and of any Act respecting the Company, passed by the Congress of the United States, and all amendments thereto are to be filed in the office of the Secretary of State of Canada.

The bridge was completed and opened for traffic May 1, 1915.

LEASE: By authority of Order in Council P.C. 184, dated January 26, 1918 and Under agreement dated March 8, 1918, confirmed by Dominion Act 8 - 9 George V, Chapter 48, May 24, 1918, certain land, tracks and railway property of the Bridge Company, lying between the former International Railway of New Brunswick line to Campbellton (now part of Canadian Government Railways) and the National Transcontinental line of Canadian Government Railways, were leased to the Dominion Government for the use of Canadian Government Railways at an annual rental of \$1,200; taxes and assessments to be borne by the Bridge Company. This agreement expired on August 31, 1934, but lease was continued on the same terms until August 31, 1936.

Under new yearly lease dated August 31, 1936, between the Bridge Company and Canadian National Railway Company (which meanwhile succeeded the Dominion Government as operator of Canadian Government Railways), terminable on August 31 of any year on three months written notice, the annual rental was reduced to \$600. The cost of new construction, including interlocking appliances, is borne by the railway and the structures or appliances may be removed by the railway at the termination of the lease, restoring the property in as good condition as at commencement of the lease, unless the Bridge Company exercises its option to purchase all new construction or any part thereof. Cost of maintenance and operation of tracks and interlocking appliances leased to or newly constructed by the railway is borne by the railway. All taxes and assessments are payable by the Bridge Company.

IMPROVEMENTS ON LEASED PROPERTY:

As at December 31, 1960:

Canadian Government Railways	\$16,225.76
------------------------------	-------------

LOCATION: Campbellton Division - St. Quentin Subdivision:
Bridge across Saint John River and approaches thereto between St. Leonards, N.B. and Van Buren, Maine.

Leased line near St. Leonards - 0.62 miles opened May 1, 1915.

DIRECTORS:

F. L. Putnam
H. E. Umphrey
E. D. van Loben "Sels"
W. J. Strout
W. G. Robertson

OFFICERS:

W. G. Robertson	President
W. J. Strout	Vice-President
C. C. Morris	Treasurer
J. E. Hess	General Counsel & Clerk
R. D. Plumley	General Auditor, Bangor, Maine

VANCOUVER HOTEL COMPANY LIMITED

(jointly-owned in equal shares by "Canadian National Hotels, Limited"
and "Canadian Pacific Railway Company")

INCORPORATED:

October 4, 1938 - Dominion Letters Patent.
April 15, 1955 - Supplementary Letters Patent.

HEAD OFFICE:

Montreal, Quebec.

HISTORY:

By Dominion Letters Patent dated October 4, 1938 "Vancouver Hotel Company, Limited" was incorporated pursuant to an Agreement entered into on July 28, 1938 between Canadian National Railway Company and Canadian Pacific Railway Company in compliance with the Canadian National - Canadian Pacific Act, 1933, requiring the adoption of cooperative measures by the two Railways, which Agreement provided that the Hotel Vancouver then almost completed would be leased to the newly incorporated and jointly-owned Company for operation from the date of completion, and that operation of the existing Canadian Pacific hotel in Vancouver be terminated. The Charter authorized the issuance of 5,000 shares of capital stock of a par value of \$100 each (\$500,000) not transferable except to Canadian National Railway Company and to Canadian Pacific Railway Company and to their respective nominees on the Board of Directors. Sale of capital stock or debentures to the public is prohibited.

The Charter empowered the Company to:

- (a) construct, purchase, acquire, lease, maintain and operate hotels, and generally to carry on the business of an hotel keeper;
- (b) purchase, lease, sell, administer, manage and otherwise deal with real and personal property;
- (c) generate, produce, accumulate and use steam, gas, compressed air, electricity and other motive power, and to sell or otherwise dispose of the same, provided, however, that any sale of light, heat and power beyond lands owned, controlled or managed by the Company shall be subject to local laws and regulations in that behalf.
- (d) Carry on operations of the Company throughout the Dominion of Canada and elsewhere.

By Supplementary Letters Patent dated April 15, 1955 the Charter was amended to permit

transfer of shares to Canadian National Railway Company or to Canadian Pacific Railway Company or to a wholly owned subsidiary of either Company, and to the respective nominees of Canadian National Railway Company and Canadian Pacific Railway Company or any such wholly owned subsidiary on the Board of Directors.

