

CORPORATE HISTORY
OF THE
LOUISVILLE & NASHVILLE
RAILROAD COMPANY

AND
ROADS IN ITS SYSTEM

BY
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PRESS OF
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LOUISVILLE, KENTUCKY

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P R E F A C E

This book is intended to give the main features of the charters under which the various roads forming a part of the system of the LOUISVILLE & NASHVILLE RAILROAD COMPANY have been constructed, and also of the charters under which those roads are now operated, together with a reference to the volumes or records where those charters may be found, and a history of the title to each road, including abstracts of judicial proceedings under which changes of title have taken place. The charters, contracts, mortgages, and deeds themselves are not included, but are referred to by numbers, and may be found by those numbers in the office of the Secretary of the Louisville & Nashville Railroad Company. There are two series of numbers, one for contracts, charters, and mortgages, referred to as contract numbers, and the other for deeds, referred to as deed numbers. Tables showing the bonded indebtedness of the Company and the security therefor, and also the date and amount of each increase of the capital stock of the Company, appear in the Appendix.

MAY 1, 1905.

LINES FORMING LOUISVILLE & NASHVILLE RAILROAD SYSTEM.

PART I.—Lines owned by Louisville & Nashville Railroad Company, which it operates:

	MILES		MILES
Main Stem	185.92		
Nashville & Decatur Railroad	119.24		
Nashville, Florence & Sheffield Division	114.78		
New & Old Decatur Belt & Terminal Railroad .	3.62		
Stout's Mountain Railroad.....	5.95		
Montgomery & Prattville Branch	10.35		
Birmingham Mineral Division	219.19		
Alabama Mineral Division.....	138.14		
Mobile & Montgomery Division	178.49		
Alabama & Florida Division	126.45		
New Orleans & Mobile Division	140.36		
Pontchartrain Railroad	5.18		
Bardstown & Springfield Branch	37.44		
Knoxville Division	183.72		
Southern Division Cumberland & Ohio Railroad	30.90		
Cumberland Valley Division	129.79		
Middlesborough Railroad.....	19.15		
Knoxville, LaFollette & Jellico Railroad.....	97.21		
Atlanta, Knoxville & Northern Railway	228.14		
Memphis Line	261.59		
Owensboro & Nashville Railway	88.10		
Clarksville & Princeton Branch	32.00		
Clarksville Mineral Branch	37.35		
Henderson Division	160.92		
Southeast & St. Louis Railway	208.74		
Southern Alabama Division	127.70		
Birmingham, Selma & New Orleans Division ..	60.25		
Pensacola Division	44.64		
Pensacola & Atlantic Division	160.47		
Cincinnati Division	114.57		
Lexington Branch.....	75.51		
Shelby Branch.....	19.10		
Shelbyville, Bloomfield & Ohio Branch.....	26.72		
Louisville, Harrod's Creek & Westport Branch .	3.46		
Kentucky Central Division	252.50		
	3,647.64		3,647.64

PART II.—Lines operated but not owned:

	MILES	MILES	MILES
<i>Forward</i>			3,647.64
(a) Operated for account of owners:			
South & North Alabama Railroad....	192.57		
Glasgow Railway	10.50		
Elkton & Guthrie Railroad	10.92		
Eastern Railway of Alabama	19.80		
Alabama Northern Railway	7.50		
		241.29	
(b) Operated under trackage arrangements:			
Louisville & Nashville Terminal Co..	1.15		
Southern Railway	23.85		
Atlanta & Birmingham Air Line R'y.	80.00		
Norfolk & Western Railway .....	.77		
Virginia & Southwestern Railway ...	3.77		
Nashville, Chattanooga & St. Louis Railway	5.46		
Baltimore & Ohio Southwestern R'y..	.11		
Terminal Railroad Association of St. Louis.....	3.84		
Western Railway of Alabama .....	.70		
Covington & Cincinnati Elevated Rail- road & Transfer & Bridge Company	2.18		
Louisville & Interurban Railway	7.70		
		129.53	
			370.82

PART III.—Lines operated under separate organizations, in which the Louisville & Nashville Railroad Company owns a majority of the capital stock or is interested as joint owner or lessee:

	MILES	
Nashville, Chattanooga & St. Louis Railway..	947.05	
Birmingham Southern Railroad.....	26.37	
Central Transfer, Railway & Storage Company.	.67	
Georgia Railroad and dependencies.....	614.00	
Chicago, Indianapolis & Louisville Railway...	591.51	
		2,179.60

PART IV. Lines owned by Louisville & Nashville Railroad Company, but operated by other companies:

	MILES	
Paducah & Memphis Division	248.74	
Clarksville & Princeton Branch	20.70	
		269.44
Total Mileage		6,467.50

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CORPORATE HISTORY
OF THE
LOUISVILLE & NASHVILLE
RAILROAD COMPANY
AND
ROADS IN ITS SYSTEM.

PART I.

**LINES OWNED BY LOUISVILLE & NASHVILLE
RAILROAD COMPANY, WHICH IT
OPERATES.**

MAIN STEM.

Louisville to Nashville..... 185.92 miles.

THE LOUISVILLE & NASHVILLE RAILROAD COMPANY was incorporated by an act of the Kentucky Legislature, approved March 5, 1850. (Acts 1849-50, p. 427.) Its name has never been changed. The first election of directors took place September 20, 1851.

Preliminary explorations were begun by L. L. Robinson, Chief Engineer, in May, 1851. After thorough and extensive instrumental examination of the country between Louisville and Nashville, occupying the remainder of that year and the whole of 1852, the present location of the road was selected by him and adopted by the Board of Directors. May 24, 1852, the Company acquired the charter-rights and stock subscriptions of the Bowling

Green & Tennessee Railroad Company, which was incorporated by act of the Kentucky Legislature, approved March 5, 1850, with power to construct a railroad from Bowling Green to the Tennessee line in the direction of Nashville (Acts 1849-50, p. 437.)

∩In the spring of 1853, a contract was executed for the grading, masonry, bridge and railway superstructure, and the contractors began by breaking ground in May of that year. October 18, 1853, the Company acquired from James R. Skiles and wife the Bowling Green Portage Railway, which was built under a charter obtained from the Kentucky Legislature by act approved February 11, 1836 (Acts 1835, p. 120), and which is now in use as a means of transferring freight from the boats to the railroad.

The operation of the first 31½ miles of the Main Stem of the Louisville & Nashville Railroad, from Louisville to Lebanon Junction, was begun June 9, 1856, and the operation of the Lebanon Branch in connection therewith was begun November 1, 1857. Trains, however, were running on the Main Stem as far south as Salt River, a distance of 18 miles from Louisville, prior to February 1, 1856.

October 1, 1858, there was a continuous line of track from Louisville south a distance of 62 miles, and from Nashville to Gallatin, north, a distance of 26½ miles. The first regular daily train from Louisville to Elizabethtown was run June 19, 1858, and trips were extended to Upton, a distance of 59 miles from Louisville, September 27, 1858. Trains were running from Louisville a distance of 83 miles south, August 10, 1859. On September 26, 1858, a train commenced running from Nashville to Gallatin, and on August 10, 1859, the trips were extended to Bowling Green, a distance of 72 miles from

Nashville, connecting by stages twice daily with the north end of the road, making the trips between Louisville and Nashville in sixteen hours. The road was opened for through business between Louisville and Nashville November 1, 1859."

The authorized capital stock of the Company was originally \$3,000,000, in shares of \$100 each. The act of incorporation provides that if the capital stock shall be deemed insufficient for the purposes of the act, the President and Directors may increase it by the addition of as many shares as they may deem necessary, not exceeding \$1,000,000. By an amendatory act, approved March 7, 1854 (2 Acts 1853-4, p. 195), the Company was empowered to increase its capital stock to any amount desired by the President and Board of Directors, provided that the full amount of capital stock to be issued by the Company should not in any event exceed the entire cost of the road and its branches. By another amendatory act, approved May 16, 1861 (Acts 1861, p. 24; Pamphlet Charter, p. 47), and accepted October 7, 1861 (Minute Book No. 2, p. 1), the Company was empowered to increase its capital stock to an amount sufficient to represent the full cost of the road and branches in stock.

By section 5 of an act to amend the Charter, approved March 20, 1851 (Acts 1850-1, p. 442; Pamphlet Charter, page 21), it was provided that the Company should allow to all subscribers and holders of stock "interest on the same from the time of paying for said stock up to the time of making the first dividend, and issue to the holder stock therefor." In the case of *Hardin County, etc., v. L. & N. R. Co.*, 92 Ky. 412, it was held that the dividend intended by this section was a cash dividend, and that the

Company by declaring a stock dividend of one fourth of one per cent did not acquire the right to stop the running of interest on stock subscribed and held by a county. In the later case of Hart County v. L. & N. R. Co., 25 Rep. 395, the court adhered to that conclusion, but held that Hart County was estopped to claim interest for the period subsequent to the declaration of the stock dividend. By section 15 of an act to amend the Charter, approved January 9, 1852 (Acts 1851-2, p. 738; Pamphlet Charter, page 28), provision was made for issuing stock for receipts for taxes paid to defray interest upon bonds given by any county in payment of its subscription to the capital stock of the Company, but it was provided that no stock should be issued for a less amount than one share. By section 5 of the act to amend the Charter, approved March 7, 1854, already referred to, it was provided :

“That it shall be lawful for said Company to decimate their stock and to issue fractional certificates from one to nine tenths of a share: Provided, that all fractional shares thus issued shall be aggregated into full shares within one year after the first dividend is declared by said Company; and after that period no fractional shares shall be entitled to dividend.”

At a meeting of the Board of Directors of the Company, held May 29, 1854, it was ordered that certificates of stock be issued to taxpayers or their assigns on decimal fractions in accordance with the provisions of that act. (Minute Book No. 1, page 76.)

By an act to amend the Charter, approved May 16, 1861 (Acts May Session 1861, p. 24; Pamphlet Charter, page 47), the Company was authorized to withdraw by purchase fractional shares of stock and of interest scrip, and

to sell fractions to make full shares, and by resolution adopted by the Directors October 8, 1861, it was resolved

“That no certificate shall hereafter be issued for fractional shares of stock, and that the Secretary, under the direction of the President, be authorized to purchase and sell fractional shares of stock for the accommodation of stockholders at the current market rates.” (Minute Book No. 2, p. 4.)

By section 13 of an act passed by the Tennessee Legislature, which was re-enacted in Kentucky by an act to amend the Charter, approved January 17, 1856 (1 Acts 1855-6, page 181; Pamphlet Charter, page 33), it was provided that the Company should “keep separate accounts, exhibiting the stock, property, and debts of the main road and each separate branch.” Under this act separate stock was issued for the Main Line, the Memphis Branch, and the Lebanon Branch, respectively.

By an act to amend the Charter, approved January 8, 1864 (Acts 1864, p. 236; Pamphlet Charter, page 48), it was provided that thereafter there should be no difference between the stock and debts of the Main Line and Branches, and that all stock issued should be that of the “Louisville & Nashville Railroad Company.” It was also provided that the holders of certificates of stock of the Main Line and Branches might surrender the same and have them reissued as above directed, and this was done in October, 1864. Subsequently separate stock was issued for the Richmond Branch, known as “Richmond Branch Stock,” and the holders of certificates of this stock surrendered it and received therefor certificates of stock of the “Louisville & Nashville Railroad Company” at different times from March, 1869, to October, 1869.

By an act approved March 22, 1871, the capital stock in all railroad companies incorporated in Kentucky was declared to be personal property and subject, in the hands of stockholders or owners, to the same rules of law that govern other personal property, or personal estates of deceased persons. (1 Acts 1871, page 87.)

The authorized capital stock June 30, 1904, was \$60,000,000, of which there was then outstanding in full shares \$59,916,200, and in unredeemed fractional shares \$720, leaving unissued \$83,080. A statement showing the date and amount of each increase of the capital stock appears in the Appendix.

By the original act of March 5, 1850, the Company was empowered to construct a railroad from the city of Louisville to the Tennessee line, in the direction of Nashville, with as many sets of tracks as deemed necessary, and to purchase, hold, lease, sell, and convey real estate not exceeding 10,000 acres (see Ky. Const., Secs. 192, 210), and personal and mixed estate, so far as same shall be necessary for the purposes of their incorporation, and no further.

By amendment of March 20, 1851 (2 Acts 1850-1, p. 442; Pamphlet Charter, p. 18), the Company has the same power to construct a branch to the Mississippi River, and *any other branch said Company may desire*, that the charter gives it to construct the main line, with the same rights and privileges and the same duties and restrictions; and the quantity of acres of land the Company is authorized to acquire and hold is defined to be exclusive of the right of way of the road and branches.

Amendment of December 15, 1851 (Acts 1851-2, p. 459; Pamphlet Charter, p. 22), empowers the Company to

connect with a railroad from Memphis to the State line of Kentucky in the direction of Louisville.

Amendment of March 7, 1854 (2 Acts 1853-4, p. 195; Pamphlet Charter, p. 32), empowers the Company to unite its road with any other road connecting therewith upon such terms and conditions as may be agreed upon between it "and such other company as they may desire to unite their said road with." (Sec. 4.)

Amendment of January 17, 1856 (1 Acts 1855-6, p. 181; Pamphlet Charter, p. 33), empowers the Company "to make agreements with any company or corporation incorporated by the laws of the State of Tennessee, to construct a railroad in part or in whole of the distance between Louisville and Memphis, and running in the direction of Louisville, whereby to secure mutual and reciprocal rights to the contracting parties to run their roads through from point to point without change of cars or machinery, or any other agreement to facilitate trade and travel between the cities of Louisville and Memphis"; and also from time to time to extend any branch road, and to purchase and hold any road constructed by another company.

Amendment of February 10, 1864 (Acts 1863-4, p. 53; Pamphlet Charter, p. 48), accepted October 3, 1864 (Minute Book No. 2, p. 96), empowers the Company to acquire and hold lands for stone quarries, and coal and timber lands which may be necessary for the use of the road and its business. (See Ky. Const., Secs. 192, 210; Ky. Stats., Secs. 567, 768.)

Amendment of February 21, 1868 (2 Acts 1867-68, p. 198; Pamphlet Charter, p. 49), accepted March 31, 1868 (Minute Book No. 2, pp. 252, 253, and 269), empowers

Company, by vote of majority of Board of Directors, to acquire an interest in or to unite or consolidate with any railroad company or companies chartered by the laws of any other State or States whose railroad may connect with the Louisville & Nashville Railroad or with which the Louisville & Nashville Railroad Company "may now have" a contract for consolidation of their companies, so as to make the same one company, with a consolidated stock and property, with one Board of Directors, and with power in the Louisville & Nashville Railroad Company to form such consolidation by the purchase of the railroad or railroads, other property, rights, franchises, and privileges of such other company or companies, or by any other legal mode they may elect; and to issue and sell bonds, secured by mortgage, to any amount not exceeding \$8,000,000, to effect the purposes specified, with a proviso that a majority in interest of the stockholders shall accept the amendment, and authorize the Board of Directors to act therein.

Amendment of March 10, 1869 (2 Acts 1869, p. 111; Pamphlet Amendments to Charter, p. 5), empowers Company to extend Bardstown Branch to any point in eastern direction that may be determined upon.

Amendment of March 18, 1876 (2 Acts 1876, p. 605; Pamphlet Amendments to Charter, p. 15), accepted October 4, 1876 (Minute Book No. 2, p. 615), empowers Company to develop coal and iron lands along the line of its railroads, branches, leased roads, or along the line of the railroads of the South & North Alabama Railroad Company, in which it owns a majority of the capital stock, by the construction of branch roads and switches to coal lands or mines, and by such modes or plans as the

President and Directors of the Company may deem best, a majority of the Directors consenting.

(Amendment of March 6, 1878 (1 Acts 1878, p. 342; Pamphlet Amendments to Charter, p. 16), accepted October 2, 1878 (Minute Book No. 3, p. 25), empowers the President and Directors, with the assent or approval of a majority in interest of the stockholders present or represented at any annual or called meeting, to operate, lease, or purchase upon such terms or in such manner as they deem best any railroad in any other State or States deemed necessary for the protection of the interest of the stockholders.)

Amendment of January 27, 1880 (1 Acts 1879, p. 61; Pamphlet Amendments to Charter, p. 17), empowers Company to purchase and hold a majority in amount of the capital stock of any railroad company or companies chartered by any other State or States, in order to secure to the Louisville & Nashville Railroad Company the control in the management and operation of the railroad or railroads of the company or companies chartered in such other State or States. This amendment was accepted by the stockholders at a called meeting held March 26, 1880. (Minute Book No. 3, p. 115.)

Amendment of February 27, 1880 (1 Acts 1879, p. 263; Pamphlet Amendments to Charter, p. 17), accepted March 26, 1880 (Minute Book No. 3, p. 116), empowers Company to borrow money in such amount or amounts as the President and Directors may deem best for the interest of the stockholders, and to that end to execute and sell its negotiable bonds, and to execute a mortgage or mortgages, from time to time, upon its rights, franchises, and privileges, and its railroad and other property of every

kind, wherever situated, to secure the payment of the bonds and the accruing interest thereon.

By act approved and in force April 7, 1882, to amend the charter (2 Acts 1881-2, p. 275; Pamphlet Amendments to Charter, p. 19), the Directors were authorized to elect "for the present" two additional directors, and the stockholders were authorized to elect at their annual meetings thereafter thirteen instead of eleven directors as theretofore. And the number of directors is now as authorized by this amendment.

By act approved April 29, 1890, to amend the Charter (2 Acts 1889-90, p. 1544; Pamphlet Amendments to Charter, p. 19), the Company was authorized to consolidate with any railroad company or companies chartered or formed by or under the laws of any other State or States, whose railroad or railroads may, at the date of such consolidation, connect with any railroad then owned by the Company, and was given authority to so form the consolidation as to make the consolidating companies one railroad corporation or company with a consolidated stock and property, and one Board of Directors to manage and control the affairs thereof; or in such other manner and upon such other terms as the companies might lawfully determine. This act contained a proviso, however, that three fourths in interest of the stockholders of the Company should accept it as an amendment to the charter of the Company, which they did at a meeting held July 6, 1891. (Minute Book No. 6, p. 442.)

The following is a list of other amendments to the Charter:

Act January 9, 1852 (Acts 1851-2, p. 738; Pamphlet Charter, p. 23).

Act February 24, 1854 (1 Acts 1853-4, p. 425; Pamphlet Charter, p. 31).

Act February 6, 1858 (1 Acts 1857-8, p. 291; Pamphlet Charter, p. 43). Accepted by the Company March 26, 1858. (Minute Book No. 1, p. 236.)

Act February 28, 1860 (2 Acts 1859-60, p. 470; Pamphlet Charter, p. 46).

Act February 26, 1863 (Acts 1861-2-3, p. 501; Pamphlet Charter, p. 47).

Act January 8, 1864 (Acts 1863-4, p. 236; Pamphlet Charter, p. 48). Accepted October 3, 1864. (Minute Book No. 2, p. 95.)

Act March 2, 1865 (2 Acts 1865, p. 171; Pamphlet Charter, p. 49).

Act March 15, 1871 (2 Acts 1871, p. 119; Pamphlet Amendments to Charter, p. 7). Authorized October 5, 1870. (Minute Book No. 2, p. 382.) Repealed by act February 9, 1876.

Act February 1, 1872 (1 Acts 1871-2, p. 231; Pamphlet Amendments to Charter, p. 10). Rejected May 15, 1872 (Minute Book No. 2, p. 479; see also pp. 382, 449, 460).

Act March 19, 1873 (1 Acts 1873, p. 520; Pamphlet Amendments to Charter, p. 10). Accepted October 1, 1873 (Minute Book No. 2, pp. 518, 523).

Act February 9, 1876 (1 Acts 1876, p. 270; Pamphlet Amendments to Charter, p. 12).

Act March 9, 1876 (2 Acts 1876, p. 247; Pamphlet Amendments to Charter, p. 12). Authorized January 5, 1876, as recited in act.

The Company was authorized by an act of the Tennessee Legislature, passed December 4, 1851 (Laws 1851-2,

p. 28; Pamphlet Charter, p. 56), to extend its road from the Tennessee line to Nashville, with all the rights, powers, and privileges, and subject to all the restrictions and liabilities prescribed in its charter. Section 1 of this act reads as follows:

“Be it enacted by the General Assembly of the State of Tennessee, That the right of way* for the construction of a railroad from the line between the States of Kentucky and Tennessee, so as to connect the cities of Louisville and Nashville by railroad communication, be and is hereby granted to the Louisville & Nashville Railroad Company, incorporated by the legislature of Kentucky, with all the rights, powers, and privileges, and subject to all the restrictions and liabilities set forth and prescribed in a charter granted to said Company by the legislature of Kentucky, and approved March the 5th, 1850, and the amendments thereto passed by said legislature and approved March the 20th, 1851, for the term of nine hundred and ninety-nine years, except as further provided in this act.”

This act was amended by acts of the Tennessee Legislature passed January 10, 1852 (Laws 1851-2, p. 63; Pamphlet Charter, p. 60), December 15, 1855 (Laws 1855-6, p. 460), and March 20, 1858 (Laws 1857-8, p. 386; Pamphlet Charter, p. 63), respectively, and also by Section 9 of an act of the Tennessee Legislature passed March 19, 1860 (Laws 1859-60, p. 441; Pamphlet Charter, p. 69), entitled “An Act to incorporate the Gay Street Railroad Company of the City of Knoxville, and for other purposes.”

The original act of December 4, 1851, and the amendment of January 10, 1852, were accepted by the stockholders January 23, 1852. (Minute Book 1, p. 10.)

*By section 25 of an act to incorporate the Nashville & Chattanooga R. Co., which is made a part of this act, the right of way is fixed at 100 feet on each side of the center of the road, in the absence of a written contract. (Railway Co. v. Telford's Ex'ors, 89 Tenn. 293.)

The amendment of December 15, 1855, was re-enacted in Kentucky by an act of the Kentucky Legislature approved January 17, 1856 (Acts of Ky. 1855-6, Vol. 1, p. 181; Pamphlet Charter, p. 33).