The Agreement of July 28, 1938 included the following provisions:

Capital Stock of the new jointly-owned Hotel Company to be subscribed and paid for by the parties to the agreement in equal amounts, to provide working capital. The Hotel Company to have a Board of Directors of six persons, three to be nominated by each parent company; the President and Vice-President of the Hotel Company to be chosen in alternate years from The National Directors and The Pacific Directors, so that for the year in which the President is chosen from among the National Directors, the Vice-President shall be from among the Pacific Directors, and vice-versa. In consideration of the Canadian Pacific undertaking to close its hotel at Vancouver and to transfer certain of its furniture and furnishings to Canadian National without charge and not to operate or become interested in the operation of any other hotel in Vancouver during the term of the lease, and further agreeing to allow interest at 2% per annum to the Canadian National on the amount realized from sale of the property, or agreed sale value from May 25, 1939 if not sold prior thereto. The Canadian National agreed to pay to the Canadian Pacific, as received, an amount equal to one fourth of the rental received by it from the Hotel Company; and also to share equally in the cost of administration of the Canadian Pacific Hotel until disposed of, but not exceeding a period of seven years.

Additions and improvements as may be determined by the Board of Directors of the Hotel Company to be made from time to time, the Canadian National providing the funds for such portion as is chargeable to capital account, the Hotel Company to pay interest thereon at 4% per annum during the term of the lease or the renewal, if any, which interest shall be payable by the Hotel Company on the 31st day of December each year and shall bank as a fixed expense next ahead of the rental covering the leasing of the premises. The 2% interest on the agreed sale value (\$1,508,000) of the Canadian Pacific hotel property payable by Canadian Pacific Railway from May 25, 1946 until termination of the lease or renewal thereof amounts to \$30,160 annually. The Canadian Pacific hotel property was sold in 1947.

Effective January 1, 1951 the Agreement of July 28, 1938, between Canadian National Railway Company and Canadian Pacific Railway Company was amended by an Agreement dated December 29, 1953. Under this revision the maximum annual rental was increased from \$280,000 to 750,000 (payable to the extent earned) which was more in line with the earnings of the hotel at that time and provided a hedge against the payment of income tax by the subsidiary company. The amended Agreement provided that Canadian National would pay to Canadian Pacific one-quarter of the annual rental received from the Hotel Company up to \$280,000, and one-half of the annual rental received in excess of \$280,000. The amended agreement also provided for discontinuance of depreciation accruals on furniture and furnishings (the reserve at December 31, 1950 being \$992,996); the cost of replacements to be charged against the reserve until the balance in the reserve has been reduced to \$352,801), except that the cost of replacements shall be charged to operating expenses in any year when the net income before replacements fails to exceed \$280,000 and provided further that in any year in which the net income before providing for replacements exceeds \$750,000 the cost of replacements equivalent to the amount of such excess shall be charged to

operating expenses, after which the cost of repairs and renewals are to be charged to operating expenses, the balance of \$352,801 to be retained in the reserve until termination of the agreement to provide funds to restore the furniture and furnishings to good condition before the property is returned to the owner.

Under Agreement dated January 14, 1955 ownership of Hotel Vancouver was transferred to Canadian National Hotels, Limited as of December 31, 1954, subject to the lease to Vancouver Hotel Company Limited.

Under Supplemental Agreement dated February 24, 1955, between Canadian National Railway Company, Canadian Pacific Railway Company and Canadian National Hotels, Limited the Agreement of July 28, 1938, as amended by Agreement of December 29, 1953, was amended, and the Canadian Pacific Railway Company consented to the application for Supplementary Letters Patent to authorize transfer of capital stock to Canadian National Railway Company or to Canadian Pacific Railway Company or to a wholly owned subsidiary of either Company and to the respective nominees of Canadian National Railway Company and Canadian Pacific Railway Company or any such wholly owned subsidiary on the Board of Directors.

By Supplemental Agreement dated January 25, 1956 between Canadian National Railway Company and Canadian Pacific Railway Company, effective January 1, 1956 the amount of \$750,000 mentioned above with respect to maximum annual rental, and with respect to replacements of furniture and fixtures, is increased to \$1,000,000.

LEASE:

Pursuant to the terms of Agreement of July 28, 1938 between Canadian National Railway Company and Canadian Pacific Railway Company, a lease dated December 20, 1938, was entered into between Canadian National Railway Company, and Canadian National Realities, Limited (owner of the land on which Hotel Vancouver was built) and Vancouver Hotel Company, Limited whereby Hotel Vancouver was leased to Vancouver Hotel Company, Limited for operation for a term of 21 years from date opened for operation (May 25, 1939) subject to renewal, if requested by Canadian Pacific Railway Company, for a further term of 21 years on the same terms save with respect to the right of renewal, the annual rental payable on January 15th each year to be equal to the net earnings from the operation of the hotel in the preceding calendar year (not exceeding \$280,000 in respect of any year). The lessee also undertook to pay taxes and cost of fire insurance and to maintain the property in good order.

Effective January 1, 1951 pursuant to the Agreement of December 29, 1953 between Canadian National Railway Company and Canadian Pacific Railway Company amending Agreement of July 28, 1938, an indenture was entered into between Canadian National Railway Company, Canadian National Realities, Limited and Vancouver Hotel Company, Limited on December 29, 1953 amending the provisions of the lease dated December 20, 1938 to conform with the amended agreement between Canadian National Railway Company and Canadian Pacific Railway Company respecting maximum annual rental and depreciation accruals on furniture and furnishings.

Under Agreement dated January 25, 1956, between Canadian National Hotels, Limited (who acquired ownership of Hotel Vancouver as of December 31, 1954, subject to the existing lease of the property to Vancouver Hotel Company, Limited) and Vancouver Hotel Company, Limited the lease was amended to increase the maximum annual rental from \$750,000 to \$1,000,000.

INVESTMENT IN AFFILIATED COMPANIES:

As at December 31, 1960:

Canadian National Railway Company	\$176,400.92	
Canadian Pacific Railway Company	<u>176,400.92</u>	\$352,801.84

The above represents the amount held in Depreciation Reserve, which by Agreement dated January 25, 1956 is loaned to Canadian National and Canadian Pacific and covered by promissory notes payable on demand - free of interest unless in any year the profit of the Hotel Company available for rental is less than \$280,000, in which case the loan bears interest at 3½% per annum during that year.

CAPITAL STOCK:

As at December 31, 1960:

Authorized:	5,000 shares	- par \$100 each	\$500,000
Issued:	1,500 shares	- par \$100 each	150,000

1,500 shares were originally issued to Canadian National Railway Company and Canadian Pacific Railway Company in equal proportion. In 1955 Canadian National Railway Company sold its 750 shares to its wholly owned subsidiary, Canadian National Hotels, Limited.

DIRECTORS:

Donald Gordon
N. J. MacMillan, Q.C.
R. H. Tarr
N. R. Crump
H. C. Reid
I. D. Sinclair

OFFICERS:

Donald Gordon	President (1961)
N. R. Crump	Vice-President (1961)
S. S. Chambers (Chairman))
R. A. Mackie)
C. C. McCartney	Managing Committee
R. T. Vaughan	Resident Manager
L. A. Fuller	Secretary
E. C. Kerr	Assistant Secretary
L. Peters	Treasurer
T. E. Reynolds	Assistant Treasurer
L. J. Mills (Chairman 1960/610)) Auditor
W. A. Crosby) Accounting Committee
I. D. Sinclair)
H. C. Friel, Q.C.) Consulting Counsel

VANCOUVER TERMINAL RAILWAY

(property partly leased or assigned to and partly purchased
by Canadian National Railway Company from National Harbours Board
from January 1, 1953)

HISTORY:

The Vancouver Harbour Commissioners (now National Harbours Board) operated and administered railway facilities collectively called "Vancouver Terminal Railway" which was vested in the Crown, for the benefit of harbour operations in the Greater Vancouver area.

The Canadian National Railways was the junior railway in the area and desired to improve its position by reaching the main harbour front over its own tracks including

access to the north side of Burrard Inlet which was expected to expand rapidly in the matter of harbour facilities and industrial development.

After prolonged negotiations Canadian National Railway Company obtained the right to use the Second Narrows Bridge, by lease from November 1, 1952 for 21 years with option to purchase at the end of that term, from The Burrard Inlet Tunnel and Bridge Company, and under Agreement dated May 6, 1953, and effective January 1, 1953, authorized by Dominion Order in Council P.C. 1953-642, April 23, 1953, between the National Harbours Board and Canadian National Railway Company, the Canadian National Railway Company acquired the Vancouver Terminal Railway in consideration of the payment within 12 months of the capital sum of \$1,075,940.72 plus interest to date of payment, representing the book value to the Crown of the corporeal assets of the Terminal Railway facilities as at December 31, 1952, and assumption of the obligation pursuant to Clause 2 (a) of the Agreement dated November 1, 1952 between the Railway and The Burrard Inlet Tunnel and Bridge Company, to pay to the Receiver General of Canada the capital sum of \$98,181.20 (representing the amount of a loan in 1925 by the Harbours Board to the Bridge Company) with interest to date of payment.

The Agreement also demised unto the Company the right to possess certain property together with certain easement rights for a term of 50 years from January 1, 1953 at an annual rental of \$25, with right of renewal for a further term of 50 years at the same rental and upon the same conditions including renewal, subject to cancellation upon 6 months written notice in the event that the property shall be required for harbour operations.

Cheque in payment of the purchase price of the Vancouver Terminal Railway was mailed to National Harbours Board, Ottawa on May 3, 1954, made up as follows:

Road	\$982,019.60	
* Rolling stock	76,984.32	
Material and supplies	12,754.63	
Interest	<u>39,865.16</u>	\$1,111,623.71

* 1 diesel electric and 2 steam locomotives, and 4 freight cars.

The line between False Creek and Burrard Inlet is owned by the Great Northern Railway and under Agreement dated February 13, 1946, sanctioned by Dominion Order in Council P.C. 1819 of May 7, 1946, the owner granted running rights over said line to National Harbours Board for a term of 21 years from October 15, 1944. Assignment of this Agreement by National Harbours Board to Canadian National Railway Company was provided for in Agreement of May 6, 1953.