All these acts were held by the Supreme Court of the United States in *Goodlett, Admr., v. Louisville & Nashville Railroad Company*, 122 U. S. 391, to constitute the Kentucky corporation merely a licensee in Tennessee, and not to create a Tennessee corporation.

By an act of the Tennessee Legislature, passed February 11, 1852 (Laws of Tennessee, 1851-2, p. 204; Pamphlet Charter, p. 69), the State of Tennessee gave aid to various railroad companies, including the Louisville & Nashville Railroad Company, and that act was amended by acts passed November 27, 1855 (Laws 1855-6, p. 57; Pamphlet Charter, p. 60), and December 15, 1857 (Laws of 1857-8, p. 18; Pamphlet Charter, p. 62), respectively.

A copy of the charter of the Louisville & Nashville Railroad Company was filed in the office of the Secretary of State of Alabama, November 28, 1901 (Contract 5840); in the office of Secretary of State of Tennessee, December 19, 1904 (Contract 7592); in the office of the Secretary of State of North Carolina, December 21, 1904 (Contract 7562); and in the office of the Secretary of State of Mississippi, May 10, 1905. (Contract 7807.) A copy of the charter was filed in the office of the Secretary of State of Florida December 28, 1900, and a copy of the amendments thereto was filed in the same office March 24, 1901 (Contract 7680). On April 20, 1904, the Company filed in the office of the Secretary of State of Ohio the papers necessary to authorize it to do business in the State of Ohio, and a certificate of incorporation

was issued by the Secretary of State of that date. (Contract No. 7064.)

Section 59 of the present Constitution of Kentucky, which took effect September 28, 1891, provides that the General Assembly shall not pass local or special acts to grant a charter to any corporation, or to amend the charter of any existing corporation, such charters and amendments being now granted by the filing and recording of articles or amended articles of incorporation in the county clerk's office of the county in which the corporation is to have or has its principal place of business, and also in the office of the Secretary of State. (Ky. Stats., Secs. 540, 559.) Section 190 of the Constitution provides, however, that "No corporation in existence at the time of the adoption of this Constitution shall have the benefit of future legislation without first filing in the office of the Secretary of State an acceptance of the provisions of this Constitution."

For the purpose of carrying out that provision it is provided by Section 570 of the Kentucky Statutes (part of act relating to corporations, which took effect April 5, 1893) that:

"No law shall be passed for the benefit of, or in the interest of, any corporation heretofore created or organized by or under the laws of this State or any other State; nor shall any corporation avail itself of the provisions of this chapter, unless such corporation shall have previously by a resolution adopted by its board of directors and filed in the office of the Secretary of this State, accepted the provisions of the Constitution of this State; and such resolution, or a certified copy thereof, shall be evidence for and against such corporation."

In conformity to that provision it is also provided by Sec. 574 of the Kentucky Statutes, part of the same chapter, that:

“The charter or articles of incorporation of any corporation heretofore created or organized under or by the laws of this State may, after such corporation has accepted, as herein provided, the provisions of the Constitution, be amended in the manner provided for the amendment of the articles of incorporation of corporations organized under this chapter and the laws relating to such corporations.”

By resolution of its Board of Directors, adopted at a meeting held July 11, 1902 (Minute Book 10, p 204), and filed in the office of the Secretary of State July 14, 1902, the Louisville & Nashville Railroad Company accepted the provisions of the Constitution, and so has had authority since that time to amend its charter by filing and recording amendments in the clerk's office of the Jefferson County Court at Louisville and also in the office of the Secretary of State at Frankfort, as provided by Sec. 559 of the Kentucky Statutes, but thus far no amendments have been made in that way.

Section 573 of the Kentucky Statutes (also part of act relating to corporations, which took effect April 5, 1893) reads as follows:

“The provisions of all charters and articles of incorporation, whether granted by special act of the General Assembly or obtained under any general incorporation law, which are inconsistent with the provisions of this chapter concerning similar corporations, to the extent of such conflict, and all powers, privileges, or immunities of any such corporation which could not be obtained under

the provisions of this chapter, shall stand repealed on September 28, 1897; and if the officers, managers, or agents of such corporation shall, after said date, exercise any powers, privileges, or immunities repealed by this section or inconsistent with the provisions of this chapter, relating to similar corporations, or which could not be obtained under this chapter, the officer, manager, or agent so offending, and the corporation for which he acts, shall each be guilty of a misdemeanor, and fined for each offense not less than one hundred nor more than one thousand dollars, and upon the conviction of the corporation the trial jury may, at their discretion, direct the forfeiture of its charter or articles of incorporation, in which case the court shall so adjudge. After the twenty-eighth day of September, 1897, the provisions of this chapter shall apply to all corporations created or organized under the laws of this State, if said provisions would be applicable to them if organized under this chapter."

It seems that the Louisville & Nashville Railroad Company, having accepted the provisions of the Constitution, is now entitled to the benefit of, and is subject to, the provisions of all general laws relating to railroad companies.

It is thought best not to attempt to give in this history all the laws of the State of Kentucky relating to railroad corporations, but for convenient reference certain provisions relating to the general powers of railroad corporations, and to the selling, leasing, and consolidation of railroads, are given. Those provisions are as follows:

Kentucky Constitution, Sec. 200:

"If any railroad, telegraph, express or other corporation, organized under the laws of this Commonwealth, shall consolidate by sale or otherwise with any railroad, telegraph, express or other corporation organized under

the laws of any other State, the same shall not thereby become a foreign corporation, but the courts of this Commonwealth shall retain jurisdiction over that part of the corporate property within the limits of this State in all matters which may arise, as if said consolidation had not taken place."

Kentucky Constitution, Sec. 201:

"No railroad, telegraph, telephone, bridge or common carrier company shall consolidate its capital stock, franchises or property, or pool its earnings, in whole or in part, with any other railroad, telegraph, telephone, bridge or common carrier company owning a parallel or competing line or structure, or acquire by purchase, lease or otherwise any parallel or competing line or structure, or operate the same; nor shall any railroad company or other common carrier combine or make any contract with the owners of any vessel that leaves or makes port in this State, or with any common carrier, by which combination or contract the earnings of one doing the carrying are to be shared by the other not doing the carrying."

Kentucky Constitution, Sec. 203:

"No corporation shall lease or alienate any franchise so as to relieve the franchise or property held thereunder from the liabilities of the lessor or grantor, lessee or grantee, contracted or incurred in the operation, use or enjoyment of such franchise, or any of its privileges."

Kentucky Statutes, Sec. 555:

"Any two or more companies organized under this chapter, or the laws of this or any other State, may consolidate into a single corporation; the directors, or a majority of them, of such corporations as desire to consolidate may enter into an agreement signed by them, prescribing the terms and conditions of consolidation, the

mode of carrying same into effect, and stating such other facts as are necessary to be set out in articles of incorporation as herein provided (except the facts required by subdivision five, section two hereof), as well as the manner of converting shares of the old corporation into the new, with such other details and provisions as are deemed necessary. Provided, that such consolidated corporation shall become and be a domestic corporation of this Commonwealth for all purposes, and shall be subject to the jurisdiction of the courts of this State and to all laws of this State regulating corporations organized thereunder, and this law shall not be construed as altering or repealing any law regulating the taxation of bridges over streams forming the boundary line of this State.

“Written notice of the intention to consolidate shall be mailed to the address of each stockholder of each corporation at least twenty days previous to entering into such agreement, and such notice shall be published at least two weeks in some newspaper printed and circulated in the county of its principal place of business, and the written consent of the owners of at least two thirds of the capital stock of each corporation shall be necessary to the validity of such agreement.”

Kentucky Statutes, Sec. 556:

“When the agreement is signed, acknowledged, and recorded in the same manner as articles of incorporation are required to be, the separate existence of the constituent corporations shall cease and the consolidated corporations shall become a single corporation in accordance with the said agreement and subject to all the provisions of this chapter and other laws relating to it, and shall be vested with all the rights, privileges, franchises, exemptions, property, business, credits, assets, and effects of the constituent corporations without deed or transfer, and shall be bound for all their contracts and liabilities; Provided, that no consolidated company formed under this chapter, or the

laws of this State, shall be required to pay any organization tax, except that, if in the consolidation the capital stock of the consolidated company be increased, or be thereafter increased to an amount exceeding the aggregate capital stock of the constituent companies at the time of the consolidation, then in that event the consolidated company shall not have or exercise any corporate powers until it shall have paid into the State treasury one tenth of one per centum upon the amount of said increase, and upon such payment shall have filed a statement thereof with the Secretary of State; if, however, any corporation hereafter formed in another State where no organization tax was required to be paid by it shall be consolidated with one formed in this State, then the organization tax required by the laws of this State shall be paid upon so much of the capital stock of the consolidated corporation as shall be equal to the capital stock of the foreign constituent corporation; or if such foreign corporation hereafter formed may have been required by the laws of its State to pay an organization tax less than that required to be paid in this State, then upon such consolidation with a corporation of this State an organization tax shall be paid equal to the difference between that required of such foreign corporation in the State of its creation and that which would have been required had it been formed in this State."

Kentucky Statutes, Sec. 557:

"Any action or proceeding pending by or against either of the corporations consolidated may be prosecuted to judgment, as if such consolidation had not taken place, or the new corporation may be substituted in its place."

Kentucky Statutes, Sec. 558:

"If any stockholder in either corporation consolidating, who objected thereto, in writing, shall, within twenty days after the agreement of consolidation has been recorded,

demand in writing from the consolidated corporation payment of his stock, such consolidated corporation shall, within three months thereafter, pay to him the market value of the stock at the date of consolidation; and stock so purchased shall be disposed of within the time hereinbefore provided."

Kentucky Statutes, Sec. 560:

"Any liability of corporations, or the stockholders or officers thereof, or the rights or remedies of the creditors thereof, or of persons doing or transacting business with the corporations, shall not in any way be lessened or impaired by the sale thereof, or by the increase or decrease in the capital stock of any corporation, or by the consolidation of two or more corporations, or by any change or amendment in the articles of incorporation."

Kentucky Statutes, Sec. 562:

"If the franchise and property of any corporation is sold, the persons who may become the purchasers, at private sale or under the judgment of the court, may organize a corporation for the construction, operation, and management of the same; and such corporation, when organized, shall have the same rights, privileges, and franchises as have been granted to or acquired by the corporation purchased; and shall be subject to all the limitations, restrictions, and liabilities imposed upon it; and, in addition thereto, shall be subject to all the provisions of this chapter. Such corporation shall be formed by articles of incorporation executed by the purchaser and his associates, and which shall, in addition to the requirements of section five hundred and thirty-nine of this article, set forth a description of the property sold, and the decree under which the sale was made, if it was sold under a judgment, or if not, the deed conveying the property, the amount paid or to be paid, and to and by whom, and such other statements as may be deemed necessary. The

articles shall be signed by the purchaser and his associates, if any, and a copy thereof recorded in the office of the Secretary of State; and if a railroad, in the office of the Railroad Commission; and when a certificate of such fact is delivered to the purchaser, the corporation shall be deemed to be organized, and shall have all the rights, powers, and privileges, and be subject to all the restrictions, limitations, and liabilities of other similar corporations organized under this chapter."

Kentucky Statutes, Sec. 563:

"Sales of the property and franchises of corporations that may be sold under decree of court shall be made after such notice of the time and place as the court may deem proper; and if such sales are made in the foreclosure of one or more mortgages or deeds of trust, the court may order such sale to be made for the whole amount of the outstanding bonds and interest secured by such deeds of trust or mortgage; or if the property and franchises will produce so much, then for the amount of interest due under said deed or deeds of trust or mortgage, or any of them, subject to the payment by the purchaser of the outstanding bonds and interest secured thereby as they become due; and in the latter event may, by proper orders, secure the assumption thereof by the purchaser; but where a sale shall be ordered to be made, subject as aforesaid, the court shall direct the officer making such sale, in the event that the property and franchises offered do not sell for enough to pay the amount aforesaid, to sell the same free from incumbrances. Sales under this section shall be made on such credits as the court may deem proper."

Kentucky Statutes, Sec. 768:

"Every company shall possess the following powers, and be subject to the following liabilities and restrictions:

"1. To cause such examinations and surveys for the proposed railroad to be made as may be necessary to the

selection of the most advantageous route for such road; and, for such purposes, by its officers, agents, and servants, to enter upon lands or waters of any person, but subject to liability for all damages which they shall do thereto.

"2. To receive, hold, enter upon and take possession of such voluntary grants and donations of real and other property as shall be made to it, to aid in the construction and maintenance and operation of such road; but the real property thus received shall be held and used for the purposes of such grant or donation only.

"3. To purchase, hold, enter upon, take possession of, and use all such real estate, franchise and other property, as may be necessary for the construction, maintenance and accommodation of its line of road; but the same shall not be taken or appropriated without the consent of the owner until the compensation to be made therefor is agreed upon or ascertained, and paid or deposited as provided by law.

"4. To lay out its road not exceeding one hundred feet in width, and if more than one track is laid, fifty feet additional for each track, and construct the same; and for the purpose of cuttings or embankments, and procuring stone, gravel, or other material, or for the purpose of draining its road-bed, to take, in the manner herein provided, such other lands in the vicinity of or adjacent to its road as may be necessary for the proper construction, operation, and security of its road; and to change, when it deems proper, the gauge of its road; and may, for the purpose of avoiding annoyance to public travel or dangerous or difficult grades or curves, or unsafe or insecure grounds or foundations, or for other reasonable cause, change the location or grade of any portion of its road; but shall not, except as otherwise provided, depart from the general route prescribed in the articles of incorporation.

"5. To construct its road upon or across any water course, private or plank road, highway, street, lane or alley, and across any railroad or canal; but the corporation shall restore the water course, private or plank road,

highway, street, lane, alley, railroad, or canal to its former condition, as near as may be, and shall not obstruct the navigation of any stream, or obstruct any public highway or street, by cars or trains, for more than five minutes at any one time; and shall construct suitable road and street crossings for the passage of teams by putting down planks or other suitable material between and on each side of the rails, the top of which shall be at least as high as the top of the rails of such road or street; and in case the road is constructed upon any public street or alley, the same shall be upon such terms and conditions as shall be agreed upon between the corporation and the authorities of any city in which the same may be, but such road shall not be constructed upon any public street or alley until compensation shall be made by the corporation therefor to the owner of the property adjoining such street or alley, and opposite where such road is to be constructed, either by agreement or in the manner provided by law."

Kentucky Statutes, Sec. 769:

"Any company may build such spurs, switches, tracks or branches as may be necessary to conduct its business or develop business along its line of road, and for that purpose shall have all the powers and be subject to the same restrictions and liabilities as are conferred upon it for the construction of its main line; and may purchase the property and franchises of any other railroad company, at public or private sale, not a competing or parallel line; and may sell its franchises and property to any other company not a competing or parallel line or otherwise prohibited by law to purchase, and may, unless prohibited by law, subscribe to the capital stock of any other railroad company organized under the law of this or any other State, with the assent of such company, and any company organized under the laws of this State, or any other State, may, unless prohibited by law, subscribe to the capital stock of any company organized under this law, with the assent of such company, and may make any

agreement or arrangement, not inconsistent with law, with any other railroad company."

Kentucky Statutes, Sec. 770:

"Any two or more railroad companies organized under this chapter or the laws of this or any other State may, unless otherwise provided by law, consolidate into a single company in the manner provided by article one of this chapter as amended, and such new corporation shall possess all the powers, exemptions, rights and franchises conferred upon such two or more corporations, and be vested with all the property and assets of the constituent corporations, and shall be subject to all the restrictions and liabilities, and perform all the duties imposed by the provisions of their respective charters or laws of organization not inconsistent with this law."

Kentucky Statutes, Sec. 791:

"Every person now operating, or that may hereafter operate, a railroad in this State under a contract or lease, shall have the same recorded in the office of the Secretary of State and in the county clerk's office of every county in which said road, or any part thereof, lies, within thirty days after the contract or lease is executed; or, if heretofore made, within thirty days after this law goes into effect."

General laws relating to the selling, leasing, and consolidation of railroads, which had been in force prior to the laws quoted, may be found in 2 Rev. Stats., p. 548; Gen. Stats. (Ed. 1888), pp. 767, 768, 770.

The Main Stem is covered by the General Mortgage of date June 1, 1880, executed by the Louisville & Nashville Railroad to the Central Trust Company of New York, trustee, to secure an issue of 6 per cent bonds maturing June 1, 1930, not to exceed in the aggregate \$20,000,000,

of which \$8,239,000 were outstanding June 30, 1904. As to an undivided one-half interest in that part of the Main Stem from Edgefield Junction, Tennessee, to Nashville, Tennessee, a distance of 9.80 miles, the General Mortgage is subject to the Evansville, Henderson & Nashville first mortgage of date December 6, 1879.

The entire Main Stem is also covered by the unified fifty-year 4 per cent gold mortgage, of date June 2, 1890, executed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York, trustee, to secure an issue of bonds not to exceed in the aggregate \$75,000,000, of which there had been issued on June 30, 1904, \$52,148,000, of which there were then outstanding in the hands of the public \$32,148,000.

Tables showing the bonded indebtedness of the Company, and the security therefor, appear in the Appendix.

NASHVILLE & DECATUR RAILROAD.

Nashville, Tennessee, to M. & C. Junction, Alabama . . . 119.24 miles.

THE NASHVILLE & DECATUR RAILROAD COMPANY was formed by a consolidation of, first, the Tennessee & Alabama Railroad Company, chartered by Tennessee; second, the Central Southern Railroad Company, chartered by Tennessee; third, the Tennessee & Alabama *Central* Railroad Company, chartered by Alabama.

THE TENNESSEE & ALABAMA RAILROAD COMPANY was chartered by the legislature of Tennessee January 23, 1852 (Laws of Tennessee, 1851-2, p. 93), with all the rights, powers, and privileges of the Nashville & Chattanooga Railroad Company.

Its road extended from Nashville, via Columbia, to Mt. Pleasant, 57.51 miles. The shares of stock were \$50 each; and whenever five thousand shares were subscribed, the company was authorized to organize. The capital stock was subject to be increased or decreased at the discretion of the company.

At the time of the consolidation the capital stock issued and outstanding amounted to \$620,722.50, which was surrendered for an equal amount of stock in the Nashville & Decatur Railroad Company.

At the time of the consolidation the Tennessee & Alabama Railroad Company was indebted to the State of Tennessee \$1,378,016.25 for bonds of the State loaned to the company, which was secured by a first lien in favor of the State upon the road-bed, right of way, grading, bridging, masonry, iron rails, chairs, spikes, equipment, and in fact upon all the property owned by the company as incident to or necessary for its business. This lien was created under what is known as the "Internal Improvement Law" of Tennessee, passed February 11, 1852. (See Laws of Tennessee of 1851-2, p. 204.)

Under the terms of the consolidation the Nashville & Decatur Railroad Company assumed to pay all the debts of the original companies.

On July 1, 1870, the Nashville & Decatur Railroad Company executed a mortgage upon its entire road and property for \$2,100,000 of seven per cent bonds, due July 1, 1900. With the proceeds of these bonds the Nashville & Decatur Railroad Company purchased bonds of the State of Tennessee and paid them to the State to an amount equal to the bonds loaned by the State to the Tennessee & Alabama Railroad Company, and the State

released its lien. But the *identical* bonds loaned to that company were not all returned to the State; and in 1879 C. A. Stevens, on behalf of the holders of outstanding bonds, filed a bill in the United States Circuit Court at Nashville asserting that the lien declared by the law under which the bonds were loaned inured to the bondholders, and that the State had no right to release it. The Circuit Court decided against the bondholders, and they appealed to the United States Supreme Court. The bondholders, however, accepted the settlement offered them by the legislature of Tennessee at its session of 1881, and dismissed their appeal.

At the time of the consolidation, the Tennessee & Alabama Railroad Company also owed \$205,000 income bonds, which fell due in April, 1870, and bore ten per cent interest, payable semi-annually in April and October.

These bonds were secured by a deed of trust executed April 1, 1860, to John S. Claybrooke, but the bonds were afterward paid by second mortgage bonds issued by the Nashville & Decatur Railroad Company, guaranteed by the Louisville & Nashville Railroad Company, to be referred to hereafter.

The Tennessee & Alabama Railroad Company also owed \$47,125 of bonds issued to pay for the Nashville & Franklin Turnpike, but the bondholders agreed to take the turnpike and surrendered the bonds, which were accordingly canceled.

The floating debt of the Tennessee & Alabama Railroad Company outstanding at the time of the consolidation was paid by the Nashville & Decatur Railroad Company.

THE CENTRAL SOUTHERN RAILROAD COMPANY was chartered by the legislature of Tennessee November 30,

1853 (see Acts 1853-4, p. 23), with all the powers and privileges of the Nashville & Chattanooga Railroad Company. Its road extends from Columbia, Tennessee, to the Alabama State line, 47.58 miles. The shares of stock were \$50 each, and the company was authorized to organize whenever one thousand shares were subscribed. The capital stock was \$1,000,000, with power in the company to increase it to any amount sufficient to insure the completion of the road.

At the time of the consolidation the capital stock issued and outstanding amounted to \$483,671.42, which was surrendered for an equal amount of stock in the Nashville & Decatur Railroad Company.

At the time of the consolidation the Central Southern Railroad Company was indebted to the State of Tennessee \$737,160 for bonds of the State loaned to the company, which were secured by a lien in favor of the State under the "Internal Improvement Law" of Tennessee referred to above. Under the terms of the consolidation the Nashville & Decatur Railroad Company assumed to pay all the debts of the original companies. On July 1, 1870, the Nashville & Decatur Railroad Company executed a mortgage for \$2,100,000 of bonds as stated above, and with their proceeds purchased bonds of the State and paid them to the State to an amount equal to the bonds loaned by the State to the Central Southern Railroad Company, and the State released its lien. But the *identical* bonds loaned to the company were not returned to the State; and in 1879 C. A. Stevens, on behalf of the holders of the outstanding bonds, filed a bill in the United States Circuit Court at Nashville asserting that the lien declared by the law under which the bonds were issued inured to

the bondholders, and that the State had no right to release it. The Circuit Court decided against the bondholders, and they appealed to the United States Supreme Court. The bondholders, however, accepted the settlement offered them by the legislature of Tennessee at its session of 1881, and dismissed their appeal.