Under Agreement dated January 1, 1953, approved by Dominion Order in Council P.C. 1953-1222 of August 5, 1953 and sanctioned by Dominion Order in Council P.C. 1953-1480 dated September 17, 1953, the Great Northern Railway Company consented to assignment to Canadian National Railway Company of the running rights over its False Creek to Burrard Inlet line acquired by the National Harbours Board under Agreement of February 13, 1946. The Agreement also provided that the Great Northern retain all its rights under the Agreement dated February 13, 1946 including access by way of interchange to the area heretofore served by lines of the National Harbours Board on the south shore of Burrard Inlet and on the north shore west of the Canadian National's proposed development, and permission to participate in traffic moving to and from industries located on lines in the areas on the south shore of Burrard Inlet and on the north shore thereof west of such development; and in the event the Pacific Great Eastern Railway should be extended southerly to a connection with the Canadian National on the north shore of Burrard Inlet, Great Northern is to have access by interchange at Vancouver to connect with Pacific Great Eastern at said point of connection, and in the

event that Pacific Great Eastern should be extended into the City of Vancouver to a point of connection with Canadian National lines, similar access by interchange is to be given to the Great Northern.

VERMONT AND PROVINCE LINE RAILROAD COMPANY

(wholly owned subsidiary of Canadian National Railway Company from January 31, 1923)

INCORPORATED: May 27, 1897 - State of Vermont Chapter 167. Amended by Public Act 118 of Laws of Vermont 1906, approved January 1, 1907.

HEAD OFFICE: St. Albans, Vermont.

HISTORY: The line was constructed in the summer of 1897 and opened for traffic that autumn it was operated by the Canada Atlantic Railway until that railway was taken over by the Grand Trunk Railway on August 15, 1904.

PROPERTY INVESTMENT:

As at December 31, 1958:		
Lessor R & E Property	\$200,000	
Lessor Improvements	<u>12,809</u> Cr.	\$187,191

ACCRUED DEPRECIATION:

As at December 31, 1958:	
Leased property	\$5,046

LOCATION: Central Vermont Railway: Northern Division, Swanton Subdivision
International Boundary to Alburgh Junction, VT. 3.09 miles.
(Operated by Canadian National Railway Company as implied lessee)

CAPITAL STOCK:

Authorized:	2,000 shares of \$100 each -	\$200,000
Issued:	2,000 shares of \$100 each -	200,000 (unpledged)

All owned by Canadian National Railway Company having been acquired by Grand Trunk Railway under agreement with J. R. Booth dated August 15, 1904. Certificate covering 1,995 shares in name of Canadian National Realities, Limited in trust for Canadian National Railway Company, and 5 shares in the names of directors, held by railway in Royal Trust Company vaults.

FUNDED DEBT: Nil.

ACCOUNTING:

Lessor:	Balance Sheet only
Lessee:	Separate income and balance sheet.

AMALGAMATION:

Under agreement dated October 2, 1959 the Vermont and Province Line Railroad Company was amalgamated with and under the name of the Canadian National Railway Company. This agreement was approved by Order in Council P.C. 1959-1238 dated September 24, 1959 and effective September 30, 1959.

WATERLOO JUNCTION RAILWAY COMPANY

(included in "Canadian National Railway Company" from January 31, 1923)

INCORPORATED: March 23, 1889 - Ontario Act, 52 Victoria, Chapter 84.

HISTORY: Under Ontario Act 52 Victoria, Chapter 84, March 23, 1889, "Waterloo Junction Railway Company" was incorporated to construct and operate a railway from Waterloo via St. Jacobs and Elmira to Elora or Listowel, etc.

The line was constructed from Kitchener (Berlin), Ontario, to Waterloo (1.75 miles) and opened for traffic in 1889; and from Waterloo to Elmira (10 miles) and opened for traffic on November 27, 1891; a total of 11.75 miles.

AMALGAMATION:

Effective December 1, 1891 the line was leased to The Grand Trunk Railway Company of Canada for a term of 39 years.

Effective April 1, 1893, under Agreement dated October 1, 1892, ratified and confirmed by Dominion Act 56 Victoria, Chapter 47, April 1, 1893, Waterloo Junction Railway Company and fourteen other companies were amalgamated into one company under the name "The Grand Trunk Railway Company of Canada".

DONATIONS AND GRANTS:

Subsidies were as follows: (Statistics of Steam Railways of Canada - 1938, Page 64):

Dominion		\$32,800
Municipal	Township of Woolwich	\$28,000
	Section of Peel	7,000
	Village of Elmira	10,000
	Village of St. Jacobs	<u>2,000</u>
		\$47,000

CAPITAL STOCK: Prior to amalgamation on April 1, 1893:

Authorized:	2,500 shares - \$100 each	\$250,000
Issued:	500 shares - \$100 each	50,000

All owned by The Grand Trunk Railway Company of Canada.

Upon amalgamation on April 1, 1893, the share capital other than GTR was converted into an equal amount of Ordinary stock of The Grand Trunk Railway Company of Canada in accordance with the terms of Amalgamation Agreement.

LONG-TERM DEBT:

Prior to amalgamation on April 1, 1893:

Bonds outstanding in the amount of \$105,000 were held in The Grand Trunk Railway Company of Canada Treasury, and upon amalgamation the liability with respect thereto was assumed by the latter Company. Bonds were redeemed on February 8, 1961.

THE WELLAND RAILWAY COMPANY

(property acquired by The Grand Trunk Railway Company of Canada
(Canadian National Railway Company))

INCORPORATED: May 23, 1853 - Province of Canada Act 16 Victoria, Chapter 136.
May 27, 1857 - Province of Canada Act 20 Victoria, Chapter 141, name changed -
(see History).

HISTORY:

Under Province of Canada Act 16 Victoria, Chapter 136, May 23, 1853, "The Port Dalhousie and Thorold Railway Company" was incorporated to construct a railway between Port Dalhousie and Thorold.

Under Province of Canada Act 20 Victoria, Chapter 141, May 27, 1857, the name was changed to "The Welland Railway Company".

The line was constructed from Port Dalhousie to Port Colborne (24.67 miles) and opened for traffic on June 27, 1859.

From the opening of the Canada Air Line Railway from Fort Erie to Glencoe on December 15, 1873 the Great Western Railway Company operated over the line between Welland Junction and Port Robinson, a distance of 14.83 miles.

When The Great Western Railway Company was amalgamated with The Grand Trunk Railway Company of Canada on August 12, 1882, the operation was taken over by The Grand Trunk Railway Company of Canada.

SALE OF PROPERTY:

By authority of Dominion Act 47 Victoria, Chapter 53, April 19, 1884, the undertaking, property, franchises, rights and privileges of The Welland Railway Company were sold and transferred to The Grand Trunk Railway Company of Canada in consideration of the payment to The Welland Railway Company of 4% perpetual consolidated debenture stock of The Grand Trunk Railway Company of Canada in the amount of £166,952 (\$812,499) less £25,685 retained by The Grand Trunk Railway Company of Canada to be applied against any valid claim of the latter Company for additions to or improvements of the railway and property of The Welland Railway Company. Consent to the sale by bondholders and shareholders was signified at special general meeting of The Grand Trunk Railway Company of Canada held on October 25, 1883, and at special general meeting of The Welland Railway Company held on November 30, 1833. The Act provided for distribution of The Grand Trunk Railway Company of Canada debenture stock among the bondholders and ordinary stockholders of The Welland Railway Company, and distribution of all money remaining in the hands of The Welland Railway Company among the ordinary stockholders of the Company. The Act declared all existing bonds, debenture stocks and ordinary stock of The Welland Railway Company to be null and void.

CAPITAL STOCK:

As at April 19, 1884:

Ordinary Stock £161,214 - 15s (\$784,575)

Dominion Act 47 Victoria, Chapter 53, April 19, 1884 authorizing sale of the Company's property declared the stock to be null and void and authorized its cancellation.

LONG-TERM DEBT:

As at April 19, 1884:

Preference bonds	£ 50,000 exchanged for	£ 50,000 GTR Perpetual
First 5% debenture stock	100,000 exchanged for	37,500 GTR Perpetual
Second 5% debenture stock	48,500 exchanged for	12,115 GTR Perpetual

Dominion Act 47 Victoria, Chapter 53, April 19, 1884 gave holders of these securities the right to deliver securities held within two years and to receive in exchange 4% consolidated debenture stock of The Grand Trunk Railway Company of Canada. The Act also declared The Welland Railway Company securities to be null and void and authorized their cancellation.

WELLINGTON, GREY AND BRUCE RAILWAY COMPANY
(included in "Canadian National Railway Company" from January 31, 1923)

INCORPORATED: June 30, 1864 - Province of Canada Act 27 - 28 Victoria, Chapter 93.

HISTORY: Under Province of Canada Act 27 - 28 Victoria, Chapter 93, June 30, 1864, "Wellington Grey and Bruce Company" was incorporated to construct a railway from Guelph to Southampton with branch to Owen Sound.

Between the years 1870 and 1874 lines were built from Guelph to Southampton, Ontario, (101.52 miles) and from Palmerston to Kincardine, Ontario, (66.63 miles) a total of 168.06 miles.

Under Agreements dated June 15, 1869, June 3, 1870 and December 23, 1872 the lines were leased to The Great Western Railway Company. When The Great Western Railway Company was amalgamated with The Grand Trunk Railway Company of Canada on August 12, 1882 Wellington, Grey and Bruce Railway Company formed part of The Great Western Railway Company System and operation was taken over at that time by The Grand Trunk Railway Company of Canada.