The Central Southern Railroad Company owed no other bonded debt at the time of the consolidation, and its floating debt was afterward paid by the Nashville & Decatur Railroad Company.

THE TENNESSEE & ALABAMA CENTRAL RAILROAD COMPANY was chartered by the legislature of Alabama December 19, 1853. (Acts 1853-4, p. 298.) Its road extends from the line between Tennessee and Alabama to the Memphis & Charleston Railroad, 27.41 miles. The shares of stock were \$25 each, and whenever \$100,000 were subscribed the company was authorized to commence work.

The capital stock was \$1,500,000, with power to increase it to \$3,000,000 if it should be found necessary. At the time of the consolidation the capital stock issued and outstanding was \$407,413.41, which was surrendered for an equal amount of stock in the Nashville & Decatur Railroad Company. The company was authorized by its charter to consolidate with any railroad that might connect with it at the Tennessee line. The company owed no bonded debt at the time of the consolidation, and its floating debt was afterward paid by the Nashville & Decatur Railroad Company.

The Nashville & Decatur Railroad Company, as stated, was formed by a consolidation of the Tennessee & Alabama Railroad Company, the Central Southern Rail-

road Company, and the Tennessee & Alabama Central Railroad Company, under authority from the State of Alabama, contained in the charter of the last-named company, and under authority from the State of Tennessee, contained in an act passed April 19, 1866 (Laws of Tennessee, 1865-6, p. 218), ratified and confirmed by an act passed March 8, 1867 (Acts 1866-7, p. 157).

By the act of April 19, 1866, it was provided that "the capital stock of said united companies shall be the aggregate amount of their respective charters, with the addition thereto of —dollars" (Laws of Tennessee, 1865-6, p. 220, Sec. 10), and under the consolidation the shares were to represent \$25 each. The terms of consolidation were unanimously adopted by the stockholders of those companies November 21, 1866, and under one of the terms "the stockholders of each company were entitled to receive credit for the same amount of stock in the Nashville & Decatur Railroad Company that they owned in any of the several companies."

There was issued to Tennessee & Alabama Railroad Company stockholders.....	\$620,722 50
There was issued to Central Southern Railroad Company stockholders.....	483,671 42
There was issued to Tennessee & Alabama Central Railroad Company stockholders.....	407,413 41
Total issued at time of consolidation	\$1,511,807 33

In the original lease of the Nashville & Decatur Railroad to the Louisville & Nashville Railroad Company, hereinafter referred to, it was agreed that the latter Company should have stock issued to it for certain payments to be made by it for the Nashville & Decatur Railroad Company, and payments have been made and stock issued under this agreement as follows:

Sinking Fund Payments.....		\$526,000 00
Redemption of old mortgage bonds.....		178,000 00
Payment of debts.....		175,325 00
Payment of first mortgage bonds subsequent to maturity.....	\$1,199,000 00	
Less—paid by Nashville & Decatur Railroad Company coupons due July, 1900, from 893 bonds in Sinking Fund.....	31,250 00	1,167,750 00
		<u>\$2,047,075 00</u>
Stock issued to J. J. Wortham, April 21, 1883 (by agreement).....		500 00
		<u>500 00</u>
Total stock issued since execution of original lease of road to Louisville & Nashville Railroad Company.....		\$2,047,575 00
ADD—Stock and stock liability outstanding at date of consolidation of component companies.....		1,511,807 33
		<u>1,511,807 33</u>
		<u>\$3,559,382 33</u>
DEDUCT—Stock in Tennessee & Alabama Railroad Company, Central Southern Railroad Company, and scrip of Giles County, Limestone County, the city of Columbia, and fractional stock, which is not admitted as a liability since execution of lease, effective July 1, 1900.....		13,632 33
		<u>13,632 33</u>
Total certified stock outstanding June 30, 1904....		\$3,545,750 00
Held by Louisville & Nashville Railroad Company.....		1,971,600 00
		<u>1,971,600 00</u>
Held by others.....		\$1,574,150 00

In 1853 Davidson County subscribed for \$200,000 of the stock of Tennessee & Alabama Railroad Company, to pay for which the county issued its bonds to said company, which were sold by the company and their proceeds used in building the road. (See Laws of Tennessee, 1851-2, p. 164, Sec. 12.) The stock was to belong to the county and its dividends constitute a county fund. The county court was to levy a tax to pay the interest on the bonds and to raise a sinking fund.

On February 14, 1856, the legislature passed an act requiring the Tennessee & Alabama Railroad Company,

with the consent of said county court, to issue stock to the taxpayers of said county for the amount of the annual tax which had already or might thereafter be paid by them to provide the interest on said bonds. (See Laws of Tennessee 1855-6, p. 117, Sec. 1.) The taxpayers brought suit against the Nashville & Decatur Railroad Company to compel it to issue stock to them under said act; the lower court decided that they were entitled to it, but that it must be deducted from the \$200,000 of stock owned by the county. Upon appeal to the Supreme Court of Tennessee that court held that the taxpayers were not entitled to the stock. (Mallory v. Nashville & Decatur Railroad Company, 8 Lea, 427.)

The Nashville & Decatur Railroad Company, after its organization, borrowed of the State of Tennessee \$350,000 State bonds, which were secured by a lien in favor of the State under the "Internal Improvement Law" of Tennessee referred to above. On July 1, 1870, the Nashville & Decatur Railroad Company executed a mortgage for \$2,100,000 of bonds, as stated above, and with their proceeds purchased bonds of the State and paid them to the State to an amount equal to the bonds loaned by the State to the Nashville & Decatur Railroad Company. But while the *identical* bonds loaned that company were not returned to the State, and the holders of the outstanding bonds claimed that the lien inured to their benefit and that the State had no right to release it, they accepted the settlement offered them by the legislature of Tennessee at its session of 1881, and abandoned their claim against the railroads.

Before the Nashville & Decatur Railroad Company had paid off its debt to the State, to wit, on October 1,

1867, it executed a mortgage upon its entire road, appurtenances, franchises, and income, to secure \$500,000 of bonds dated October 1, 1867, due October 1, 1887, with interest six per cent gold semi-annually, payable first of April and October. This is known as the *second* mortgage, because it was, when made, subordinate to the lien or mortgage in favor of the State. It was intended to use these bonds in paying off the floating debt and retiring the income bonds of the Tennessee & Alabama Railroad Company and the bonds issued by the company in the purchase of the Franklin turnpike, which have been referred to above.

More than half of the \$500,000 Nashville & Decatur Railroad second mortgage bonds were never issued. Of those issued there are now none outstanding.

On July 1, 1870, the Nashville & Decatur Railroad Company executed to Philo C. Calhoun, Richard T. Wilson and Adrian Iselin, trustees, a mortgage upon its entire road, appurtenances, franchises, and income, to secure \$2,100,000 of bonds dated July 1, 1870, due July 1, 1900, with seven per cent interest payable in "lawful money" semi-annually, first of January and July. Under the Tennessee statutes authorizing this mortgage the company was allowed to issue these bonds as rapidly as bonds of the State were surrendered to the State by the company in payment for the bonds loaned by the State to the Nashville & Decatur Railroad Company and the original corporations, and the bonds issued under this mortgage were to be substituted to the lien of the State bonds which they were used to retire. In this way it was claimed that the bonds issued under this mortgage were entitled to the first lien of the State, and were therefore entitled to priority over the bonds issued under the

mortgage dated October 1, 1867. This explains why the mortgage of July 1, 1870, though second in date, was treated as first in right and was known as the first mortgage.

There were issued under that mortgage bonds to the amount of.....		\$2,100,000
Of which there were retired prior to maturity and placed in first mortgage sinking fund	\$893,000	
There have been redeemed since maturity....	1,199,000	
		<u>2,092,000</u>
Leaving first mortgage bonds outstanding.....		\$8,000

The amount necessary to discharge the outstanding bonds having been deposited by the Louisville & Nashville Railroad Company with Edgar Jones, trustee (successor to Philo C. Calhoun), the trustees, by a release of date February 14, 1905, released the mortgage (Contract 7664).

On May 4, 1871, the Nashville & Decatur Railroad Company leased to the Louisville & Nashville Railroad Company its line of road from Nashville to Decatur for the term of thirty years from the date the lessee might take charge of it, not later than July 1, 1872, with all its franchises and appurtenances, including a contract that existed between the Nashville & Decatur Railroad Company and the Memphis & Charleston Railroad Company (now the Southern Railway Company) for the right of way over the road and bridge of the latter company at Decatur. The lease, however, excluded what is known as the Mt. Pleasant Branch, extending from Columbia to Mt. Pleasant, Tennessee. The original contract with the Memphis & Charleston Railroad Company for the right of way over the road and bridge of that company at Decatur was made April 26, 1871 (Contract 212, part 2), but that

contract was abrogated by a new contract entered into October 1, 1880 (Contract 212, part 1).

The Louisville & Nashville Railroad Company agreed to pay all the debts of the Nashville & Decatur Railroad Company, including its bonded and floating debt to the amount of \$2,450,000; to pay the stockholders of the Nashville & Decatur Railroad Company a six per cent dividend on the capital stock of the latter company, which at that time amounted to \$1,512,184.11, the payment of this dividend to commence upon the completion of the South & North Alabama Railroad, and to be subject to certain deductions for the first two years. For payment of all debts other than interest, accruing after the time the Louisville & Nashville Railroad Company should take charge of the road, that Company was to have stock issued to it in the Nashville & Decatur Railroad Company.

The organization was to be kept up and its road properly kept in good repair and condition.

The Louisville & Nashville Railroad Company took possession of this road on July 1, 1872, and the road was operated under the terms of the lease of May 4, 1871, until July 1, 1900, as of which date that lease was terminated by a new lease entered into October 18, 1899. (The first lease will be found in the appendix to the Louisville & Nashville Railroad Annual Report for 1870-1.)

The new lease was for the term of nine hundred and ninety-nine years from July 1, 1900, the lessee agreeing thereby to pay as rent a sum of money equal to $7\frac{1}{2}$ per cent per annum upon the capital stock of the lessor, as it may stand from time to time during the term of the lease, the proportion of the rent appertaining to the shares of

stock owned by the lessee to be retained by it, and that portion of the rent appertaining to the shares of stock owned by others to be paid to them. (Contract. 5156.)

NASHVILLE, FLORENCE & SHEFFIELD DIVISION.

	MILES	
Columbia, Tennessee, to Florence, Alabama.....	82.13	
Sheffield, Alabama, to Tuscumbia, Alabama.....	2.63	
Iron City, Tennessee, to Pinkney, Tennessee.....	11.78	
Napier Junction, Tennessee, to Napier, Tennessee....	10.92	
Tennessee and Alabama Junction, Tennessee, to Long Branch, Tennessee	7.32	
	<hr/>	114.78

THE NASHVILLE, FLORENCE & SHEFFIELD RAILWAY COMPANY was formed by a consolidation of the Nashville & Florence Railroad Company and the Tennessee & Alabama Railroad Company, the latter company not being the company of the same name which was consolidated with other companies to form the Nashville & Decatur Railroad Company. The articles of consolidation, which were ratified by stockholders of Tennessee & Alabama Railroad Company April 20, 1887, and by stockholders of Nashville & Florence Railroad Company February 26, 1887, were filed in the office of Secretary of State of Tennessee May 5, 1887, and in the office of the Secretary of State of Alabama May 13, 1887. (Contract No. 2968; also Minute Book in Secretary's office.) The capital stock of the new company was fixed at two million dollars (\$2,000,000), and the articles of consolidation provided for the surrender by the stockholders of the constituent companies of their stocks in those companies, and for issuing to them in lieu thereof stock of the new company equal in par value thereto. The Louisville & Nashville Railroad Company, being the owner of four thousand

two hundred shares of the capital stock of the Nashville & Florence Railroad Company, of the par value of \$25 per share, surrendered those shares to the Nashville, Florence & Sheffield Railway Company, and a certificate for one thousand and fifty shares of that company of \$100 each, of date May 26, 1887, was issued in lieu thereof, being a majority of the capital stock of that company at that time.

✓ THE NASHVILLE & FLORENCE RAILROAD COMPANY was chartered pursuant to the act of the legislature of Tennessee regulating the organization of corporations, passed in 1872, by registering copy of charter in the counties of Maury and Lawrence and in the office of the Secretary of State, in February, 1879. The capital stock was limited "for the present" to \$200,000, with power to the board of directors to increase it whenever they might deem it necessary. The company was authorized to construct a road from Columbia, or some intermediate point between Columbia and Nashville on the line of the Nashville & Decatur Railroad, to the line between Tennessee and Alabama in the direction of Florence, Alabama, a distance of 54 miles from Columbia. (Contract 2968.) The first election of directors took place February 26, 1879. //

July 1, 1883, there was in operation 20 miles of road from Columbia, Tennessee, south, and at the time of the consolidation the road was completed to St. Joseph, Tennessee, a distance of about 56 miles.

By contract of date September 16, 1882 (No. 270), the Louisville & Nashville Railroad Company acquired 4,200 shares of the capital stock of the Nashville & Florence Railroad Company of the par value of \$25 each, being a majority of the capital stock of that company.

THE TENNESSEE & ALABAMA RAILROAD COMPANY was organized under the laws of Alabama April 20, 1887. The declaration of incorporation filed in the office of the Secretary of State of Alabama January 19, 1887, describes the terminal points as follows:

“Commencing at Sheffield, Colbert County, in the State of Alabama, and running thence by way of the town of Florence through the county of Lauderdale in said State to a point of connection with the Nashville & Florence Railroad at the Alabama and Tennessee State line, near the point of intersection between the line dividing Wayne County, Tennessee, from Lawrence County, Tennessee, with the right to cross the Tennessee River in Alabama between said towns of Sheffield and Florence by the use of ferry boats or the use of the present bridge of the Memphis & Charleston Railroad Company across said river at Florence or to build a railroad bridge of its own across said river between said points.”

Authorized capital stock \$300,000, divided into shares of \$100 each.

By two amendments to the charter of the Nashville, Florence & Sheffield Railway Company, each filed with the Secretary of State of Tennessee December 11, 1890, that company was authorized to construct a branch from Summertown, on the Main Stem in Lawrence County, Tennessee, to the western bank of the Tennessee River at low water mark at Clifton, in Wayne County, Tennessee, and was also empowered to construct a branch road from Iron City, on the Main Stem, in Lawrence County, Tennessee, via West Point, Tennessee, to a connection with the Centerville Branch of the Nashville, Chattanooga & St.-Louis Railway at Lewis, in Lewis County, Tennessee, the section between Iron City being already constructed and in operation.

Power was also given to build a branch road from a point at or near West Point, in Lawrence County, Tennessee, to the ore banks of the West Point Iron Company in Lawrence County, Tennessee.

The Nashville, Florence & Sheffield Railway Company was organized May 16, 1887, by election of directors. At the same meeting the president and directors were authorized to cause to be constructed the extension of said company's road from St. Joseph, Tennessee, to Sheffield, Alabama, and also branch road leaving the Main Line at or near Shoal Creek and running to or near to West Point, in Lawrence County, Tennessee. July 25, 1887, the stockholders authorized contract with Louisville & Nashville Railroad Company for construction of extension and branch, payment to be made in first mortgage bonds and stock of the Nashville, Florence & Sheffield Railway Company.

At the same meeting the president was authorized to accept proposition of Louisville & Nashville Railroad Company to settle the bonded debt of \$300,000 and floating debt of \$315,000 owing to it by the Nashville & Florence Railroad Company, by accepting 5 per cent first mortgage bonds of the Nashville, Florence & Sheffield Railway Company at 80 cents on the dollar.

During the year ended June 30, 1888, the Main Line was extended from St. Joseph, Tennessee, to Florence and Sheffield, Alabama, a distance of 22.71 miles. Extension completed and operated for through traffic July 1, 1888.

The West Point Branch was completed to iron ore beds near West Point, Tennessee, a distance of 12.03 miles, and opened for traffic January 1, 1888.

There were issued to the Louisville & Nashville Railroad Company as of June 30, 1888, in settlement of debt and in payment for construction of 34 miles of road, bonds amounting to \$1,680,000, and \$510,000 in stock.

The Napier Branch, from a point at or near Summertown in Lawrence County, extending in a westerly direction to a point on the property of the Napier Iron Works in Lewis County, Tennessee, a distance of 10.92 miles, was reported September 23, 1891, as completed, and stock amounting to \$163,800 was issued to the Louisville & Nashville Railroad Company in payment.

On July 12, 1892, a contract was entered into between the Nashville, Florence & Sheffield Railway Company and Memphis & Charleston Railroad Company (now Southern Railway Company) for joint use of bridge of the Memphis & Charleston Railroad Company, then about to be constructed across Tennessee River from Florence to Sheffield (Contract No. 3055), contract for use of old bridge having been entered into August 17, 1887 (Contract No. 2347).

On March 9, 1896, the Louisville & Nashville Railroad Company leased to the Nashville, Florence & Sheffield Railway Company, for a term of twenty years, the railroad of the Sheffield & Tuscumbia Railway Company, being "the line of railroad extending from a point north of Sheffield, Alabama, yard tracks in the vicinity of Annapolis Street in Sheffield, Colbert County, Alabama, to the extreme end of the said railroad line in Water Street, Tuscumbia, Colbert County, Alabama," 2.63 miles, together with all the property, rights, and franchises of the Sheffield & Tuscumbia Railway Company, as described in deed of same date from Sheffield & Tus-

cumbia Railway Company to Louisville & Nashville Railroad Company (Deed No. 3795).

In the way hereinbefore described the Louisville & Nashville Railroad Company became the owner of all the outstanding bonds of the Nashville, Florence & Sheffield Railway Company and a majority of the stock. Thereafter it acquired by purchase other shares of stock, making it the owner of 8,049½ shares out of a total issue of 8,620½ shares, of which 6,150 shares are deposited with the Central Trust Company of New York, trustee, under the Unified Mortgage of date June 2, 1890.

In order to negotiate the bonds and to reimburse itself, the Louisville & Nashville Railroad Company became guarantor of the principal and interest. The Louisville & Nashville Railroad Company paid the interest coupons and the deficit in operating expenses and the taxes, and on account of these transactions the Nashville, Florence & Sheffield Railway Company became indebted to it by one note for \$746,314.62 and another note for \$39,315.24. On March 24, 1898, the Louisville & Nashville Railroad Company brought suit in the United States Circuit Court for the Middle District of Tennessee on the larger note, and on April 6, 1898, it brought suit in the Circuit Court of Lauderdale County, Alabama, on the smaller note. Judgment was rendered in United States Circuit Court May 5, 1899, for \$873,680.67 debt and \$26 costs. Decree was rendered January 12, 1900, in case 3209 in equity, entitled Louisville & Nashville Railroad Company, plaintiff, v. Nashville, Florence & Sheffield Railway Company, a corporation, A. N. Aiken and others, defendants, for sale of equity of redemption in the line of railroad of the Nashville, Florence & Sheffield Railway Company, beginning

at the city of Columbia, Tennessee, and running thence with its main track and branches through and into the counties of Maury, Lawrence, and Lewis in said State, a distance of about 84.80 miles, and thence through and into the counties of Lauderdale and Colbert and to the city of Tuscumbia, Alabama, a distance of about 27.20 miles, in all about 112 miles, together with all rights, privileges, and franchises.

A decree was also rendered January 6, 1900, in Circuit Court of United States for Northern Division of Northern District of Alabama sitting at Huntsville, Alabama, in case No. 244 in equity, entitled Louisville & Nashville Railroad Company, a corporation, plaintiff, against the Nashville, Florence & Sheffield Railway Company, a corporation, defendant, for sale of same equity of redemption to satisfy judgment of March 1, 1899, rendered by Circuit Court of State of Alabama for Lauderdale County, sitting at Florence, Alabama, for \$40,377.75 debt and \$13.65 costs.

A sale was made under these decrees by H. M. Doak, Special Master, April 10, 1900, and the property purchased by Louisville & Nashville Railroad Company. The report of sale was confirmed by United States Circuit Court for Middle District of Tennessee April 20, 1900, and report confirmed by United States Circuit Court for Northern Division of Northern District of Alabama April 30, 1900.

✓ A deed was executed May 31, 1900, by the Nashville, Florence & Sheffield Railway Company, conveying to the Louisville & Nashville Railroad Company the equity of redemption of the Nashville, Florence & Sheffield Railway Company, "together with its rights, privileges, and franchises thereunto appertaining." A deed was executed

same day by H. M. Doak, Special Master, conveying same equity of redemption. (Deed No. 4405.)

Bonded debt, \$2,096,000, maturing August 1, 1937, secured by mortgage of date August 1, 1887, executed by the Nashville, Florence & Sheffield Railway Company to The Central Trust Company of New York, trustee, to secure bonds not to exceed in the aggregate \$2,500,000. Bonds amounting to \$100,000 are owned by the Louisville & Nashville Railroad Company, the remaining \$1,996,000 being outstanding in the hands of the public June 30, 1904.

SHEFFIELD & TUSCUMBIA RAILWAY.—The Sheffield & Tuscumbia *Street* Railway Company was organized under the laws of the State of Alabama November 26, 1886, the declaration of incorporation, of date November 23, 1886, being recorded in the office of the Secretary of State. The declaration of incorporation states that the corporation is formed for the purpose of “constructing, using, owning, and operating a street railway or street railroads with power to carry passengers and freight or either for profit, said railroad or railroads to be propelled by horses, mules, steam, electricity, or other motive power now known or that may hereafter be discovered, any or all of them, in the cities of Sheffield and Tuscumbia in Colbert County and State of Alabama and between the corporate limits and in and around the suburbs of said cities.” And it is further provided that said corporation shall construct and operate one or more street railways on certain named streets in the city of Sheffield, and upon such other streets as the corporation may elect. And also upon certain named streets in the city of Tuscumbia and upon such other streets “as are now or shall at any future time be used as public highways.” And also upon or across any or all of what

is known as the commons surrounding or bordering the city of Tuscumbia, and on the right or rights of way granted, bought, or otherwise obtained by said Sheffield & Tuscumbia Street Railway Company on lands lying between or in the suburbs of said cities of Sheffield and Tuscumbia, and on and along the public or county road leading from Tuscumbia to and through said city of Sheffield. It is further provided that the termini of the road shall be one at the corner of Main and Fifth streets in the city of Tuscumbia, and one at the foot of Alabama Avenue in the city of Sheffield, and at any other places in said cities as the corporation may elect. (Contract No. 7603.)

By act of the Alabama Legislature, approved February 26, 1887, entitled "An Act to increase the powers and privileges of the Sheffield & Tuscumbia Street Railway Company, a corporation under the general laws of Alabama, November 26, 1886" (Alabama Acts 1886-7, p. 637), that corporation was empowered to construct and operate its line "outside the corporate limits of the cities of Sheffield and Tuscumbia, Alabama, and between and around and in the suburbs of said cities, or either of them, and along the public road or public roads leading from or between or through said cities, or either of them, any, either, or all of them as the directors or officers of said Sheffield & Tuscumbia Street Railway Company may desire; *Provided*, that the consent of the city authorities be first obtained before said line or lines are constructed in the corporate limits, and the consent of the county authorities be obtained before said line or lines are constructed over the public roads."

By act approved February 18, 1895 (Alabama Acts 1894-5, p. 816), the name of the Sheffield & Tuscumbia

Street Railway Company was changed to Sheffield & Tuscumbia Railway Company, and in addition to the powers and privileges previously granted, the corporation was granted all the "rights, privileges, powers, and immunities" of a railroad company under the general railroad laws of Alabama.

By a deed bearing date March 9, 1896, the Sheffield & Tuscumbia Railway Company conveyed to the Louisville & Nashville Railroad Company all the property of the grantor and all its rights and franchises except the right to be and exist as a corporation. The deed describes the road conveyed as "the line of railroad extending from a point north of Sheffield, Alabama, yard tracks, in the vicinity of Annapolis Street, in Sheffield, Colbert County, Alabama, to the extreme end of the said railroad line in Water Street, Tuscumbia, Colbert County, Alabama, 2.63 miles." The deed recites that the grantee owns all the capital stock of the grantor. (Deed 3795.)

By a lease of same date the Louisville & Nashville Railroad Company leased to the Nashville, Florence & Sheffield Railway Company for a term of twenty years the railroad thus described and conveyed.

Capital stock \$100,000. Certificates of stock were never issued, but the stock passed by assignment of subscription. Of the total issue of 1,000 shares the Louisville & Nashville Railroad Company acquired 998 shares on or about April 3, 1895.

THE NEW & OLD DECATUR BELT & TERMINAL RAILROAD.

In and around Decatur, Alabama 3.62 miles.

✓ The declaration of incorporation of "The New & Old Decatur Belt & Terminal Railroad Company" was filed in the office of Secretary of State of Alabama October 10, 1890. Certificate of organization issued January 12, 1891. (See Deed 3092, part 3.) The declaration recites that "The terminal points of such railroad will be at some point on the line of the South & North Alabama Railroad between the depot in Decatur and the depot in New Decatur, running thence in a northeasterly direction to a point near the Tennessee River, thence up the Tennessee River to a point near the mouth of Flint Creek, and down the Tennessee River through Market or some other street of Decatur to a point at or near the head of the Muscle Shoals, with branches extending around the towns of Decatur and New Decatur, and meeting at or near the starting point, and running thence in a southern and western direction to Trinity Mountain and South Mountain, in Morgan County, Alabama." ✓

October 7, 1890, an ordinance was passed by the Board of the town of New Decatur ratifying a contract bearing same date between the Mayor and Board of Council on the one side and J. Judson Barclay and others on the other side, granting to the latter the use of certain streets for the construction and operation of "a single track dummy or steam line of railroad, with switches, spurs, and side tracks." (For designation of streets see Deed 3092, part 3.) March 17, 1891, the benefits of that ordinance were transferred to The New & Old Decatur Belt & Terminal

Railroad Company. March 18, 1891, an ordinance was passed granting to The New & Old Decatur Belt & Terminal Railroad Company a right of way along the street known as Summerville Road in New Decatur. (See same deed.)

// August 24, 1892, The New & Old Decatur Belt & Terminal Railroad Company conveyed all its property, rights, and franchises to the Louisville & Nashville Railroad Company, that Company having previously acquired all the capital stock. Deed ratified by stockholders on same day. (See Deed 3092, part 1.) The road is operated as a part of the South & North Alabama Railroad. //

Of the authorized capital stock of \$50,000 only 63 shares of \$100 each were ever issued, and those shares were transferred by the original incorporators to the Louisville & Nashville Railroad Company October 31, 1891. This road is covered by the Unified Mortgage, unified bonds for the cost of the road having been received October 18, 1892.

STOUT'S MOUNTAIN RAILROAD.

Stout's Mountain Junction to Stout's Mountain, Alabama . . 5.95 miles.

// Declaration of incorporation of Stout's Mountain Railroad Company was filed February 12, 1900, in the office of the Secretary of State of the State of Alabama, and certificate of incorporation was issued July 21, 1900. The terminal points of the road stated in the declaration of incorporation are as follows:

“Commencing at Hanceville, on the South & North Alabama Railroad, in Blount County, Alabama, and running in a southwesterly direction to Stout’s Mountain, a distance of 6.1 miles.” (Contract No. 5019.)

The road was completed and put in operation February 6, 1901, and is operated as a part of the South & North Alabama Railroad.

Authorized capital stock \$50,000, in shares of \$100 each. All owned by the Louisville & Nashville Railroad Company, the full amount having been subscribed by that Company and its representatives March 19, 1900.

MONTGOMERY & PRATTVILLE RAILROAD.

Prattville Junction, Alabama, to Prattville, Alabama. 10.35 miles.

Declaration of incorporation of Montgomery & Prattville Railroad Company filed in the office of Secretary of State of Alabama March 29, 1895. (Contract 3812.) Organization effected May 1, 1895. The corporation created was authorized to construct and operate a road commencing at a point on the South & North Alabama Railroad about 2½ miles south of Coosada Station, Ala., and extending to the town of Prattville, Ala., a distance of about 10.3 miles. Also a branch road or spur track running to a point on or near Autauga Creek about two miles up Autauga Creek from the town of Prattville, and a branch road or spur track to a point on or near Autauga Creek about two miles down Autauga Creek from the town of Prattville. The entire capital stock, amounting

to \$125,000 in shares of \$100 each, was subscribed by the Louisville & Nashville Railroad Company, and is now held by that Company. ✓

On March 9, 1896, the Louisville & Nashville Railroad Company took from the Montgomery & Prattville Railroad Company a conveyance of all its property, rights, and franchises, except the right to exist as a corporation, (Deed No. 3862.) And that conveyance was ratified by the stockholders of the Montgomery & Prattville Railroad Company at a meeting held April 4, 1896. On June 13, 1896, a new deed was executed by the Montgomery & Prattville Railroad Company to correct a mistake in the description in the deed of March 9, 1896, and that deed was ratified by the board of directors at a meeting held on the same day. (Deed No. 3862.) The road was completed and put in operation October 28, 1895.

BIRMINGHAM MINERAL DIVISION.

	MILRS	
Magella, Alabama, to Brick Yard Y, Alabama.....	8.02	
Winetka, Alabama, to Spring Gap Mine No. 2, Alabama.....	3.16	
Graces, Alabama, to Bessemer, Alabama.....	11.57	
Muscoda Junction, Alabama, to Muscoda, Alabama..	1.20	
Blue Creek Junction, Alabama, to Blocton Junction, Alabama.....	27.08	
Yolande, Alabama, to Brookwood, Alabama.....	8.44	
Chamblee, Alabama, to Goethite, Alabama.....	3.65	
Bessemer, Alabama, to Boyles, Alabama.....	15.74	
Boyles, Alabama, to Oneonta, Alabama.....	33.70	
Village Springs, Alabama, to Compton, Alabama....	3.39	
Palmers, Alabama, to Bradford, Alabama.....	4.30	
Oneonta, Alabama, to Champion, Alabama.....	2.42	
Boyles, Alabama, to Trussville, Alabama.....	17.14	
Red Gap Junction, Alabama, to Graces, Alabama....	10.28	
Tacoa, Alabama, to Gurnee Junction, Alabama.....	10.04	
Readers, Alabama, to Ferro No. 2, Alabama.....	2.30	
North Birmingham, Alabama, to Graves Mine, Alabama.....	2.62	
Hewitt Junction, Alabama, to Hewitt, Alabama.....	.67	
Mattawana, Alabama, to Deming, Alabama.....	1.93	
North Alabama Railroad—		
Valley Creek, Alabama, to Virginia, Alabama....	2.05	
North Alabama Junction, Alabama, to Searles, Alabama.....	3.40	
Black Creek Junction, Alabama, to Chetopa, Alabama.....	13.48	
Ridgeland, Alabama, to Arcadia, Alabama.....	1.33	
Mineral Springs, Alabama, to Dunn, Alabama..	1.08	
Mineral Springs, Alabama, to Rilma, Alabama..	2.31	
Crocker Junction, Alabama, to Durant, Alabama,	2.60	
Udora, Alabama, to Erskine, Alabama.....	.73	
Chetopa, Alabama, to Sayre Mine, Alabama....	3.14	
Chetopa, Alabama, to Banner, Alabama.....	4.00	
Oneonta & Attalla Railroad—		
Champion, Alabama, to Altoona, Alabama.....	9.56	
Long Branch Coal Railroad—		
Gurley Junction, Alabama, to Lehigh No. 2, Alabama.....	7.86	
	219.19	

- ✓ Declaration of incorporation of Birmingham Mineral Railroad Company, of date January 5, 1884, filed with Secretary of State of Alabama January 7, 1884. Certificate of incorporation granted March 19, 1884.

Terminal points designated in declaration:

“The road to connect with the Main Line of the South & North Alabama Railroad Company between Birmingham and Graces’ Gap, extending in a southwesterly direction to a point at or near Jonesboro, Ala., thence to be extended in a westerly or southwesterly direction. Also a branch connecting with the Main Line of the South & North Alabama Railroad Company south of Graces’ Gap about $4\frac{1}{2}$ miles from Birmingham, and extending in a southwesterly direction to and through Reeder’s Gap to a point of connection with the Main Line in the vicinity of Jonesboro, Ala.”

✓ The corporation was organized by the Louisville & Nashville Railroad Company, and that Company subscribed for the total issue of stock, 500 shares of \$100 each. //

By contracts of August 3, 1886, and April 18, 1888 (Nos. 910 and 2115), the Louisville & Nashville Railroad Company undertook to construct extensions of the Birmingham Mineral Railroad Company not to exceed in the aggregate 200 miles of railroad, for which it was to be paid in the stock and bonds of the company.

In June, 1889, the Louisville & Nashville Railroad Company acquired under that contract 19,376 shares of the capital stock of the Birmingham Mineral Railroad Company, which with the 500 shares previously acquired and 4,400 shares acquired under the contract in June, 1891, made the Company the owner of 24,276 shares, the total issue, the authorized capital stock being \$3,000,000.

✓ By deed of date January 11, 1904 (No. 5665), the Birmingham Mineral Railroad Company conveyed to the Louisville & Nashville Railroad Company all its property,

rights, and franchises, ^{is} subject to a 5 per cent mortgage for \$3,929,000, of date November 1, 1887, maturing November 1, 1937, executed to the Farmers Loan & Trust Company as trustee, both the Birmingham Mineral Railroad Company and the Louisville & Nashville Railroad Company having united in a deed of date January 9, 1904 (No. 5665), to the Central Trust Company of New York as trustee under the Unified Mortgage of June 2, 1890, conveying the property, rights, and franchises of the Birmingham Mineral Railroad Company about to be acquired by the Louisville & Nashville Railroad Company, that conveyance being executed to protect the lien of the Central Trust Company as trustee under the Unified Mortgage upon the stock of the Birmingham Mineral Railroad Company which the Louisville & Nashville Railroad Company had deposited with it under that mortgage, all of the stock being so deposited with the exception of 4,450 shares; all of which, except 150 shares, have, since that time, also been deposited with said trustee. The mortgage of November 1, 1887, referred to, authorized bonds to the amount of \$5,000,000, but only \$3,929,000 were issued, all owned by the Louisville & Nashville Railroad Company.

The property conveyed by these deeds is described therein as follows:

“All and singular its right, title, interest, and claim in and to the railroad of the Birmingham Mineral Railroad Company, said railroad being described as follows:

“BLUE CREEK EXTENSION: Beginning at Bessemer, in the county of Jefferson, State of Alabama, and extending in a southwesterly direction through the counties of Jefferson, Tuscaloosa, and Bibb, to Blocton Junction, a distance of 27.35 miles.

"CONNELLSVILLE BRANCH: Beginning at a point in Jefferson County, on the Blue Creek Extension, about 400 feet south of mile post 420, and extending in a westerly and northerly direction a distance of 1.74 miles.

"DUDLEY BRANCH: Beginning at Yolande, in the county of Tuscaloosa, and on the Blue Creek Extension, and extending in a westerly direction to Brookwood, a distance of 8.43 miles.

"DAVIS CREEK BRANCH: Beginning at a point on the Blue Creek Extension, at Abernant Station, in Tuscaloosa County, and extending in a southwesterly direction a distance of 1.52 miles.

"PIONEER BRANCH: Beginning at a point on the Blue Creek Extension, at Chamblee Station, in Tuscaloosa County, and extending in a northeasterly direction to Goethite, a distance of 4 miles.

"CAFFEE CREEK BRANCH: Beginning at a point on the Pioneer Branch, at Caffee Junction, in Tuscaloosa County, and extending in an easterly direction 1.03 miles.

"HUNTSVILLE BRANCH No. 1: Beginning at Bessemer, in Jefferson County, and extending in a northeasterly direction to a connection with the South & North Alabama Railroad at Boyles, a distance of 15.76 miles.

"HUNTSVILLE BRANCH No. 2: Beginning at Boyles Station, on the South & North Alabama Railroad, in the county of Jefferson, and extending in a northeasterly direction through Jefferson and Blount counties to a junction on the Oneonta & Attalla Railroad, a distance of 36.13 miles.

"DOLCITO BRANCH: Beginning at a point on the Huntsville Branch No. 2, at Dolcito Junction, Jefferson County, and extending in an easterly direction .86 of a mile.

"SELF CREEK SPUR: Beginning at a point on the Huntsville Branch No. 2, at Palmer, Jefferson County, and extending in a westerly direction, a distance of 4.39 miles.

"DIXIANA BRANCH: Beginning at a point on the Self Creek Spur, 400 feet south of mile post 408, in Jefferson County, and extending in a southerly direction .52 of a mile.

"GURLEY CREEK SPUR: Beginning at a point on the Huntsville Branch No. 2, at Village Springs, Jefferson County, and extending in a northerly and northwesterly direction to Compton, a distance of 3.32 miles.

"GATE CITY BRANCH: Beginning at a point on the South & North Alabama Railroad, at Boyles Station, Jefferson County, and extending in a northeasterly direction to Trussville, a distance of 17.14 miles.

"MORROW GAP BRANCH: Beginning at a point on the Gate City Branch, at Morrow Gap, Jefferson County, and extending in a westerly direction to Carbo, a distance of .86 of a mile.

"NORTH BRANCH: Beginning at a point on the South & North Alabama Railroad, at Magella, Jefferson County, and extending in a southwesterly direction to Brick Yard "Y," a distance of 8 miles.

"SOUTH BRANCH: Beginning at a point on the South & North Alabama Railroad, at Graces' Station, Jefferson County, and extending in a southwesterly direction to a junction with the Huntsville Branch No. 1 and the Blue Creek Extension at Bessemer, a distance of 11.76 miles.

"REEDERS GAP BRANCH: Beginning at a point on the South Branch, at Reeders, Jefferson County, and extending in a southwesterly direction 1.27 miles.

"MUSCODA BRANCH: Beginning at a point on the South Branch, at Muscoda Junction, in Jefferson County, and extending in a southerly direction about 3,300 feet to the head block of a switchback, and thence in a northeasterly direction about 6,900 feet, a total length of 1.93 miles.

"FOSSIL AND SPRING GAP BRANCHES: Beginning at a point on the South Branch, at Winetka, Jefferson County, and extending in a westerly direction, a distance of 3.34 miles.

"HELENA AND BLOCTON BRANCH: Beginning at a point on the South & North Alabama Railroad, at Tacoa, Shelby County, and extending in a southwesterly direction to a connection with the Birmingham, Brierfield & Blocton Railroad at Gurley Junction, a distance of 10.45 miles.

"RED GAP BRANCH: Beginning at a point on the South & North Alabama Railroad, near Graces Station, Jefferson County, and extending in a northeasterly direction to a connection with the Gate City Branch at Red Gap Junction, a distance of 10.10 miles.

"Also all of the spurs, side tracks used and operated in connection with the above described branches, and also the road-bed, tracks, rights of way, culverts, bridges, trestles, fences, depots, station houses, machine shops, and other buildings, and the several lots, pieces, and parcels of land on which the same are or may be erected, forming part of said railroad or in any manner appertaining thereto, now owned by said Birmingham Mineral Railroad Company, and also all things in action, contracts, leases, claims, and demands which it may own, and the rights, privileges, and franchises of said company in respect of and pertaining to said railroad, and all property of every kind and nature, real and personal, owned by said Birmingham Mineral Railroad Company."

THE NORTH ALABAMA RAILROAD COMPANY, which constructed that part of the Birmingham Mineral Division extending from North Alabama Junction to Searles, and under whose charter various branches were constructed, was incorporated under the laws of Alabama, the declaration of incorporation being filed in the office of the Secretary of State January 19, 1900, and certificate of incorporation granted March 17, 1900. The terminal points of the road to be constructed and operated are described in the declaration as follows:

“Commencing at some point on the S. & N. R. R. in Cullman County, Alabama, at or near Phelans, and extending in a southerly direction so as to pass near Bremen, thence through Walker County, Alabama, and into Jefferson County, Alabama, to some point or connection with the Birmingham Mineral Railroad, between Boyles, Alabama, and Bessemer, Alabama, a distance of about seventy miles.

“Also commencing at or near Brookwood, in Tuscaloosa County, Alabama, and extending in a northerly direction to _____, a distance of about three miles.”

It is declared that the corporation is organized for the purpose of transporting passengers and freight as a common carrier, and to do any and all acts that can be lawfully performed by a railroad company in the State of Alabama, and is to have all the powers granted by the general laws of the State of Alabama to such corporations.

On July 7, 1902, the charter was amended by a certificate granted by the Secretary of State so as to permit the corporation,

“In addition to the powers granted in its original declaration and charter, to construct a railroad commencing at a point on the Main Line of the Blue Creek Extension of the Birmingham Mineral Railroad at or near mile post 414 of said Birmingham Mineral Railroad, which point of connection will be located in Section 16, in, over, and across Section 9 to coal mines located in Section 3, all in Township 19 south, Range 5 west, of Jefferson County, Alabama, with the necessary side tracks and spurs and with the right to extend said track from time to time, under provision of law, for the purpose of reaching mines that may be opened. Also, to build a track beginning at a point on the Main Line of the South & North Alabama Railroad at the most convenient connecting point with

said railroad in the southwesterly part of Township 16 south, Range 2 west, running thence in a northwesterly direction to the mines now opened and to be opened along the Locust Fork of the Warrior River in the vicinity of Littleton, Alabama, with the right to extend this line to a connection with the line for which charter has heretofore been granted, by either going in a northerly or a southerly direction, or both, with the right to build the necessary side tracks and spur tracks to the various coal mines, coke ovens, or other industries and towns which may be located in the vicinity of said railroad, in due compliance with law."

On September 20, 1902, the charter was further amended by a certificate granted by the Secretary of State so as to empower the corporation

"To also construct a railroad beginning at a point on the Main Line of the South & North Alabama Railroad in Section 30, Township 16 south, Range 2 west, Jefferson County, Alabama; thence extending in a westerly direction through Section 30, Township 16 south, Range 2 west, and in a westerly and northwesterly direction through Sections 25, 26, 27, 22, 21, 17, 18, and 7 in Township 16 south, Range 3 west, and through Sections 12, 1, 2, 11, 3, 4, and 5 in Township 16 south, Range 4 west, and through Sections 32, 31, and 36 of Township 15 south, Range 4 west, to a crossing of the Locust Fork of Warrior River, north of Littleton, all in Jefferson County, Alabama, with the right to extend this line to a connection with the line for which charter has heretofore been granted, and with the right to build the necessary side tracks and spur tracks to the various coal mines, coke ovens, or other industries and towns which may be located in the territory adjacent to said railroad, in due compliance with law." (For charter and amendments see Contract 5028.)

By deed of December 15, 1900, the North Alabama Railroad Company conveyed to the Louisville & Nash-

ville Railroad Company its road known as the Brookwood Branch of the North Alabama Railroad, lying in Tuscaloosa County, Alabama, and being about 3.4 miles in length and being all of its road then constructed. (Deed No. 4475.)

And thereafter, by deed of December 31, 1900, the railroad thus conveyed to the Louisville & Nashville Railroad Company was conveyed by that Company to the Central Trust Company of New York, for the purposes of the Unified Mortgage of June 2, 1890. (Deed 4361, part 1.)

Authorized capital stock \$500,000. Full amount issued and all owned by the Louisville & Nashville Railroad Company at the time it acquired the property.

THE ONEONTA & ATTALLA RAILROAD COMPANY, which constructed that part of the Birmingham Mineral Division extending from Champion to Altoona, was incorporated under the laws of the State of Alabama, the declaration of incorporation being filed in the office of the Secretary of State on May 8, 1900, and the certificate of incorporation granted June 23, 1900. The terminal points are described in the declaration as follows:

“Commencing at or near Oneonta, in Blount County, Alabama, and running in an easterly direction to a point of connection with the Alabama Mineral Division of the Louisville & Nashville Railroad Company or the Nashville, Chattanooga & St. Louis Railway at or near the town of Attalla, in Etowah County, Alabama, a distance of about 25 miles.”

It is declared that the corporation is organized for the purpose of transporting passengers and freight as a common carrier, and to do any and all acts that can be law-

fully performed by a railroad company in the State of Alabama, and is to have all the powers granted by the general laws of the State of Alabama to such corporations. (For charter see Contract No. 5090.)