AMALGAMATION: Effective April 1, 1893, under Agreement dated October 1, 1892, ratified and confirmed by Dominion Chapter 47, April 1, 1893, Wellington, Grey and Bruce Railway Company and fourteen other companies were amalgamated into one company under the name "The Grand Trunk Railway Company of Canada".

DONATIONS AND GRANTS:

Subsidies were as follows: (Statistics of Steam Railways of Canada - 1938, Page 64):

Province of Ontario	\$241,276	
Municipal	<u>682,000</u>	\$923,276

LOCATION: Stratford Division:

		<u>Miles</u>	<u>Opened For Traffic</u>
Guelph	- Elora	13.50	July 1, 1870
Elora	- Fergus	2.60	September 13, 1870
Fergus	- Alma	6.10	December 1, 1870
Alma	- Harriston	26.64	December 30, 1871
Harriston	- Southampton	53.19	December 7, 1872
Palmerston	- Listowel	8.79	December 19, 1874
Listowel	- Kincardine	<u>57.84</u>	December 29, 1874
		168.66	

CAPITAL STOCK: Prior to amalgamation on April 1, 1893:

4424 shares - \$50 each \$221,200

Of the above capital stock The Grand Trunk Railway Company of Canada owned \$123,516.

Upon amalgamation the outstanding share capital other than GTR was converted into an equal amount of Ordinary Stock of The Grand Trunk Railway Company of Canada in accordance with the terms of the Amalgamation Agreement.

LONG-TERM DEBT: Prior to amalgamation on April 1, 1893:

First Mortgage 7% Bonds in the amount of £432,000 (\$2,589,066) maturing July 1, 1901 were outstanding of which \$2,056,900 was held in The Grand

Trunk Railway Company of Canada Treasury, and \$523,166.66 was held by the Public. Upon amalgamation The Grand Trunk Railway Company of Canada assumed the liability with respect thereto. The outstanding Bonds held by the Public were acquired by the latter company by purchase drawings or the issue of an equal amount of its Four Per Cent Consolidated Debenture Stock. The balance of the Bonds in the hands of the Public was paid off in 1942.

WEST RIVER RAILROAD COMPANY

(formerly wholly owned subsidiary of New London Northern Railroad Company)

INCORPORATED: November 6, 1867 - State of Vermont Special Act 165.
November 24, 1874 - State of Vermont Special Act 149 - changed name, (see History)
February 1, 1877 - State of Vermont Act 172 - reorganized under new name, (see history)
April 21, 1905 - State of Vermont Act 171 - reorganized under new name, (see history)

HISTORY: On November 6, 1867, under Vermont Special Act No. 165, "West River Railroad Company" was incorporated. Subsequent Acts in 1869 and 1872 extended the charter and time of building. On November 24, 1874, Vermont Special Act 149 changed the name to "West River Railroad".

On February 1, 1877, the stockholders of West River Railroad met and reorganized under the name of "Brattleboro & Whitehall Railroad Company" under authority of an Act of the General Assembly of the State of Vermont dated November 17, 1876 (Vermont 1876, Act No. 172). The latter Company constructed the line from Brattleboro, Vermont to South Londonderry, Vermont, a distance of 35.35 miles and the line was opened for traffic on November 3, 1880.

The road was only partially completed when leased to the New London Northern Railroad Company on May 10, 1880 for 99 years from that date. New London Northern Railroad Company completed the construction accepting in part payment first mortgage bonds of Brattleboro & Whitehall Railroad Company and the balance was held as an indebtedness against Brattleboro & Whitehall Railroad Company.

After completion of construction the lease of May 10, 1880 was assigned as follows:

May 10, 1880, to New London Northern Railroad Company.

March 1, 1881, to Central Vermont Railroad Company.

October 17, 1891, to Consolidated Railroad Company of Vermont.

December 9, 1891, to Central Vermont Railroad Company.

March 21, 1899, this lease was included in the foreclosure sale of Central Vermont Railroad Company and purchased by Central Vermont Railway Company.

The road was operated by Central Vermont Railroad Company and their successors until Brattleboro & Whitehall Railroad Company on account of foreclosure of mortgage was reorganized by the bondholders on April 21, 1905, as "West River Railroad Company" (No. 2) in accordance with provisions of Sections 3950 to 3968 inclusive of Chapter 171 of the Vermont Statutes, Articles of Association being filed with Secretary of State on that date.

On February 28, 1905, the United States Circuit Court for the District of Vermont gave a decree of foreclosure against Brattleboro & Whitehall Railroad Company which action was followed by the reorganization on April 21, 1905, mentioned above.