By a deed of date December 15, 1900, the Oneonta & Attalla Railroad Company conveyed to the Louisville & Nashville Railroad Company all its property, rights, and franchises, the road conveyed being described as beginning at a point on the Birmingham Mineral Railroad near Champion, Alabama, and extending in a northeasterly direction a distance of 11.3 miles, more or less, all lying and being in the county of Blount and State of Alabama. The deed recites that the Louisville & Nashville Railroad Company owns the entire capital stock of the Oneonta & Attalla Railroad Company and has paid the entire cost of construction of its line of railroad. (Deed No. 4438.)

By deed of date December 31, 1900, the Louisville & Nashville Railroad Company conveyed to the Central Trust Company of New York, for the purposes of the Unified Mortgage of June 2, 1890, the property, rights, and franchises which had been thus conveyed to it by the Oneonta & Attalla Railroad Company. (Deed 4361, part 1.)

Authorized capital stock \$200,000. Full amount issued and all owned by the Louisville & Nashville Railroad Company.

THE LONG BRANCH COAL RAILROAD COMPANY, under whose charter that part of the Birmingham Mineral Division known as the Long Branch Coal Railroad, extending from Gurley Junction, Alabama, to Lehigh No. 2, Alabama, a distance of 7.86 miles, was constructed, was incorporated under the laws of Alabama by a declaration

of incorporation filed in the office of the Secretary of State of Alabama November 12, 1901, the corporation being organized and a certificate of incorporation granted December 19, 1901. (Contract No. 5778.) The terminal points of the road are stated in the declaration as follows:

“From a point on the Gurley Creek Branch of the Birmingham Mineral Railroad 4,700 feet north of mile post 409 when measuring along the existing track of said spur in a northerly direction to the Long Branch coal field in Blount County, Alabama, a distance of 7 miles more or less, with authority to extend the proposed line of railroad to a point of connection with the South & North Alabama Railroad Company at or near Warrior, in Jefferson County, Alabama, a distance of . . . miles.”

The amount of the capital stock is stated in the declaration as \$50,000, in shares of \$100 each, all of which has been issued and is owned by the Louisville & Nashville Railroad Company.

The road was constructed and is now operated under contract of date January 2, 1902, and a supplemental contract of date January 24, 1903, between the Long Branch Coal Railroad Company and the Lehigh Coal Company. (Contract No. 5810.)

ALABAMA MINERAL RAILROAD.

	MILES	
Attalla, Alabama, to Calera, Alabama.....	119.07	
Shelby, Alabama, to Columbiana, Alabama.....	5.84	
Gilmore Switch, Alabama, to Kaupp Junction, Alabama.....	4.77	
O'Connor Junction, Alabama, to Skews, Alabama....	2.90	
Wewoka Junction, Alabama, to Wewoka, Alabama..	1.37	
Gladden Junction, Alabama, to Mynatt, Alabama...	2.54	
Rock Spring, Alabama, to Leba, Alabama.....	1.65	
	—————	138.14

✓ THE ALABAMA MINERAL RAILROAD COMPANY was formed by consolidation of the Anniston & Atlantic Railroad Company and the Anniston & Cincinnati Railroad Company. //

THE ANNISTON & ATLANTIC RAILROAD COMPANY was created by declaration of incorporation filed in office of Secretary of State of Alabama May 24, 1883. Certificate of incorporation issued by Secretary of State August 17, 1883. Terminal points Anniston, Calhoun County, Alabama, and Sylacauga, Talladega County, Alabama. Authorized capital stock \$400,000. Length 53 miles. (Contract No. 1, Alabama Mineral.)

THE ANNISTON & CINCINNATI RAILROAD COMPANY, was created by declaration of incorporation filed in office of Secretary of State of Alabama January 31, 1887. Certificate of incorporation issued April 1, 1887. Terminal points Anniston, Alabama, and Attalla, Alabama. Length 35 miles. (Contract No. 42, Alabama Mineral.)

THE ANNISTON TERMINAL RAILROAD COMPANY was created by a declaration of incorporation filed with the Secretary of State of Alabama October 18, 1888, a certificate of incorporation being issued by the Secretary of State August 17, 1889. The declaration of incorporation recites that the terminal points shall be:

“(1) On the south: The point where the East Tennessee, Virginia & Georgia crosses the southern boundary of Anniston, and (2) on the north: The point where it crosses the northern boundary of the city of Anniston, and (3) on the west: The point where the Georgia Pacific Railroad crosses the western boundary of Anniston, and it shall have tracks running into and near and terminating in the various furnaces, machine shops, factories, warehouses, and elsewhere in and near the city of Anniston, where it can deliver and receive freight or passengers to or from the various railroads passing to or through Anniston.” (See Minute Book.)

Authorized capital stock \$250,000, but no stock was ever issued.

The property of this company, together with all the franchises connected therewith, was subsequently conveyed to the Anniston & Cincinnati Railroad Company by deed of date July 28, 1890. (No. 5892.)

By agreement of date July 19, 1889, Walter S. Gurney, junior, and Augustus C. Gurney, composing the firm of W. S. Gurney, Jr., & Co., and the Woodstock Iron Company, sold to the Louisville & Nashville Railroad Company all the stock and bonds of the Anniston & Atlantic Railroad Company and of the Anniston & Cincinnati Railroad Company, the bonds and stock sold being described as follows:

“Seven hundred bonds of one thousand dollars each secured by a mortgage to The Central Trust Company of New York, dated July 1, 1887, being the entire issue of mortgage bonds upon the Anniston & Cincinnati Railroad, and the entire issue of stock thereof, being ten thousand shares of one hundred dollars each, and also all and singular all of the mortgage bonds, being four hundred bonds of one thousand dollars each, secured by a mortgage

to the Fidelity Insurance, Trust & Safe Deposit Company of Philadelphia, dated the first day of December, 1883, being the entire issue of mortgage bonds upon the Anniston & Atlantic Railroad, and the entire issue of stock thereof, not exceeding four thousand shares of one hundred dollars each." (Contract No. 2236.)

✓ The entire capital stock of the two companies, being 3,690 shares of the Anniston & Atlantic Railroad Company and 10,000 shares of the Anniston & Cincinnati Railroad Company, was delivered to the Louisville & Nashville Railroad Company under this agreement about March 1, 1890.

An agreement of date June 16, 1890, was entered into between the Anniston & Atlantic Railroad Company and the Anniston & Cincinnati Railroad Company for the consolidation of the two companies into a single corporation under the name of the Alabama Mineral Railroad Company. (Contract 2, Alabama Mineral.) This agreement was filed in the office of the Secretary of State of Alabama July 28, 1890, and on that day the new corporation was organized. Soon after the consolidation, the Anniston & Atlantic Railroad Company was extended from Sylacauga to the South & North Alabama Railroad at Calera, Alabama, a distance of 32.62 miles.

Authorized capital stock of the new corporation is \$2,000,000. There were issued to the Louisville & Nashville Railroad Company, on account of consolidation, 13,690 shares of \$100 each. There were subsequently issued to the Louisville & Nashville Railroad Company on account of construction 6,000 shares. The total issue of 19,690 shares was owned by the Louisville & Nashville Railroad Company at the time it acquired the prop-

erty and franchises of the Alabama Mineral Railroad Company.

On September 29, 1903, the Alabama Mineral Railroad Company conveyed to the Louisville & Nashville Railroad Company all its property, rights, and franchises, both companies having on September 28, 1903, joined in a deed to the Central Trust Company of New York, as trustee under the Unified Mortgage of June 2, 1890, conveying all the property, rights, and franchises of the Alabama Mineral Railroad Company about to be acquired by the Louisville & Nashville Railroad Company, all the capital stock and bonds having been deposited by the Louisville & Nashville Railroad Company with the Central Trust Company as trustee under the Unified Mortgage, and the conveyance of the property and franchises being made to protect the lien of the trustee upon the stock and bonds. (Deed 5632.)

The railroad conveyed by those deeds is described therein as follows:

“Beginning at a point on the South & North Alabama Railroad about eight hundred (800) feet south of the railroad crossing at Calera, in the county of Shelby and State of Alabama, and extending in an easterly direction through Shelby County and Talladega County to the town of Sylacauga, in Talladega County; thence in a northeasterly direction through Talladega County to the town of Talladega, in said county; thence in an easterly and northeasterly direction through said Talladega County and Calhoun County to the city of Anniston, in said Calhoun County; thence in a northerly and a westerly direction through said Calhoun County and Etowah County and the city of Gadsden to the town of Attalla, in said Etowah County, a total distance of one hundred and nineteen and seven

hundredths (119.07) miles, all of said railroad lying and being in the State of Alabama, together with the branches known as the Lumberton Branch, which leaves the Main Line at Gilmore Switch and extends to Kaupp Junction, and the Wewoka Branch, which leaves the Main Line at Wewoka Junction and extends to Wewoka, which are situated in said Talladega County, the Anniston Brown Ore Spur, which leaves the Main Line at Gladden Junction and extends to Mynatt, and which is situated in Calhoun County, and the Rock Spring Spur, which leaves the Main Line at Rock Spring and extends to Leba, the Legarde Spur, which leaves the Main Line at Legarde Junction and extends to Legarde, and the O'Connor Branch, which leaves the Main Line at O'Connor Junction and extends to Skews, which are situated in said Etowah County."

The title to that part of the Alabama Mineral Division extending from Shelby, Alabama, to Columbiana, Alabama, formerly known as the Shelby Iron Company Standard Gauge Railroad, is in the Louisville Property Company, having been conveyed to that company by deed of date April 16, 1898, from M. H. Smith, trustee (No. 4216), to whom said road was conveyed by the Shelby Iron Company by deed of date September 9, 1890. (Deed No. 8, Alabama Mineral.)

Bonded debt \$3,150,000, bearing 4 per cent interest, secured by mortgage of date July 28, 1890, maturing July 1, 1940, executed by the Alabama Mineral Railroad Company to the Central Trust Company of New York, as trustee. All bonds owned by Louisville & Nashville Railroad Company, and deposited with Central Trust Company of New York, trustee, under Unified Mortgage.

ATLANTA & BIRMINGHAM AIR LINE RAILWAY (formerly EAST & WEST RAILROAD).—By agreement of date

March 23, 1903, between the Seaboard Air Line Railway, the owner of all the capital stock of the East & West Railroad, and the Louisville & Nashville Railroad Company, the latter Company acquired trackage rights over that part of the East & West Railroad extending from Duke, Alabama, to Cartersville, Georgia, for the purpose of moving traffic between points on the railroad of the Louisville & Nashville Railroad Company and points on and reached via the Western & Atlantic Railroad, leased by the Nashville, Chattanooga & St. Louis Railway. By its terms this contract took effect on July 1, 1903, and is to continue in effect until December 27, 1919, the date of expiration of the existing lease by the State of Georgia of the Western & Atlantic Railroad to the Nashville, Chattanooga & St. Louis Railway. (Contract No. 6588.) That part of the East & West Railroad over which the Louisville & Nashville Railroad Company is now operating trains under this contract extends from Wellington, Alabama, to Cartersville, Georgia, a distance of 77 miles, and is operated in connection with the Alabama Mineral Division. The East & West Railroad Company was chartered in Alabama January 11, 1894, and in Georgia January 15, 1896, as successor to the East & West Railroad of Alabama, which was chartered February 26, 1882. By an indenture of date April 28, 1903, the Birmingham & Atlanta Air Line Railway conveyed to the East & West Railroad Company all its property and franchises, and by an agreement of merger and consolidation filed with the Secretary of State of Alabama May 20, 1903, the East & West Railroad Company and the Chattahoochee Terminal Railway were consolidated under the name of the Atlanta & Birmingham Air Line Railway.

THE MOBILE & MONTGOMERY RAILWAY.

Montgomery to Mobile, Alabama 178.49 miles.

THE MOBILE & MONTGOMERY RAILWAY was built by two separate corporations, viz: The Alabama & Florida Railroad Company and the Mobile & Great Northern Railroad Company.

THE ALABAMA & FLORIDA RAILROAD COMPANY was incorporated by Alabama act of February 11, 1850 (Acts 1849-50, p. 173), to construct a railroad to "extend from the city of Montgomery to some point on the boundary line between the States of Florida and Alabama, in the county of Conecuh, lying north of Pensacola, and at which point said road may meet and connect with a railroad leading thence to the city of Pensacola."

By act to amend the charter, approved February 16, 1854 (Acts 1853-4, p. 253), it was provided, among other things, that the company might unite or make joint stock with the Alabama & Florida Railroad Company, incorporated by the legislature of Florida, for the purpose of enabling the two companies to act together for the purposes contemplated by the charter granted by the State of Alabama.

By act approved February 20, 1854 (Acts 1853-4, p. 298), the charter was further amended so as to authorize the company to extend its road from the southern boundary of Conecuh County to such point on the waters of Mobile Bay as it might deem most eligible for a connection with the city of Mobile.

An amendment of February 8, 1858 (Acts 1857-8, p. 163), authorized extension from Montgomery to Selma, there

to connect with the Alabama & Mississippi Rivers Railroad and the Alabama & Tennessee Rivers Railroad, by the consent of said companies, so as to pass the trains of each road upon the other.

By amendment of December 31, 1861 (Acts 1861, p. 106), the company was authorized to extend its track "from a point at or near its present terminus near the city of Montgomery, through said city to the depot of the Montgomery & West Point Railroad, and to make such connection with said Montgomery & West Point Railroad as the said companies may agree upon."

The MOBILE & GREAT NORTHERN RAILROAD COMPANY was incorporated by Alabama act of February 15, 1856 (Acts 1855-6, p. 278), to construct and operate a railroad "from the city of Mobile to a point on the Alabama & Florida Railroad, with a branch of the same to a point on the Alabama & Tennessee River Railroad, on such routes as may be deemed most expedient."

By act approved February 19, 1867 (Acts 1866-7, p. 682), the charter was amended so as to authorize the extension of the road to Troy, in Pike County.

✓ The MOBILE & MONTGOMERY RAILROAD COMPANY was created pursuant to the provisions of an act approved August 5, 1868 (Acts 1868, p. 82), entitled "An Act to consolidate and make joint stock of the Mobile & Great Northern Railroad Company and the Alabama & Florida Railroad Company of Alabama, and to change the name of said companies to the Mobile & Montgomery Railroad Company." By an amendment to that act, approved December 28, 1868, certain changes were made as to the election of directors and officers, and also as to the management until such election should be held. By act

approved February 25, 1870 (Acts 1869-70, p. 175), the Governor of the State of Alabama was authorized to indorse, on the part of the State, the first mortgage bonds of the Mobile & Montgomery Railroad Company.

September 15, 1873, a bill was filed by Timothy H. Porter and others, trustees, in the Chancery Court for the Second District of the Southern Chancery Division of the State of Alabama, to foreclose a mortgage executed by the Mobile & Montgomery Railroad Company April 25, 1870, to secure mortgage bonds amounting to \$2,500,000. May 30, 1874, decree was rendered for the sale of the mortgaged property on November 16, 1874, and at that sale the trustees purchased the property for the benefit of the bondholders, who, for the purpose of taking the property thus purchased, created and organized the MOBILE & MONTGOMERY RAILWAY COMPANY, by declaration of incorporation of date November 23, 1874 (Contract No. 7071), filed in the office of the Secretary of State of Alabama April 27, 1875, pursuant to the requirements of an act approved March 20, 1875 (Acts 1874-5, p. 132), and on November 26, 1874, a decree was rendered directing the trustees to deliver the property to the Mobile & Montgomery Railway Company.

By agreement of lease dated January 12, 1881, the Mobile & Montgomery Railway Company leased its road and other property, rights, and franchises, except the franchise to exist as a corporation, to the Louisville & Nashville Railroad Company for the term of twenty years.

✓ By deed of December 17, 1900, the Mobile & Montgomery Railway Company conveyed to the Louisville & Nashville Railroad Company its line of railroad extending from Montgomery, in the State of Alabama, to Mobile,

in the same State, 178.57 miles, more or less, and all property of every kind owned by the Mobile & Montgomery Railway Company, and all the rights, franchises, and privileges of said company in respect of and pertaining to said line of railroad. The deed recites that it is made subject to all of the bonded indebtedness and other indebtedness of the Mobile & Montgomery Railway Company. (Deed 3996.) The entire capital stock of the Mobile & Montgomery Railway Company, amounting to \$2,950,800, in shares of \$100 each, which was the full amount authorized, was owned by the Louisville & Nashville Railroad Company at the time that conveyance was made, and all but 111 shares were deposited with the Central Trust Company as trustee under the Unified Mortgage of June 2, 1890, those shares being still held by that company. A majority of the capital stock was acquired by the Louisville & Nashville Railroad Company January 15, 1880.

Bonded debt maturing September 1, 1945:

Authorized	\$5,000,000
Issued	4,000,000

Secured by 4½ per cent gold first mortgage of date September 1, 1895, executed by the Louisville & Nashville Railroad Company and Mobile & Montgomery Railway Company to Central Trust Company of New York, trustee.

ALABAMA & FLORIDA RAILROAD.

	MILES	
Georgiana, Alabama, to Graceville, Florida.....	100.38	
Duval, Alabama, to Paxton, Florida.....	23.48	
Paxton, Florida, to Simpson, Florida.....	2.59	
	126.45	

✓ Declaration of incorporation filed in the office of the Secretary of State of Alabama July 4, 1898. Certificate of incorporation granted August 23, 1898. While the corporation was designated in the declaration and certificate of incorporation as the "Alabama & Florida Railroad" it seems to have contracted and been contracted with as the "Alabama & Florida Railroad Company." Terminal points stated in the declaration of incorporation:

"Commencing at a point at or near Garland, Alabama, on the Mobile & Montgomery Railway in Butler County, Alabama, and thence extending in a southeast direction through River Falls, Alabama, to Geneva, Alabama, with a view to extending beyond the said town of Geneva in a southeasterly direction to the State line between the State of Florida." ✓

Amended certificate granted August 27, 1898, substituting the word "Georgiana" for the word "Garland" where it appears in original declaration. (Contract No. 4980.)

On January 20, 1899, the "Alabama & Florida Railroad Company" leased to the Louisville & Nashville Railroad Company its road then extending from Georgiana in the county of Butler, Alabama, to River Falls, in the county of Covington, Alabama, a distance of 28 miles, for the term of twenty years from March 1, 1899, any extension

of the road to become subject to the lease; either party to have right to abrogate lease at any time upon giving six months' notice to other party. (Contract No. 4710.)

On December 17, 1900, the "Alabama & Florida Railroad Company" (by Deed 4474) conveyed to the Louisville & Nashville Railroad Company its line of railroad

"Beginning at a point on the Mobile & Montgomery Division of the Louisville & Nashville Railroad Company in the town of Georgiana, Butler County, Alabama, and extending in a general southeasterly direction through the counties of Butler, Conecuh, Covington, Caffee, and Geneva, State of Alabama, to the town of Geneva, Alabama, a distance of 77.67 miles, be the same more or less,"

that portion between Georgiana and Andalusia, a distance of 32.76 miles, being completed and in operation, and that portion between Geneva and Andalusia, a distance of 44.91 miles, being uncompleted but in course of construction. The deed conveys all property of every kind owned by the grantor, and "the rights, privileges, and franchises of said company in respect of and pertaining to said line of railroad."

The deed recites that the Louisville & Nashville Railroad Company owns the entire capital stock of the Alabama & Florida Railroad Company, and has paid the entire cost of construction of the completed portion of said road, and is paying and will pay the entire cost of construction of the uncompleted portion.

By deed of December 31, 1900, the property, rights, and franchises thus acquired by the Louisville & Nashville Railroad Company were conveyed by that company to the Central Trust Company of New York for the pur-

poses of the Unified Mortgage of June 2, 1890. (Deed 4361, Part 1.)

The road was completed and put in operation as follows:

Georgiana, Alabama, to River Falls, Alabama.....	July 1, 1899
River Falls, Alabama, to Andalusia, Alabama.....	December 1, 1899
Andalusia, Alabama, to Geneva, Alabama.....	March 1, 1901
Geneva, Alabama, to Graceville, Florida.....	July 16, 1902
Duwall, Alabama, to Paxton, Florida.....	July 1, 1903

Capital stock authorized by original declaration \$200,000, in shares of \$100 each. Authority given April 24, 1899, to increase capital stock to \$750,000. Stock issued, \$364,000, the entire amount being issued to the Louisville & Nashville Railroad Company for money advanced for construction.

YELLOW RIVER RAILROAD.—That part of the Yellow River Railroad extending from Paxton, Florida, to Simpson, Florida, a distance of two and fifty-nine one hundredths (2.59) miles, which is now operated as part of the Alabama & Florida Railroad, was conveyed to the Louisville & Nashville Railroad Company by the Yellow River Railroad Company by deed of date September 19, 1904, and by the Louisville & Nashville Railroad Company to the Central Trust Company of New York as trustee under the Unified Mortgage by deed of date February 9, 1905, the road conveyed being described as

“A piece of railroad track two and fifty-nine one hundredths (2.59) miles in length, extending from the Lake Lumber Company’s mill at Simpson, in Section thirty (30), Township six (6) North, Range twenty (20) west, in Walton County, Florida, through Section twenty-five (25) into Section twenty-six (26), both in Township six (6) North, Range twenty-one (21) West, in Walton County, Florida, to a point of connection with the track now belonging to the said Louisville & Nashville Railroad Company in said last mentioned Section.” (Deed 5956.)

This road was built by the Yellow River Railroad Company, which was incorporated under the laws of Florida by articles of incorporation filed in the office of the Clerk of the Circuit Court of Walton County, Florida, December 17, 1887.

NEW ORLEANS & MOBILE DIVISION.

Mobile, Alabama, to New Orleans, Louisiana.....140.36 miles.

✓ The NEW ORLEANS, MOBILE & CHATTANOOGA RAILROAD COMPANY was incorporated by an act of the General Assembly of the State of Alabama, approved November 24, 1866 (Acts 1866-7, p. 6), and its charter was amended by acts of that Assembly, approved February 12, 1867 (Acts 1866-7, p. 400), August 12, 1868 (Acts 1868, p. 127), December 31, 1868 (Acts 1868, p. 545), and by joint resolution of March 9, 1871 (Acts 1870-1, p. 314). The act of incorporation was recognized and approved, and its provisions adopted, by the General Assembly of the State of Mississippi by an act approved February 7, 1867, and by the General Assembly of the State of Louisiana by acts of the same character approved August 19, 1868, February 17, 1869, March 6, 1869, and February 21, 1870, and by other acts of the General Assembly of that State, and by the Constitutional Convention of the State of Texas by an act and ordinance passed January 19, 1869. And by these acts, and by an act of the legislature of Tennessee, passed March 9, 1867, the New Orleans, Mobile & Chattanooga Railroad Company was organized and empowered to construct, manage, use, and own a railroad within the cities of Mobile and New Orleans, and through the States of Ala-

bama, Mississippi, and Louisiana, between those cities, and in the States of Alabama and Tennessee, east of the city of Mobile, and in the States of Louisiana and Texas west of the Mississippi River. An act of Congress, approved March 2, 1868, empowered the company to build and maintain bridges over and across the navigable waters of the United States upon the line of its road, and declared said road and bridges a post-road. Thereafter, on January 1, 1869, the New Orleans, Mobile & Chattanooga Railroad Company executed to Oakes Ames and Edwin D. Morgan, as trustees, a mortgage on all of its property and corporate rights pertaining to its road within the cities of Mobile and New Orleans, and between those cities, to secure bonds amounting to \$4,000,000. And on March 8, 1869, that corporation executed a second mortgage or deed of trust including the same property and certain rights and franchises in addition thereto in the States of Alabama and Tennessee, east of Mobile, and in the States of Louisiana and Texas west of the Mississippi River, Henry J. Gardner and Peter Butler being named as trustees therein. Under and by virtue of a joint resolution of the legislature of the State of Alabama approved March 9, 1871 (Acts 1870-1, p. 314), and a joint resolution of the legislature of the State of Louisiana, approved April 18, 1871, the name and style of the corporation was changed from that of the "New Orleans, Mobile & Chattanooga Railroad Company" to that of the "New Orleans, Mobile & Texas Railroad Company." Default being made in the payment of interest of the second mortgage bonds, the trustees took possession of the property, rights, and franchises embraced in the second mortgage, and thereafter commenced an action in the Circuit Court of the United States for the

District of Louisiana for a foreclosure of that mortgage, resulting in the sale of said property, rights, and franchises on June 6, 1873, subject, however, as to that part of the road and property lying within the cities of New Orleans and Mobile, and between those cities, to the first mortgage, bearing date January 1, 1869. At that sale a committee of bondholders became the purchasers for the benefit of the bondholders. Thereafter, on April 24, 1880, that part of the road within the cities of New Orleans and Mobile, and between those cities, within the States of Louisiana, Mississippi, and Alabama, together with the franchises, privileges, and immunities pertaining thereto, was sold under decree of the United States Circuit Court for the District of Louisiana, entered on March 5, 1880, in a foreclosure suit brought by Edwin D. Morgan and James A. Raynor, trustees under the first mortgage, James A. Raynor having been substituted as trustee in the place of Oakes Ames, who before that time had died, and at that sale a committee of bondholders purchased the property for the benefit of the bondholders. Thereafter, on April 29, 1880, the purchasers at that sale adopted articles of incorporation and formed a corporation under the laws of the State of Alabama, the corporate name of which was declared to be "The New Orleans, Mobile & Texas Railroad Company, as reorganized." The capital stock was fixed at \$4,000,000, divided into 40,000 shares of \$100 each, the same to be full paid-up stock by the transfer to the company of the railroad formerly of the New Orleans, Mobile & Chattanooga Railroad Company, within and between the cities of Mobile and New Orleans, "as now constructed," being 141 miles in length, and all the rights and franchises which belonged thereto, and also the rights and

franchises acquired thereby in Alabama and Tennessee, east of Mobile. The capital stock was declared to be subject to the prior lien of an obligation and mortgage security for \$5,000,000 of bonds furnished and advanced by the Louisville & Nashville Railroad Company, secured by vendor's lien and first mortgage; and also subject to debenture scrip for \$3,000,000, secured by mortgage. (See "Chain of Title" in Secretary's office.) Thereafter, on May 8, 1880, the trustees named in the first mortgage, together with the Special Master who made the sale, executed to the New Orleans, Mobile & Texas Railroad Company, as reorganized, a conveyance of all the property and franchises embraced in their first mortgages. And thereafter, on October 5, 1881, that company conveyed the property and franchises to the Louisville & Nashville Railroad Company (Deed A 5), the property having previously been leased to the Louisville & Nashville Railroad Company by the New Orleans, Mobile & Texas Railroad Company, as reorganized, for a term of fifty years, by deed of May 8, 1880, as of which date the New Orleans, Mobile & Texas Railroad Company, as reorganized, had also executed a mortgage to the Farmers Loan & Trust Company of the city of New York to secure 6 per cent bonds amounting to \$5,000,000, and maturing January 1, 1930. That mortgage and a mortgage executed by the Louisville & Nashville Railroad Company on October 5, 1881, to the Farmers Loan & Trust Company to secure 6 per cent bonds amounting to \$1,000,000, also maturing January 1, 1930, are the only mortgages now existing upon this property.

✓ The Louisville & Nashville Railroad Company acquired control of the road through an agreement made with

William S. Williams and David Thompson, representing the bondholders, prior to the reorganization of the corporation, and the entire 40,000 shares of stock in the reorganized company were issued to the Louisville & Nashville Railroad Company under date of May 1, 1880. (See Minutes of Directors of Louisville & Nashville Railroad Company of dates March 26, 1880, and May 4, 1880, Minute Book No. 3, pp. 144, 162.)

That part of the New Orleans, Mobile & Texas Railroad west of the Mississippi River, upon which separate mortgages were executed, has never belonged to, or been controlled by, the Louisville & Nashville Railroad Company.

Thirty-nine thousand eight hundred and fifty (39,850) shares of the capital stock of the New Orleans, Mobile & Texas Railroad Company (as reorganized), being all the stock except 150 shares, were deposited with the Central Trust Company of New York, trustee, under the Unified Mortgage of June 2, 1890, but as all the property of the corporation had previously been conveyed to the Louisville & Nashville Railroad Company, it seems that the stock then had and now has no value.

PONTCHARTRAIN RAILROAD.

Pontchartrain Junction to Milneburg 5.18 miles.

✓ This road was built under charter granted to the Pontchartrain Railroad Company by act of the legislature of the State of Louisiana, approved January 20, 1830. (Acts 1830, pp. 2 to 11.)

The charter provided for a road to run "from the city of New Orleans to some suitable point on Lake Pontchar-

train or Bayou or other stream leading to said lake, not exceeding ninety feet wide, with as many sets of tracks as the said company may deem proper." And it was further provided that "their agents may enter upon, use, and excavate any land which may be wanted for the site of said road or the erection of warehouses or other works necessary or useful to said road, or for any other purposes necessary or useful in the construction or repair of said road or its works. . . . And it shall and may be lawful for said corporation to continue and extend said railroad to any point within the said city of New Orleans, provided said railroad be constructed and made as not to prevent the use of or traveling on the streets; and provided also that the said railroads shall not pass through any streets of said city without the consent of the mayor, aldermen, and inhabitants of the city of New Orleans being first had and obtained."

The company was authorized to construct harbors, wharves, piers, and breakwaters at its junction with Lake Pontchartrain and extend the same into the lake as far as might be deemed expedient, with power to erect thereon any warehouses or other buildings whatsoever.

It was also authorized to fix rates not to exceed 50 cents per ton each way, exclusive of labor of loading and unloading; except in case of brick, lumber, fire-wood, shells, and sand; when the rates were not to exceed thirty cents per ton each way, exclusive of labor of loading and unloading. Passenger rates were not to exceed $37\frac{1}{2}$ cents each way, reserving to the legislature the right of regulating charges of wharfage and storage.

The company was given the further right at any time to lay pipes on or adjoining the railroad for the con-

veyance of the water of the Mississippi to the lake for the supply of any buildings that might be erected at the lake or along the railroad, and of the shipping and vessels which might frequent the wharves and harbors, and to erect all necessary and useful works therefor, provided the consent of the mayor and city council of New Orleans be had in all cases where the same are to be erected within the limits of the corporation of New Orleans, with power to ask for and receive water so supplied at a rate not exceeding 50 cents per hogshead.

By the last section of the charter it is provided "that the interests of said corporation are hereby made and shall hereafter be distinct and separate from the interests of all other corporations; and that any contract or transaction tending to bind the interests of said corporation with those of any other incorporated body shall be considered as a violation of the charter hereby granted, and shall have the effect of making the same null and void."

The capital stock was fixed at \$150,000, with liberty to increase to not exceeding \$250,000, stock being divided into shares of \$100 each.

By an act to amend the charter, approved March 19, 1835, the corporation was granted the right to increase its capital stock, provided the whole thereof should not exceed \$500,000. (Acts 1835, p. 133.)

By an act to amend the charter, approved April 2, 1835 (Acts 1835, pp. 206-208), the corporation was granted the right and power of extending branches to suitable points or places on Lake Borgne, Rigolets, Chef Menteur, or Bayou Bienvenue, or to any or either of them, provided the road should be completed to any of the aforesaid points within three years from the passage of the act, with right

to increase the capital to such an amount as might be necessary to complete the said branch or branches. Certain rights as to the increase of tolls were also given.

By an act approved March 12, 1836 (Acts 1836, pp. 39-43), the charter was further amended so as to permit the company to increase its capital stock by the addition of 10,000 shares of \$100 each, and to invest the company with banking privileges. By this amendment the corporation was also obligated to subscribe to the capital stock of the Baratavia & Lafourche Canal Company, and an additional delay of two years was granted to complete its road to Chef Menteur and Lake Borgne, provided that if not commenced within three years and completed within ten years the banking privileges should be forfeited.

By an act approved January 3, 1838 (Acts 1838, p. 2), the company was authorized to negotiate such loans as might be deemed necessary upon its bonds and other obligations, secured by mortgage, to enable it to complete a new track and improve its harbor.

By an act, No. 227, of the legislature of 1853 (Acts 1853, pp. 180-182), the company was authorized to construct a railroad to Mobile and to increase its capital stock therefor to an amount not to exceed \$2,000,000, construction to be commenced in six months, and the part in Louisiana to be completed within three years from the passage of the act, otherwise the privileges conferred to be forfeited; and the act to be accepted by the stockholders within six months.

By an act, No. 140, of the legislature of 1868, approved October 6, 1868 (Acts of 1868, p. 179), the company was

authorized to increase its capital stock to the amount of \$750,000, and Section 2 of the act provided as follows:

“That the said company, having extended its said railroad from its former terminus at the intersection of Elysian Fields and Peters Streets along the curbstones bordering the levee to St. Philip; thence in the center of Clay to Toulouse Street; thence on the levee to the intersection of the Canal and Delta streets; and thence in the center of Delta to their present depot at the head of Girod, be and is hereby authorized to maintain, manage, and use the same by running thereon its cars with steam power of locomotion along the said route with the necessary turn-outs along the said route to and from its freight and passenger depot located as aforesaid at the head of Girod Street.”

By an act, No. 10, of the legislature of 1872 (Acts 1872, pp. 37-39), the act of incorporation of the Pontchartrain Railroad Company and several acts amendatory thereof were amended, and the Pontchartrain Railroad Company permitted to sell to Charles Morgan, his heirs and assigns, that portion of the Pontchartrain Railroad, with its tracks, depots, appurtenances, and franchises lying between Girod Street and Elysian Fields; and Charles Morgan was authorized to incorporate the same with the Morgan's Louisiana & Texas Railroad, and granted certain ferry privileges.

Section 7 of this act repealed Section 14 of the charter of 1830, which required the interests of the Pontchartrain Railroad Company to be distinct from all other corporations, under penalty of forfeiture of charter.

The above sale was carried out, and the tracks described in the act now belong to the Morgan's Louisiana & Texas Railroad Company.

Seven thousand four hundred and eighty-four (7,484) shares of stock of \$100 each were issued and were transferred to the Louisville & Nashville Railroad Company by the New Orleans, Mobile & Texas Railroad Company, as reorganized, by deed of October 5, 1881, conveying the property and franchises of that company. (Deed A 5.) Of this stock 7,118 shares are deposited with the Farmers Loan & Trust Co. under the mortgages on the New Orleans & Mobile Division. ✓ The road has been operated by the Louisville & Nashville Railroad Company since June 1, 1880, that Company having obtained control about May 1, 1880, at the same time it obtained control of the New Orleans, Mobile & Texas Railroad. //

BARDSTOWN & SPRINGFIELD BRANCH.

Bardstown Junction to Springfield, Kentucky.....37.44 miles.

By act of the General Assembly of Kentucky, approved March 10, 1854 (2 Acts 1853-4, p. 551), entitled "An Act to incorporate the Bardstown Railroad Company," it is provided that as soon as 500 shares of stock shall be subscribed, the subscribers and their successors and assigns "shall be and they are hereby declared to be incorporated into a company by the name of the Bardstown & Louisville Railroad Company." This act vests the president and directors "with all rights and powers necessary to construction of the railroad from Bardstown to Louisville or from Bardstown to some point upon the railroad leading from Louisville to Nashville, whichever may be agreed upon, not exceeding sixty feet wide." The capital stock was fixed at \$350,000, in shares of \$100, with

authority to increase to not exceeding \$50,000 additional. It will be noticed that while the corporation is designated in the title as the "Bardstown Railroad Company," it is designated in the body of the act as the "Bardstown & Louisville Railroad Company."

By act of March 6, 1856 (Acts 1855-6, p. 12), entitled "An Act to amend the Bardstown & Louisville *Railroad*," power was given the corporation to contract with the Louisville & Nashville Railroad Company as to the use of that Company's railroad between Bardstown Junction and Louisville, or to surrender permanently or temporarily to the Louisville & Nashville Railroad Company the right to run the entire route between Bardstown and Louisville. The company, the majority of stockholders agreeing and consenting, was authorized to surrender their stock and make it joint stock in the Louisville & Nashville Railroad Company, placing it upon the same footing as original Louisville & Nashville Railroad stock.

The charter of the Bardstown & Louisville Railroad Company was also amended by the following acts:

Act of February 9, 1858 (1 Acts 1857-8, p. 336).

Act of February 15, 1858 (2 Acts 1857-8, p. 164).

Act of February 28, 1860 (2 Acts 1859-60, p. 344).

Act of October, 1861 (Acts 1861-2-3, chap. 150, p. 64).

On January 1, 1860, the Bardstown & Louisville Railroad Company executed a mortgage to secure its bonds for \$30,000. In an action to enforce the lien created by that mortgage the railroad, franchises, etc., of the company were sold August 8, 1864, under decree of the Nelson Circuit Court, rendered April 7, 1864, and purchased by the Louisville & Nashville Railroad Company. Report of sale confirmed September 30, 1864. The right of the

Bardstown & Louisville Railroad Company to execute a mortgage to secure the loan was determined by the Court of Appeals of Kentucky, the court holding that the power to borrow money conferred by the charter implied the power to mortgage. (Bardstown & Louisville Railroad Company v. Metcalfe, 4 Metcalfe, 199.)

✓ The operation of the Bardstown & Louisville Railroad was first begun by the Louisville & Nashville Railroad Company March 19, 1860, under a contract made with the Bardstown & Louisville Railroad Company February 24, 1860.

THE MIDDLE DIVISION OF THE CUMBERLAND & OHIO RAILROAD COMPANY was incorporated by an act of March 24, 1880 (1 Acts 1879-80, p. 539), with power to construct and operate a railroad from Bloomfield, in Nelson County, to Springfield, in Washington County. The company was further empowered to unite, consolidate, or connect its railroad with any other line of railroad constructed or which might be constructed in the State, and to construct, maintain, and operate branch roads not exceeding 25 miles in length. The charter further provided that

“The board of directors of said company shall have power to establish such rates of toll for the conveyance of persons and property on their said railroad and its branches as they may, from time to time, determine, provided said rates shall not exceed those established, or to be hereafter established, on the Louisville & Nashville Railroad by law.”

By amendment of April 6, 1882 (2 Acts 1881-2, p. 149), to the charter, the words “from Bloomfield, in Nelson County, to Springfield, in Washington County,”

used in the original charter designating the location of the road, were stricken out and the following inserted in lieu thereof:

“From Springfield, in Washington County, in a northern or western direction through the counties of Washington, Nelson, Spencer, Shelby, Bullitt, or Jefferson to or within the city of Louisville, and in a southern or eastern direction through the counties of Washington, Marion, Mercer, Boyle, or Lincoln counties so as to connect said road with any railroad in any of said last-named counties.”

The amendment further provided that the capital stock of the company should not exceed \$3,000,000 and should be divided into shares of \$100 each.

The corporation was organized by the election of directors June 23, 1886, and on June 24, 1888, it entered into a contract with the Louisville & Nashville Railroad Company by which that Company undertook to construct the road of the Middle Division of the Cumberland & Ohio Railroad Company from Springfield, Kentucky, to Bardstow, Kentucky, the Middle Division of the Cumberland & Ohio Railroad Company agreeing to sell its road, franchises, and privileges to the Louisville & Nashville Railroad Company upon the completion of the road if that Company should desire to purchase. ✓ On March 26, 1888, the road having been completed February 1, 1888, and the Louisville & Nashville Railroad Company having elected to purchase in accordance with the terms of the contract, the Middle Division of the Cumberland & Ohio Railroad Company executed a deed conveying to the Louisville & Nashville Railroad Company all its property, privileges, and franchises, except the franchise to be a corporation, the road conveyed being described as

“extending from Springfield, in Washington County, Kentucky, to Bardstown, in Nelson County, Kentucky, being about twenty and seven hundredths (20.07) miles in length.” (Deed 2336.)

The Unified Mortgage of June 2, 1890, executed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York, trustee, is a second mortgage on the whole of the Bardstown and Springfield Branch. As to that part of the branch extending from Bardstown Junction, Kentucky, to Bardstown, Kentucky, known as the Bardstown Branch, the lien of the Unified Mortgage is subject to the General Mortgage of date June 1, 1880, executed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York, trustee, to secure an issue of \$20,000,000 of 6 per cent bonds, maturing June 1, 1930, of which \$8,239,000 are outstanding. As to that part of the branch extending from Bardstown, Kentucky, to Springfield, Kentucky, known as the Springfield Branch, the lien of the Unified Mortgage is subject to a mortgage of date April 30, 1887, executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York, trustee, to secure an issue of 5 per cent gold bonds maturing May 1, 1937, not to exceed in the aggregate \$3,500,000, of which \$1,764,000 have been issued, \$15,000 being owned by the Louisville & Nashville Railroad Company and \$1,749,000 outstanding in the hands of the public. This mortgage is usually designated as the “First Mortgage, Fifty Year Five Per Cent Gold,” but is sometimes referred to as the “Five Per Cent Branch Mortgage.”

KNOXVILLE DIVISION.

	MILES	
Lebanon Junction, Kentucky, to Jellico, Tennessee..	171.17	
Wilton Junction, Kentucky, to Wilton, Kentucky..	3.97	
Jellico, Tennessee, to Halsey, Kentucky.....	8.58	
	183.72	

✓ The KNOXVILLE DIVISION, except that part from Jellico, Tennessee, to Halsey, Kentucky, was constructed by the Louisville & Nashville Railroad Company under its own charter. The location of that part of this division extending from Lebanon Junction to Lebanon, and originally known as the Lebanon Branch, was made in the spring of 1854, and contract was then made for construction of part of road. Ground was not broken until January, 1855. The operation of this branch in connection with the first $31\frac{1}{2}$ miles of Main Stem was begun November 1, 1857, but through trains commenced to run to Wilson's Creek, a distance of almost $3\frac{1}{2}$ miles from Lebanon Junction, on October 5, 1856, and trips were extended to New Haven, a distance of 15 miles on the branch, July 13, 1857.

The preliminary surveys and final location of the Knoxville Branch from Lebanon to South Danville Station, a distance of $28\frac{1}{2}$ miles, were made in June, July, and August, 1863, and its grading and masonry were let to contract in September of the same year, and extension located to Stanford in October and November, 1863. The work was virtually suspended in 1864, but in February, 1865, the work of track laying was commenced at Lebanon, and was completed to Parksville, 21 miles from Lebanon, by the close of the year. In August and September, 1865, extension was located from Stanford to Crab Orchard, 11 miles, and grading, masonry, and cross-ties let to contract in November, 1865.

This extension was completed to Crab Orchard, and operation to that place commenced July 1, 1866. On July 1, 1867, the extension had been located to London, 43 miles from Crab Orchard, and most of line put under contract to that place. On February 4, 1868, the extension was opened for business as far as Brodhead Station, 7.2 miles beyond Crab Orchard and 122.2 miles from Louisville. Trains were first run to Mt. Vernon November 18, 1868. Operation to Rockcastle River, 11 miles beyond Mt. Vernon, began September 8, 1870.

On July 1, 1882, the extension was in operation to London, 18 miles from Livingston, the former terminus, and the extension reached the Tennessee State line at Jellico in April, 1883.

The Wilton Branch was put in operation December 1, 1901.

THE JELICO, BIRDEYE & NORTHERN RAILWAY COMPANY, which constructed that part of the Knoxville Division from Jellico, Tennessee, to Halsey, Kentucky, was incorporated by the filing of articles of incorporation in the office of the Clerk of the Jefferson County Court June 20, 1893, and in the office of the Secretary of State of Kentucky on same day. The articles declare that the business to be transacted shall be to construct, maintain, and operate a line of railway "commencing at or near Jellico, in the county of Whitley, Kentucky, and running thence in a northeasterly direction through the property of the Jellico & Birdeye Coal Company near Halsey, and thence to a point at or near Barbourville in Knox County, a distance of about 25 miles." The corporation was to commence June 1, 1893, and continue fifty years. Indebtedness limited to \$200,000, of which not exceeding \$100,000 may

be evidenced by bonds and secured by mortgage. (Contract 5976.)