The disastrous flood which occurred in Vermont on November 3, 4 and 5, 1927, caused so much damage to the line that Central Vermont Railway Company suspended operation and by agreement dated February 1, 1930 between West River Railroad Company, New London Northern Railroad Company which owned all the capital stock of West River Railroad Company, Brattleboro and Whitehall Railroad Company and Central Vermont Railway Incorporated, (successor of Central Vermont Railway Company) the lease of West River Railroad was terminated and the property was turned back to West, River Railroad Company.

Under said agreement New London Northern Railroad Company was released from its guarantee in respect of the principal and interest on West River Railroad Company bonds, and all such bonds held by Central Vermont Railway Incorporated, and all the capital stock of West River Railroad Company held by New London Northern Railroad Company were assigned and delivered to Brattleboro and Whitehall Railroad Company or its nominee.

After partial rehabilitation and operation of the line by West River Railroad Company for a short time operation was discontinued.

LOCATION:

Central Vermont Railway: - Southern Division
Brattleboro to South Londonderry 35.35 miles
(turned back to West River Railroad Company in 1930)

WHIPPLE CAR COMPANY

(wholly owned subsidiary of Canadian National Railway Company)
Inactive since last Directors Meeting October 27, 1930

INCORPORATED:

April 29, 1909 - By Articles of Agreement under the Laws of the State of Maine.

HEAD OFFICE:

Portland, Maine.

HISTORY:

Under Articles of Agreement dated April 27, 1909, and Certificate registered with the Secretary of State for Maine in Volume 40, Page 453, April 29, 1909, "Whipple Car Company" was incorporated to manufacture, own, lease, sell or rent for hire, freight and passenger cars, engines and other rolling stock used and employed in the operation of railroads, and for other purposes. The Company was also licensed and qualified to do business in the State of Illinois.

Whipple Car Company acquired all the issued and outstanding capital stock of Chicago, New York & Boston Refrigerator Company.

Under Agreement dated July 7, 1909, Whipple Car Company leased all the properties and assets (consisting of refrigerator cars and a car building and repair plant at Elsdon, Illinois) of the Refrigerator Company for a term of ten years, and operated the business of the Refrigerator Company until the latter part of 1913.

Under Agreement dated August 26, 1913, between Whipple Car Company, Chicago, New York & Boston Refrigerator Company, The Grand Trunk Railway Company of Canada and Albert Tuttle (Trustee), The Grand Trunk Railway Company of Canada acquired all the common stock of Whipple Car Company amounting to \$1,000,000 par value, and the preferred stock amounting to \$400,000 (with \$600,000 common stock still in the Treasury unissued), which carried with it as the property of Whipple Car Company, all the capital stock of Chicago, New York & Boston Refrigerator Company amounting to 11,294 shares - \$1,129,400 - and the trade names "National Despatch Refrigerator Line" and "New York Despatch Refrigerator Line", together with

all the lands, buildings, tracks, cars, etc., belonging to both companies as set out in schedule annexed to the Agreement, for the sum of \$1,300,000 payable by the assumption of \$300,000 of Mortgage Bonds, and the giving of promissory notes for \$1,000,000 less Equipment Bonds outstanding at October 1, 1913, amounting to \$153,000. The purpose of the purchase was to control the routing of shipments of dairy products. The car equipment was turned over to the Railway from October 1, 1913, and the Car Shops and real estate at Elsdon were turned over to the Railway on December 20, 1913.

In December 1913 The Grand Trunk Railway Company of Canada sold the equipment to the Refrigerator Company and the lands, tracks, shops, etc., at Elsdon to the Grand Trunk Western Railway Company which then took over operation of the property.

CORPORATE STATUS:

Since 1913 Whipple Car Company has remained inactive. It has no assets or liabilities. In 1917 the Company obtained a waiver of the filing of annual returns to the State of Maine which carried with it relief from payment of the franchise tax. The last meeting of the Board of Directors was held on October 27, 1930, and no Stockholder's Meetings have been held since that date. The Charter, Seal, original Minute Books and other corporate documents pertaining to the corporate existence of Whipple Car Company are in the custody of the Secretary, Canadian National Railway Company, at Montreal.

FUNDED DEBT:

Whipple Car Company 6% Gold Bonds issued December 18, 1912

Issued: \$300,000

On August 2, 1923 the Mortgage to the Central Union Trust Company was discharged and on January 16, 1924 the Trust Company issued a Certificate of Cremation of the Bonds.

CAPITAL STOCK:

As at May 31, 1939:

Common:

Authorized: 16,000 shares of \$100 each - \$1,600,000

Issued: 10,000 shares of \$100 each - \$1,000,000 (unpledged)

9,996 shares are held in the name of Canadian National Realities, Limited, in trust for Canadian National Railway Company and 4 shares are held in the names of Directors (endorsed in blank).

Preferred:

Authorized: 4,000 shares of \$100 each - \$400,000

Issued: 4,000 shares of \$100 each - \$400,000 (unpledged)

Certificate is in the name of Canadian National Realities, Limited, in trust.