✓ By deed of July 16, 1902, the Jellico, Birdseye & Northern Railway Company conveyed to the Louisville & Nashville Railroad Company all its property, privileges, and franchises, the railroad conveyed being described as "beginning at a point on the Knoxville Division of the Louisville & Nashville Railroad, about 1,500 feet south of mile post 200 from Louisville, and extending in a northeasterly direction a distance of about $7\frac{1}{2}$ miles to the coal mines of the Whitley Coal Company." The deed also conveyed "all the right, title, and interest of the said Jellico, Birdseye & Northern Railway Company in and to the contract of October 5, 1892, between E. T. Halsey and associates and the Louisville & Nashville Railroad Company for the use of the right of way of the Louisville & Nashville Railroad Company by said E. T. Halsey and associates for the construction and operation of a railroad between Elk Fork Bridge and the north switch of the Jellico yard." (Deed 5389, Part 2.)

By deed of date July 17, 1902, the property and franchises thus acquired by the Louisville & Nashville Railroad Company were conveyed by that Company to the Central Trust Company of New York as trustee under the Unified Mortgage of June 2, 1890. (Deed 5389, Part 3.)

The road extends from Jellico, Tennessee, on the Knoxville Division, to Halsey, Kentucky, a distance of 8.58 miles, and has been operated as a part of the Louisville & Nashville system since July 1, 1902. The construction of the road was begun in July, 1892, and it was completed in September, 1893. Authorized capital stock \$100,000.

Full amount issued and all purchased by Louisville & Nashville Railroad Company from the Whitley Coal Company, May 19, 1902.

By contract of date March 1, 1904, between the Louisville & Nashville Railroad Company and the Knoxville, LaFollette & Jellico Railroad Company, styled together in the contract the Louisville Company, parties of the first part, and the Southern Railway Company and the Cumberland Railway Company, styled together in the contract the Southern Company, parties of the second part, the Louisville Company agreed, among other things, to reconstruct that part of the Jellico, Birdeye & Northern Railroad (the Halsey Branch) extending from Jellico, Tennessee, to Boston, in Whitley County, Kentucky, and granted to the Southern Company the right to use the same when reconstructed, thus making, with other trackage rights granted by the contract, a direct line from Jellico to the headwaters of Clear Fork, to be jointly used by the parties to the contract. By its terms this contract continues in effect for the term of twenty-five years and thereafter until either party shall have served upon the other six months' notice in writing of its election to terminate the same. (Contract No. 7271.)

The entire Knoxville Division is covered by the Unified Mortgage. As to that part of the road from Lebanon Junction, Kentucky, to Livingston, Kentucky, the Unified Mortgage is subject to the General Mortgage of date June 1, 1880, executed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York, trustee, to secure \$20,000,000 of 6 per cent bonds maturing June 1, 1930, of which \$8,239,000 are outstanding. Subject to both the prior mortgages, that part of the road

from Sinks, Kentucky, to Livingston, Kentucky, is covered by the Atlanta, Knoxville & Cincinnati Division mortgage, of date April 1, 1905, executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York, trustee, to secure an issue of bonds not to exceed in the aggregate \$50,000,000. (Contract 7679.)

Subject to the Unified Mortgage, that part of the road from Livingston, Kentucky, to Jellico, Tennessee, and the branch from Jellico, Tennessee, to Halsey, Kentucky, are also covered by the Atlanta, Knoxville & Cincinnati Division mortgage.

SOUTHERN DIVISION CUMBERLAND & OHIO RAILROAD.

Cumberland and Ohio Junction to Greensburg, Kentucky, 30.90 miles.

✓ The CUMBERLAND & OHIO RAILROAD COMPANY was incorporated by an act of the General Assembly of Kentucky approved February 24, 1869, (1 Acts 1869, p. 463). By the first section of an amendment of March 18, 1878, to the charter (1 Acts 1878, p. 549), it was provided:

“That it shall be lawful, and said company may divide its road into two sections, the one commencing at the terminus of said road in Henry County and extending through the counties of Henry, Shelby, Spencer, and Nelson to Bloomfield, in Nelson County, and which shall be known and designated as the Northern Division of the Cumberland & Ohio Railroad Company; the other commencing at Lebanon, in Marion County, and extending through Marion, Taylor, and Green counties to Greensburg, in Green County, and which shall be known and designated

as the Southern Division of the Cumberland & Ohio Railroad Company."

By the sixth section of the same amendment it was provided:

"That the Cumberland & Ohio Railroad Company may be divided into two distinct corporations, with the approval of a majority of the stockholders voting at a regular or called meeting of the company. The one corporation to own the section of said road situated between Campbellsburg, in Henry County, and Bloomfield, in Nelson County, and to be composed of the stockholders north of Washington County, and to be known by the corporate name of the Northern Division of the Cumberland & Ohio Railroad Company; and the other to own the section of said road situate between Lebanon, in Marion County, and Greensburg, in Green County, and to be known by the corporate name of the Southern Division of the Cumberland & Ohio Railroad Company, and to be composed of the stockholders south of Washington County, and each to have the right to sue and be sued, and the powers conferred by this act upon the Cumberland & Ohio Railroad Company so far as applicable to their respective sections."

Pursuant to the authority granted by this amendment to the charter, the stockholders of the Cumberland & Ohio Railroad Company, at a meeting held June 5, 1878, provided for the division of the company into two distinct corporations, to be known as the Northern Division of the Cumberland & Ohio Railroad Company and the Southern Division of the Cumberland & Ohio Railroad Company respectively. And by act approved March 29, 1880 (1 Acts 1879-80, p. 649), this division of the road into two parts was ratified and confirmed.

September 19, 1878, the Southern Division of the Cumberland & Ohio Railroad Company executed a lease

to the Louisville & Nashville Railroad Company for the term of twenty-five (25) years, the property being described in the lease as

“Line of railroad lying between Lebanon, in Marion County, running through Taylor County, in said State, a distance of about thirty (30) miles, now partly constructed, and to be constructed, as hereinafter provided for, together with all its rights, franchises, and privileges.”

The lessee undertook to complete the construction of the road from Lebanon to Greensburg without unreasonable delay, the lessor agreeing to execute its bonds for \$300,000 in the aggregate, payable to the order of the Louisville & Nashville Railroad Company, and to execute and deliver to it a mortgage securing the payment of said bonds on said road constructed and to be constructed, together with “all its other property acquired and now owned, and to be acquired for the purpose of said road, with its rights, franchises, and privileges.” Said bonds to bear date September 2, 1878, and be made payable in twenty years after date.

By the terms of the lease, the net earnings were to be applied first to the payment of interest on bonds, and at the end of three years after the completion of the road such a per cent of the earnings as should be sufficient for that purpose was to be set aside annually by the Louisville & Nashville Railroad Company as a sinking fund for the payment of the bonds at maturity. One third of the remainder was to be retained by the Louisville & Nashville Railroad Company, and the other two thirds to be paid to the Southern Division of the Cumberland & Ohio Railroad Company. And if during the first three years after the completion of the road there should be a surplus,

after paying interest, it was to be divided between the parties in the same way.

For the purpose of carrying out the provisions of the lease a trust was created, and H. B. Phillips and N. S. Ray were elected by the parties as trustees, the mortgage provided for being executed to them as such. September 3, 1898, the day after the bonds matured, H. B. Phillips, as surviving trustee, brought suit in the Marion Circuit Court against the Southern Division of the Cumberland & Ohio Railroad Company and the Louisville & Nashville Railroad Company, seeking an accounting as to net earnings, and praying that if anything was due the Louisville & Nashville Railroad Company as a result of the transaction, the property should be sold to pay the amount. The trial court sustained a demurrer to the petition and dismissed the action, but upon appeal to the Court of Appeals that judgment was reversed. (Phillips, &c., v. Southern Division C. & O. R. Co., 110 Ky. 33; 22 Ky. Law Rep. 1530.)

After the return of this case to the Circuit Court various proceedings were had and proof taken, and on June 29, 1903, judgment was entered in favor of the Louisville & Nashville Railroad Company for \$706,975.71, with interest from that date and costs of the action, and the judgment directed that the road should be advertised and sold at the court-house door at Lebanon, Kentucky, on August 3, 1903. The road was sold on that date, the Louisville & Nashville Railroad Company becoming the purchaser at the appraised value of the road, to wit, \$450,000. W. G. Buckner, Commissioner, filed his report of sale at the September term, 1903, of the Marion Circuit Court, and the sale was confirmed and Commissioner directed to

make deed to the Louisville & Nashville Railroad Company. The Commissioner thereupon on October 2, 1903, executed a deed to the Louisville & Nashville Railroad Company, conveying to it all the property, rights, franchises, etc., of the Southern Division of the Cumberland & Ohio Railroad Company (No. 5664), and the same was approved by the court on October 25, 1903, and certified to the Clerk of the Marion Circuit Court for record and recorded in Deed Book No. 3, p. 568, Marion County Clerk's office, and in Deed Book No. 2, p. 223, Taylor County Clerk's office, and in Deed Book No. 2, p. 305, Green County Clerk's office.

The property and franchises were conveyed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York as trustee under the Unified Mortgage of June 2, 1890, by deed of date September 15, 1904. (No. 5664.)

CUMBERLAND VALLEY DIVISION.

Corbin, Kentucky, to Norton, Virginia.....117.44 miles.
 Cumberland River and Tennessee Junction to Chenoa,
 Kentucky 12.35 miles.

✓ Of the mileage from Corbin, Kentucky, to Norton, Virginia, 66.15 miles are in Virginia, 47.12 miles in Kentucky, and 4.17 miles in Tennessee. That part of this mileage in Kentucky and Virginia was constructed by the Louisville & Nashville Railroad Company under its charter and amendments, and under an act of the Virginia Legislature approved March 30, 1887, and that part in Tennessee was constructed by the Cumberland & Big Stone Gaps Railroad Company under articles of incorporation filed with the Secretary of State of Tennessee May 7, 1889. ✓

On April 29, 1886, the Board of Directors resolved that the road be built from Corbin, Kentucky, on the Knoxville Division, or some point near there, to Pineville, Kentucky, and authorized the President to secure the right of way and have that part of line constructed. Between July 1, 1886, and July 1, 1887, the right of way was obtained and contract let to bridge and grade about 31 miles. The road was completed and turned over to the operating department as follows:

From Corbin to Pineville, Kentucky.....	May 1, 1888
From Pineville to Cumberland Gap.....	September 1, 1889
From Cumberland Gap to Big Stone Gap, Virginia.....	April 15, 1891
From Big Stone Gap to Norton, Virginia.....	May 15, 1891

(Strictly speaking, the road was not completed to Pineville on May 1, 1888, there being some legal difficulties in the way of completion to that point, but the end of track, a distance of .37 of a mile north of Pineville, was, for convenience, given that name.)

The Virginia Act of March 30, 1887, under which that part of the road in Virginia was built and is now operated, is entitled "An Act to authorize the Louisville & Nashville Railroad Company, a corporation created and organized under the laws of Kentucky, to construct and operate an extension of its line of railroad into and within the State of Virginia," and reads as follows:

"Be it enacted by the General Assembly of Virginia, That the Louisville & Nashville Railroad Company, a corporation created and organized and existing under the laws of the State of Kentucky, be and is hereby authorized to extend, locate, construct, and operate an extension of its line of railroad from any of its roads or branches in the State of Kentucky into and within this State, beginning on the State line between Kentucky and Virginia, either at or near the head-waters of Clover Fork of the Cumberland River, and thence through Pennington's Gap, or Big Stone Gap, or both, or beginning on the State line between

Kentucky and Virginia at or near Cumberland Gap, in Lee County, and extending by any route it may adopt to such point in the counties of Lee, Scott, Wise, Washington, or Russell, as will enable it to connect with any line of railroad now or hereafter located or constructed, in or to any of said counties of Lee, Scott, Wise, Washington, or Russell, with the power, from time to time, of locating, constructing, and operating such branches and laterals as may enable it to connect said extension with mining, manufacturing, and other operations in any of the counties in which said extension is authorized hereby to be located and constructed; and for the purpose of this act the said company shall have the same rights to acquire, by purchase or condemnation, lands for the right of way of its said extension and branches and for stations and depots, which the laws of this State grant to railroad companies of this State, and it may acquire and hold real and personal property, and have, possess, and exercise such powers and privileges, not inconsistent with the laws of this State, as may be required to locate, construct, and operate such extension and branches into and within this State, provided, however, as to the location, construction, and operation of such extension and branches in this State, the Louisville & Nashville Railroad Company shall be subject to all the obligations and duties, and be entitled to all rights, powers, and privileges imposed and granted by the provision of the laws or Code of Virginia applicable to railroad or internal improvement companies of this State, except so far as the same may be inconsistent with the provisions of this act.

“The said extension of the Louisville & Nashville Railroad Company may cross, be united and connected with any other railroad now built or hereafter constructed in the said counties of Lee, Scott, Wise, Washington, and Russell.

“The Louisville & Nashville Railroad Company may, for the purpose of constructing, equipping, or improving said extension and branches, from time to time, secure its

bonds and other indebtedness by deed or deeds of trust or mortgage, secured upon all or any part of its property, privileges, and franchises in this State.

“The said Company shall begin work within two years and complete the same within five years from the date of this act, otherwise the rights and privileges hereby granted shall cease and become void.

“The rights, privileges, and franchises hereby granted are granted upon the express condition that the said Company shall forever remain, in all matters arising within this State, or arising from the exercise of any of the rights, privileges, and franchises hereby granted, subject to the courts of Virginia, and subject to the general laws of Virginia; that the said Company shall have the right to sue and be liable to be sued in the courts of this State, and for this purpose process may be served on any officer or agent of said Company in any county or corporation of this State wherein such cause of action against such Company may arise, and that all taxes and debts due or to become due this State by the said Company shall be paid in lawful money of the United States and not in coupons.

“This act shall take effect from its passage, and shall be subject to amendment, modification, or repeal, at the pleasure of the General Assembly.”

The articles of incorporation of the CUMBERLAND & BIG STONE GAPS RAILROAD COMPANY, under which that part of the Cumberland Valley Branch in Tennessee was constructed, were filed with the Secretary of State of Tennessee May 7, 1889. Those articles declare that the corporation is created

“For the purpose of constructing a railway from or near the southern end of the Cumberland Valley Branch of the Louisville & Nashville Railroad Company, at or near Cumberland Gap, in Claiborne County, Tennessee, to a point or points on the line between the States of Tennessee and Virginia, in Claiborne County, Tennessee, so

as to connect the Cumberland Valley Branch of the Louisville & Nashville Railroad Company with the line or lines of any railroad or railroads of any company or companies of the State of Virginia." (Contract 1975.)

The board of directors, pursuant to authority granted by the articles of incorporation, fixed the capital stock at \$50,000 in shares of \$100 each, but no stock was ever issued. ✓ The Louisville & Nashville Railroad Company having organized the Cumberland & Big Stone Gaps Railroad Company and furnished the money to build the road, the latter company, by deed of date August 27, 1900 (No. 4425), conveyed all its property to the Louisville & Nashville Railroad Company, the property conveyed being described as follows:

"All of the railroad, road-bed, rights of way, depot and depots, sidings and switches, and finally the railroad property of every kind, character, and description belonging to said conveyor, situated in the county of Claiborne, State of Tennessee, and beginning at a point where the center line of the main track of said conveyor's railroad crosses the east line of the right of way originally owned by the Knoxville, Cumberland Gap & Louisville Railroad, now the property of the Louisville & Nashville Railroad Company, said point being about nine hundred and forty-three (943) feet measured in a southerly direction from the south portal of Cumberland Gap tunnel, in the State of Tennessee; thence extending in a southerly and an easterly direction a distance of about four and seven hundredths (4.07) of a mile to the State line between the States of Tennessee and Virginia."

✓ The CUMBERLAND RIVER & TENNESSEE RAILROAD COMPANY, which constructed that part of the Cumberland

Valley Division from Cumberland River and Tennessee Junction to Chenoa, Kentucky, a distance of 12.35 miles, was incorporated by articles of incorporation lodged for record with the Clerk of the County Court of Bell County, Kentucky, June 10, 1893, and filed in the office of the Secretary of State June 22, 1893. The articles empower the corporation created thereby to operate a railroad

“To be wholly constructed in the county of Bell, and State of Kentucky, and to extend from a point on the Cumberland Valley Division of the Louisville & Nashville Railroad on the south side of Cumberland River near the iron railroad bridge crossing said river from Wasioto, up Clear Creek to Bear Creek, to the mines of the Log Mountain Coal, Coke & Timber Company, a distance of about twelve (12) miles.”

Authorized capital stock \$300,000, divided into 3,000 shares of \$100 each. The corporation was to commence April 27, 1893, and continue ninety-nine (99) years. (Contract 5766.)

The property of the corporation was sold June 25, 1901, in an action in the Bell Circuit Court by the Manhattan Trust Company against the Log Mountain Coal, Coke & Timber Company and the Cumberland River & Tennessee Railroad Company, and at that sale the Louisville Property Company became the purchaser. The sale was confirmed June 28, 1901, and deed executed July 1, 1901, by Henry Steele, Master Commissioner, to the Louisville Property Company. The deed conveys

“The railroad and right of way of the Cumberland River & Tennessee Railroad Company, including the railroad track, road-bed, sidings, switches, side tracks, culverts, bridges, fences, depot and station grounds and

houses, and machine shops and all other buildings and erections appertaining unto the said line of railway, and all cars of any kind and machinery and rolling stock of every kind." (Deed No. 5110.) Recorded in Bell County Court Clerk's office, Deed Book 3, p. 327 *et seq.*

✓ By deed of September 28, 1901, the property thus conveyed to the Louisville Property Company was conveyed by that company to the Louisville & Nashville Railroad Company. (Deed No. 5215.) And by deed of September 30, 1901, the same property was conveyed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York as trustee under the Unified Mortgage of June 2, 1890. (Deed No. 5215.)

That part of the Cumberland Valley Division from Corbin, Kentucky, to Norton, Virginia, is also covered by the Unified Mortgage, but as to that part of the division, the lien of the Unified Mortgage is subject to the lien of a mortgage of date April 30, 1887, executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York, Trustee, to secure an issue of 5 per cent gold bonds maturing May 1, 1937, not to exceed in the aggregate \$3,500,000, of which \$1,764,000 have been issued, \$15,000 being owned by the Louisville & Nashville Railroad Company and \$1,749,000 outstanding in the hands of the public. This mortgage is usually designated as the "First Mortgage Fifty Year Five Per Cent Gold," but is sometimes referred to as the "Five Per Cent Branch Mortgage."

MIDDLESBOROUGH RAILROAD.

	MILES	
Middlesborough, Kentucky, to Ralston Coal Company, Tennessee	9.24	
Stony Fork Junction, Kentucky, to Elwood, Kentucky	5.80	
Tracks around Middlesborough, Kentucky.....	1.18	
Cole Creek and Stony Fork Switchbacks.....	2.93	
	19.15	

✓ The MIDDLESBOROUGH BELT RAILROAD COMPANY was incorporated in Kentucky by act of the Kentucky Legislature approved March 1, 1890 (1 Acts 1889-90, p. 514), with power

“To locate, construct, maintain, and operate as a common carrier a single or double track railroad, with such telegraph lines as it may deem necessary, on a strip of land not exceeding one hundred feet in width, from any point on Yellow Creek, in Bell County, and thence around the valley of said creek, so as to make a belt around the city of Middlesborough, or encircle the same.”

And the act further provides that the company

“May extend its line from any point on said belt road into or across the city of Middlesborough, the consent of the city authorities being first obtained, or to any point on the Virginia or Tennessee lines adjoining the county of Bell; and may construct spur lines or coal or mineral roads from said belt road to any point in the counties of Bell, Knox, Whitley, Leslie, or Harlan.”

The act also provides that

“The said railroad company may connect its lines with the lines of any railroad now built or that may hereafter be built in this State within the counties above

named; and may cross at grade, or over or under any other railroad or highway in this State, and may purchase and hold any connecting roads in this State or elsewhere, or may consolidate with any railroad company in or out of this State, upon such conditions as may be agreed upon; or may lease and operate any railroad connecting with the railroad of this company or its branches, and upon such terms as may be agreed upon between the companies so connecting or consolidating; and for such purpose continual power is hereby given to said company to make and execute such contracts with any other company as will secure the objects of such connection, by lease or otherwise; and this company may also sell its railroad and the franchises appertaining thereto, or lease the same."

The company was also authorized to issue and sell its bonds, not exceeding \$25,000 for each mile of its road, and to secure the same by mortgage on its property and franchises. And it was further provided that

"The said company shall have the power to establish such rates of toll for the conveyance of persons and property on its railroad and branches, not exceeding the rates charged by other railroads in this State, or which may be established by general law regulating the charges of freight and passage on railroads in this Commonwealth."

Authorized capital stock \$1,000,000.

Articles of incorporation bearing date August 12, 1890, were filed in the office of the Register of Claiborne County, Tennessee, August 15, 1890, and registered in the office of the Secretary of State of Tennessee August 20, 1890. These articles declare that the corporation is created

"For the purpose of constructing and operating a railroad from a point in the State line, on the line between

Bell County, Kentucky, and Claiborne County, Tennessee, and in the valley of Yellow Creek, south of Middlesborough, Kentucky, through portions of Claiborne and Campbell counties, Tennessee, by the most desirable and practical route through Big Creek Gap to Careyville in Campbell County, Tennessee." (Contract No. 4027.)

On July 1, 1890, the railroad company executed a mortgage to the Atlantic Trust Company on its property and franchises to secure an issue of bonds amounting to \$552,000, and the railroad company having made default July 1, 1893, in the payment of interest thereon, the Atlantic Trust Company filed its bill October 10, 1893, in the Circuit Court of the United States for the District of Kentucky, to foreclose the mortgage, and in that suit J. H. Bartlett was appointed receiver in Kentucky. A decree of foreclosure and sale was rendered March 27, 1895; and June 21, 1895, the property and franchises were sold thereunder by James A. Chapman, Special Commissioner, Frederick W. Whitridge becoming the purchaser at that sale. That sale was confirmed July 30, 1895, and deed ordered August 5, 1895. Thereafter, on August 20, 1895, the purchaser assigned his bid to Edwin T. Rice, Jr., to whom James A. Chapman, Special Commissioner, conveyed the property and franchises in Kentucky by deed of date August 22, 1895 (Deed 3821, Part 1), and by deed of same date Edwin T. Rice, Jr., conveyed the property and franchises to the Middlesborough Railroad Company. (Deed 3821, Part 3.)