The capital stock is all owned by Canadian National Railway Company. As the Company has no assets, Canadian National Railway Company carried the value of this stock at \$1.00 in its "Inactive Companies" ledger until May 1939, when the amount of \$1.00 was written off to Profit and Loss.

THE WINNIPEG LAND COMPANY LIMITED

(formerly wholly owned subsidiary of "The Canadian Northern Railway Company")
dissolved October 28, 1955

INCORPORATED:

September 19, 1902 - Manitoba Letters Patent.

HISTORY:

Under Manitoba Letters Patent, September 19, 1902 "The Winnipeg Land Company

Limited" was incorporated for the purpose of carrying on business of acquiring, buying, selling, leasing or improving real and other personal property.

Under agreement dated July 3, 1903 and effective July 1, 1903, approximately 200 acres of land in the City of Winnipeg was acquired from Mackenzie, Mann and Company, Limited, for \$400,000.

The title to all the property was later transferred, subject to mortgage, to The Canadian Northern Railway Company. 84.91 acres forming part of Lots 17 to 32, St. Boniface, is used as site of Fort Rouge Shops and Yards of the Canadian Northern Railway.

DISSOLUTION:

On December 15, 1955, after liquidation of all its obligations and disposal of all its assets, and as authorized by Directors Resolutions No. 413 of October 28, 1955, The Winnipeg Land Company, Limited was dissolved and its corporate existence was terminated. The Registrar of Companies for the Province of Manitoba advised that Order in Council 1625-55 dated December 7, 1955, revoked the charter and registration of The Winnipeg Land Company, Limited and the corporation deemed to be dissolved as of December 15, 1955.

The Certificates representing 1,000 shares of \$100 each of capital stock, which had been pledged under the 1903 mortgage of The Canadian Northern Railway Company were released and cancelled. The Charter, Seal, original Minute Books and other corporate documents pertaining to the corporate existence of The Winnipeg Land Company, Limited are in the custody of the Secretary, Canadian National Railway Company, Montreal.

PROPERTY INVESTMENT:

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

CAPITAL STOCK:

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

All owned by The Canadian Northern Railway Company.

The shares pledged under the 1903 mortgage having been released and cancelled by the Canadian Northern Railway Company, the Charter of the Company was revoked under Manitoba Order in Council No. 1625-1955 dated December 7, 1955 and the Corporation was deemed to be dissolved as of December 15, 1955.

FUNDED DEBT:

As at December 15, 1955 - nil.

The Winnipeg Land Company Limited First Mortgage 5% Gold Bonds issued July 1, 1903, secured by Trust Deed dated July 1, 1903 and maturing June 30, 1930. A first charge on certain properties in Fort Rouge and St. Boniface. Amount authorized and issued:- \$ 300,000

This issue was pledged under the Canadian Northern Railway Company 4% Perpetual Consolidated Debenture Stock and 4% Guaranteed Debenture Stock and Bonds, maturing September 1, 1934. The Winnipeg Land Company mortgage was discharged on March 25, 1955.

THE YORK AND CARLETON RAILWAY COMPANY

(property included in "Canadian Government Railways" from June 1, 1918)

INCORPORATED: April 5, 1887 - New Brunswick Chapter 44.

HISTORY: Under New Brunswick Act 50 Victoria, Chapter 44, April 5, 1887, "The York and Carleton Railway Company" was incorporated to construct and maintain a railroad from Cross Creek Station, on the Northern and Western Railway through the Parishes of Stanley and Bright and to the Tobique River and other points.

The line was constructed from Cross Creek to Stanley, approximately 5.40 miles being opened for traffic in June, 1901.

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.

Under Order in Council P.C. 1260, dated May 22, 1918, and Order in Council dated August 30, 1918, The York and Carleton Railway was purchased by the Dominion Government for the sum of \$18,000 plus a release to the Company of all claims existing on June 1, 1918, in favour of the Government Railway's system amounting to about \$1,398.93.

Vote 444, Dominion Act 9 - 10 George V, Chapter 76, July 7, 1919, Vote 469, Act 10 - 11 George V, Chapter 73, July 1, 1920, and Vote 471, Chapter 54, 1921 provided \$18,000 for the purchase of the assets and undertakings of The York and Carleton Railway.

The railway line including an additional length of about 5 miles of right of way extending to Ryan Brook, upon which rails were apparently never laid, was taken over to become part of the Government Railways system in June 1921, upon payment of \$18,000 plus interest at 5% per annum from June 1, 1918.

PROPERTY INVESTMENT:

As at December 31, 1960:
Road \$68,460

DONATIONS AND GRANTS:

Subsidies were: (Statistics of Steam Railways of Canada - 1938, Page 64):

Dominion	\$32,896	
Province of New Brunswick	<u>25,247</u>	\$58,143

LOCATION:

Edmundston Division:
Stanley Junction, N.B. - Stanley, N.B. 5.40 miles.