Similar proceedings were also had in the Circuit Court of the United States for the Northern Division of the Eastern District of Tennessee, bill to foreclose the mortgage being filed in that court October 12, 1893. In that

action J. H. Bartlett was appointed receiver in Tennessee, and decree of foreclosure was entered March 28, 1895, sale made June 21, 1895, confirmed August 1, 1895, deed ordered August 9, 1895, and deed executed August 22, 1895, by James A. Chapman, Special Commissioner, to Edwin T. Rice, Jr., to whom Frederick W. Whitridge, the purchaser, had assigned his bid by writing of date August 20, 1895. (Deed 3821, Part 2.)

And by deed of same date Edwin T. Rice, Jr., conveyed the property and franchises in Tennessee to the Middlesborough Railroad Company. (Deed 3821, Part 4.)

THE MIDDLESBOROUGH RAILROAD COMPANY was incorporated by filing of articles of incorporation with the Tennessee Secretary of State for registration August 10, 1895. The first meeting of incorporators was held August 13, 1895, at which it was resolved to file a copy of the articles in Kentucky, and a copy was filed with the Secretary of State of Kentucky August 15, 1895. The articles declare the company is incorporated

“For the purpose of constructing a railway from a point in Claiborne County, in the State of Tennessee, in the State line between said State of Tennessee and said State of Kentucky, on the border of Bennett’s Fork of Yellow Creek, through Claiborne County and Campbell County, to Careyville in said Campbell County, in said State, and from a point on said line of railroad, near the junction between Burrell’s Creek and New Cabin Creek, forming said Bennett’s Fork, up said New Cabin Creek to the coal mines situated on said New Cabin Creek.” (Contract 4027.)

By deed of November 4, 1896 (No. 3821, Part 5), the Knoxville, Cumberland Gap & Louisville Railway Com-

pany (incorporated by articles of incorporation of date December 11, 1895, and registered in the office of the Secretary of State of Tennessee December 13, 1895) conveyed to the Middlesborough Railroad Company that part of its road, including Cumberland Gap Tunnel, from a point in Claiborne County, Tennessee, 1,074 feet south of the south portal of the tunnel, and thence through the State of Virginia and through Bell County, Kentucky, to the town of Middlesborough, a distance of about 3 miles, 4,214 feet.

✓ By another deed of same date (No. 3821, Part 6) the Middlesborough Railroad Company conveyed to the Louisville & Nashville Railroad Company all its railroad, including the Cumberland Gap Tunnel; also all its equipment and personal property of every description, and all its rights and franchises.

By a contract of same date (No. 4225, Part 1) referring to the two deeds of even date, and reciting that they were executed subject to the terms of that contract, the Louisville & Nashville Railroad Company, named as the first party, leased to the Knoxville, Cumberland Gap & Louisville Railway Company, named as the second party, for a period of fifty years, with the privilege of renewal for like periods of fifty years forever,

“The joint use of the first party’s railroad from its point of connection with the second party’s railroad in the State of Tennessee, near the south or east approach to the Cumberland Gap Tunnel, to the first party’s Middlesborough Station, in the State of Kentucky, a distance of 4.342 miles, and also the joint use of such portion of the first party’s station buildings, yards, and terminal facilities as the parties hereto may hereafter agree upon.”

The benefit of the agreement was subsequently assigned by the Knoxville, Cumberland Gap & Louisville Railway Company to the Southern Railway Company by deed dated June 29, 1898, and thereafter, in order to meet the requirements of the Kentucky law, the Southern Railway Company assigned the contract to the Southern Railway Company in Kentucky by an instrument dated September 27, 1899.

	MILES
The Middlesborough Belt Railroad, as originally constructed, formed a complete belt line, encircling the city of Middlesborough, and its length was reported to be.....	21.13
There were taken up in 1897—	
East and West Belts	6.24
Stony Fork Branch	5.84
	12.08
	9.05
Added spur leading to brewery, which was allowed to remain .....	.91
Added on account of construction of tracks to serve Ralston Coal Company, March, 1901 .....	.19
Extension of Stony Fork Branch, completed and put in operation June 15, 1902.....	3.00
New connection with Cumberland Valley Division, completed and put in operation July, 1902.....	.27
Junction of Cole Creek Switchback from Stony Fork Branch, added during fiscal year ended June 30, 1903.....	.06
Extension of Stony Fork Branch (completing that branch, which was put in operation for revenue business October 23, 1903)	2.74
Cole Creek and Stony Fork Switchbacks, added during fiscal year ended June 30, 1904.....	2.93
	19.15
Total length June 30, 1904.....	19.15

Authorized capital stock of Middlesborough Railroad Company, \$552,000. Full amount issued. The Louisville & Nashville Railroad Company acquired a majority of the stock in 1895, and subsequently acquired the remainder. This road is covered by the Unified Mortgage of June 2, 1890, unified bonds for the cost of the road having been received February 8, 1897.

KNOXVILLE, LAFOLLETTE & JELICO RAILROAD.

	MILES	
Main Line—State line to Knoxville, Tennessee, passenger station	74.88	
Saxton Branch—Saxton, Kentucky, to State line and connection track at Lot, Kentucky	4.23	
Clear Fork Branch—Trevilion to Laurel Fork, Tennessee	2.21	
Hog Camp Spur—Ilford to Westbourne, Tennessee....	2.83	
Cow Creek Branch—Dossett to Windrock, Tennessee..	13.06	
	<hr/>	97.21

✓ The Knoxville, LaFollette & Jellico Railroad Company was incorporated by the filing of articles of incorporation in the Register's office of Knox County, Tennessee, April 2, 1902, and in the office of the Secretary of State of Tennessee April 3, 1902.

The articles declare that the corporation is created for the purpose of constructing

“A railroad from the city of Knoxville and a connection with the Atlanta, Knoxville & Northern Railroad at or near the city of Knoxville, in the county of Knox, State of Tennessee, to a connection with the Louisville & Nashville Railroad at or near Jellico, Tennessee, in the county of Campbell, State of Tennessee.”

Authorized capital stock \$1,000,000. Amount issued \$10,000, all owned by the Louisville & Nashville Railroad Company.

By an amendment to the articles of incorporation of date May 7, 1902, received for record in the Register's office of Knox County May 8, 1902, and received for record in the office of the Secretary of State of Tennessee May 9, 1902, the corporation was empowered to build and construct branch roads

“(1) From a point on the main stem of the Knoxville, LaFollette & Jellico Railroad, as now located between

Jellico and LaFollette, Tennessee, at or near the confluence of Clear Fork Creek or River and Hickory Creek, in Campbell County, Tennessee; thence eastwardly through the counties of Campbell and Claiborne, in Tennessee, and along or near the waters of Clear Fork Creek or River to a point at or near the intersection of the State line between Tennessee and Kentucky, with said Clear Fork Creek or River, in Claiborne County, Tennessee.

“(2) Also from the same starting point on the main stem of the Knoxville, LaFollette & Jellico Railroad, as now located, between Jellico and LaFollette, Tennessee, at or near the confluence of Clear Fork Creek or River and Hickory Creek, in Campbell County, Tennessee; thence eastwardly through Campbell County, Tennessee, to a point at or near where the Laurel Fork Creek empties into Clear Fork Creek or River, in Campbell County, Tennessee; thence northeastwardly through the counties of Campbell and Claiborne, in Tennessee, and along or near the waters of said Laurel Fork Creek to the State line between Tennessee and Kentucky, at or near the point where the said Laurel Fork Creek intersects the same.”

By a further amendment to the articles of incorporation bearing date September 29, 1902, received for record in the Register's office of Knox County on the same date, and received for record and recorded in the office of the Secretary of State September 30, 1902, the corporation was empowered to construct

“A branch road from a point on the main line of said Knoxville, LaFollette & Jellico Railroad Company as surveyed and under construction about three miles north of where said main line crosses the Clinch River, in Anderson County, Tennessee, in a westerly direction through a portion of Anderson County and of Roane County to Oliver Springs, in said Roane County, thence in a north-

erly direction into Anderson County along Little Cow Creek, about three miles to a point on or near Little Cow Creek."

By a further amendment to the articles of incorporation bearing date June 24, 1903, received for record in the Register's office of Knox County on the same day, and received for record and recorded in the office of the Secretary of State June 25, 1903, the corporation was empowered to construct

"A branch road from a connection with the main stem of the said Knoxville, LaFollette & Jellico Railroad at or near Coal Creek, Anderson County, Tennessee, in a southwesterly and southerly direction to a connection with the Cow Creek Branch of the Knoxville, LaFollette & Jellico Railroad Company, in Anderson County, Tennessee, about three miles southeast of Oliver Springs."

By a further amendment to the articles of incorporation, bearing date of September 17, 1903, received for record in the Register's office of Knox County on the same day, and received for record in the office of the Secretary of State on September 17, 1903, the corporation was empowered to construct

"A branch or lateral road from a connection with the main stem of the Knoxville, LaFollette & Jellico Railroad at or near its grade crossing with the Knoxville & Augusta Branch of the Southern Railway Company in the Second Ward of the city of Knoxville; thence extending in a northerly direction up Second Creek to the manufacturing plants of Brookside Cotton Mills and others."

By a further amendment to the articles of incorporation, of date February 4, 1904, received for record in the

Register's office of Knox County on the same day, and received for record and recorded in the office of the Secretary of State on February 5, 1904, the corporation was empowered to construct

“ A branch road from a point on its main stem near the works of the Empire Marble Company in the Twelfth Civil District of Knox County, Tennessee; thence extending in an easterly direction to a point in the city of Knoxville near the old plant of the Knoxville Iron Company.”

(For charter and amendments see Contract 6182.)

The construction of the road provided for by the articles of incorporation was begun on May 12, 1902, and was completed and put in operation April 3, 1905, but trains were running on parts of the road prior to that time. This road connects the Knoxville Division with the Atlanta, Knoxville & Northern, and thus with the Kentucky Central Division forms a continuous line from Cincinnati, Ohio, to Atlanta, Georgia. The point of connection on the Knoxville Division is Saxton, Kentucky. That part of the road in Kentucky was constructed under the charter of the Louisville & Nashville Railroad Company.

By contract of date March 1, 1904, to continue in effect for twenty-five years from that date, and thereafter until either party shall have served upon the other six months' notice in writing of its election to terminate the same, the Louisville & Nashville Railroad Company and the Knoxville, LaFollette & Jellico Railroad Company, styled together in the contract the Louisville Company, granted to the Southern Railway Company and the Cumberland Railway Company, styled together in the contract the Southern Company, the right to use the

Knoxville, LaFollette & Jellico Railroad from Boston, in Whitley County, Kentucky, to a point at or near the confluence of Hickory Creek and Clear Fork, in Campbell County, Tennessee, and its branch line from that point to a point at or near the confluence of Laurel Fork and Clear Fork, the Southern Company agreeing to build a railroad of similar character from a connection with the railroad thus described, at or near the confluence of Laurel Fork and Clear Fork, and thence up the valley of the Clear Fork to a point or points upon its headwaters in the State of Kentucky, one of which is 1.48 miles from the State line and the other of which is 1.87 miles from the State line, and granting to the Louisville Company the right to use the same when constructed. The Louisville Company also agreed to transfer to the Southern Company all right of way which it may have acquired along the line of railroad which the Southern Company was to construct by the terms of the contract, as well as all work done thereon, and all maps, profiles, and estimates. By the same contract the Louisville Company agreed to reconstruct its Halsey Branch (Jellico, Birdeye & Northern Railroad) from Jellico to Boston, in Whitley County, Kentucky, and granted to the Southern Company the right to use the same when reconstructed, thus making, with the connections which the Louisville Company agreed to construct, a direct line from Jellico to the headwaters of Clear Fork, to be jointly used by the parties to the contract. (Contract 7271.)

✓ By deed of date December 22, 1904, the Knoxville, LaFollette & Jellico Railroad Company conveyed to the Louisville & Nashville Railroad Company all its property and franchises. // (Deed 5941, Part 2.)

The following tracks and branches are specifically described and conveyed by the deed:

1. Main Line.
2. Branch to Asylum Street Yards.
3. Second Creek Branch.
4. Third Creek Branch.
5. Dale Avenue Branch.
6. River Track.
7. Cow Creek Branch.
8. Clear Fork Branch.
9. Hog Camp Branch.
10. Rock House Spur.
11. Crooked Fork Branch.
12. LaFollette Connecting Track.
13. Poplar Creek Branch (survey and location).
14. Laurel Fork Branch (survey and location).

ATLANTA, KNOXVILLE & NORTHERN RAILWAY.

	MILES	
Marietta, Georgia, to Knoxville, Tennessee.....	204.69	
Murphy Branch—Murphy Junction, Georgia, to Murphy, North Carolina	23.45	
	<hr/>	228.14

By an act of the General Assembly of the State of Georgia, approved February 9, 1854, the ELLIJAY RAILROAD COMPANY was incorporated for the purpose of "opening and constructing a railroad communication from the Western & Atlantic Railroad, beginning at some point on said road at or between Marietta and Calhoun, to be determined by a majority of the stockholders hereinafter incorporated, and thence the most practicable route by the way of Ellijay, in

Gilmer County, to or near the mouth of Fightington Creek in Gilmer County, at or near the copper mines."

By act of December 14, 1858, the charter was amended so as to make the southeastern terminus of the road at or near Marietta, such route as the directors may select.

By act of December 19, 1859, the charter was further amended, and the name changed to the MARIETTA, CANTON & ELLIJAY RAILROAD COMPANY.

By an act of October 24, 1870, the name was further changed to the MARIETTA & NORTH GEORGIA RAILROAD COMPANY. And by an act, approved February 28, 1876, the northern terminus of the Marietta & North Georgia Railroad was changed to run from Ellijay, in Gilmer County, to the State line of North Carolina, to intersect and connect with the North Carolina & Georgia road leading to Murphy, with full power and authority to build a branch from said road at such point as they may deem best to the Tennessee line at Ducktown. Said railroad was also authorized and empowered to consolidate with the North Carolina & Georgia road upon such terms as they might deem best, and was further authorized to build and construct a branch from some point by or near Ball Ground, in Cherokee County, Georgia, to or near Dawsonville, in Dawson County, and by or near Dahlonega, in Lumpkin County, to Rabun Gap, in Rabun County. (Georgia Acts of 1876, page 254.)

By joint resolution, approved October 9, 1885, the charter was amended so as to empower the company to construct its road upon a part of the right of way of the Western & Atlantic Railroad Company from the city of Marietta to the marble mills north of that city.

By act of December 22, 1886, this charter was further

amended so as to allow the company to consolidate with the Georgia & North Carolina Railroad Company, when in the judgment of the directors it should become desirable so to do, under the name and style of the Marietta & North Georgia Railway Company. By articles of agreement filed in the office of the Secretary of State of Georgia, this consolidation was effected May 9, 1887, the name of the consolidated corporation being the Marietta & North Georgia Railway Company.

By act of the legislature of Georgia, approved October 14, 1889, the Marietta & North Georgia Railway Company was authorized to extend its roadway from Marietta to the city of Atlanta, Georgia; and also given the right to extend its line from a point on the North Carolina or Georgia and Tennessee line to the city of Knoxville, either by consolidating with a Tennessee corporation or by building in its own right, authority having been first obtained under the laws of Tennessee, with the right to lease or sell said line extending into Tennessee.

The various acts of the General Assembly of the State of Georgia, constituting the charter of the Marietta & North Georgia Railway Company, including those hereinbefore referred to, are as follows:

- Act February 9, 1854 (Acts 1853-4, p. 425).
- Act December 11, 1858 (Acts 1858, p. 194).
- Act December 14, 1858 (Acts 1858, p. 135).
- Act December 19, 1859 (Acts 1859, p. 315).
- Act October 24, 1870 (Acts 1870, p. 340).
- Act February 28, 1876 (Acts 1876, p. 254).
- Act October 9, 1885 (Acts 1884-5, p. 677).
- Act December 22, 1886 (Acts 1886, p. 142).
- Act October 14, 1889 (Acts 1889, p. 277).

The GEORGIA & NORTH CAROLINA RAILROAD COMPANY was incorporated by act of the General Assembly of North Carolina of date March 31, 1871, for the purpose of constructing a railroad of one or more tracks from some point on the Georgia line in Cherokee County, North Carolina, to some point on the Tennessee line in Swain or Cherokee County, North Carolina, to be thereafter determined, on the most advantageous route in the opinion of the company. Capital stock \$500,000, with privilege of increasing to \$5,000,000. (Public Laws of North Carolina for 1870-1, Chapter CLXVII.)

By act of March 3, 1887, the charter was amended so as to authorize the Georgia & North Carolina Railroad Company "to consolidate with the Marietta & North Georgia Railroad Company, and with any railroad company now existing and organized, or to be hereafter organized or created under the laws of the State of Tennessee," the corporate name of the corporation created by such consolidation or consolidations to be the Marietta & North Georgia Railway Company. (Public Laws of North Carolina of 1887, Chapter CLXXXII.)

And it was pursuant to the authority thus granted by the legislature of Georgia that the consolidation of May 9, 1887, hereinbefore referred to, was effected.

The KNOXVILLE SOUTHERN RAILROAD COMPANY was incorporated by articles of incorporation filed in office of Secretary of State of Tennessee, June 23, 1887,

"For purpose of constructing and operating a railroad from Knoxville, in the county of Knox, State of Tennessee, to connect with the Marietta & North Georgia Railway Company at the State line between the States of North Carolina and Tennessee in the valley of the Hiwassee River

in the county of Polk, in the State of Tennessee, and also to construct and operate a branch of said railroad from some convenient point in its said line above described to a point in said State line where the Little River crosses the said State line, which is on the line between the counties of Blount and Monroe in the State of Tennessee, by the most practicable routes between said terminal points, passing through the counties of Knox, Blount, Monroe, and Polk in said State of Tennessee."

The board of directors was authorized to fix amount of capital stock and number of shares.

Thereafter, by resolutions of the board of directors of the Marietta & North Georgia Railway Company, passed July 20, 1877, and duly filed in the office of the Secretary of State, the company was authorized to build certain branch roads from Tate Station to the Southern Marble Company, in Pickens County, length 7 miles; also a branch from near Holly Springs to American Marble Company's soapstone quarries in Cherokee County, length about $3\frac{1}{2}$ miles; also a branch at or near Cowarts to marble quarries in Cherokee County, length about 3 miles; also to extend its road from a point in Cobb County to a point in Fulton County, at or near the city of Atlanta, length about 20 miles; also a branch from or near Tolma Creek to the American Marble Company, in Pickens County, length about 4 miles; also to extend its road from or near Marietta to or near Austell or Salt Springs in Douglas County, length about 16 miles.

By articles of union and consolidation between the Marietta & North Georgia Railway Company and the Knoxville Southern Railroad Company, dated November 25, 1890, and filed in the office of the Secretary of State of Tennessee December 30, 1890, a new corporation, also

styled the Marietta & North Georgia Railway Company, was formed. These articles of consolidation recite that the Marietta & North Georgia Railway Company owns a line of railroad from Marietta, Georgia, in a northerly direction to Murphy, in the State of North Carolina, and is entitled to and will extend its line in a northerly direction to Valletown, North Carolina, and also owns a line of railroad from Blue Ridge, Georgia (a point on its line of road between Marietta and Murphy), to a connection with the Knoxville Southern Railroad at the point where the line between the States of North Carolina and Tennessee crosses the Hiwassee River in the State of Tennessee, and is also entitled to extend its line from the city of Marietta in a southeasterly direction to the city of Atlanta, in the county of Fulton and State of Georgia, making in all when completed a line of about 180 miles of railway. And reciting, further, that the Knoxville Southern Railroad Company owns a line of railroad running from Knoxville, Tennessee, in a southerly direction to a point of connection with said Marietta & North Georgia Railway Company, in the State of Tennessee.

Capital stock fixed at \$5,500,000, total stock of two constituent companies, divided into shares of \$100 each.

On July 1, 1881, the Marietta & North Georgia Railroad Company executed its mortgage or deed of trust to the Boston Safe Deposit & Trust Company, as trustee, to secure an issue of first mortgage bonds, not to exceed in the aggregate \$7,000 per mile of railroad constructed and equipped, and on the same day executed a second mortgage or deed of trust to the same company to secure an issue of bonds not to exceed in the aggregate the sum of \$5,000 per mile for each mile of railroad constructed

and equipped. Each of the trust deeds covered all of the corporate property and branches of the mortgagor, extending from Marietta, in Cobb County, Georgia, to the State line between the States of Georgia and Tennessee. The deeds of trust also contained words covering after-acquired property, and \$680,000 of first mortgage bonds and \$486,000 of second mortgage bonds were issued thereunder.

As of January 1, 1887, the Marietta & North Georgia Railway Company executed a mortgage or deed of trust to the Central Trust Company of New York as trustee, to secure an issue of bonds to be issued thereunder covering all of its railroad, property, and franchises, acquired or to be acquired, from Marietta through the States of Georgia, North Carolina, and Tennessee to the city of Knoxville; also a branch line to Ducktown, and all other branches. This mortgage was authorized and ratified by corporate resolutions of May 19, 1887.

Under this mortgage there were issued \$3,821,000 of bonds. At this time the Marietta & North Georgia Railway Company, as it finally existed, had not been formed by consolidation with the Knoxville Southern Railroad Company.

The railroad through the State of Tennessee, from Knoxville to the North Carolina line, was built with the proceeds of bonds issued under this mortgage, and according to its provisions, at the rate of \$20,000 per mile. Under the construction contract made between George R. Eager and the Knoxville Southern Railroad Company, dated August 20, 1887, this road was built as the Knoxville Southern Railroad, and under the charter granted by the State of Tennessee for that purpose under the general laws thereof on June 23, 1887.

On July 15, 1890, the Knoxville Southern Railroad Company executed a mortgage or deed of trust to the Central Trust Company of New York reciting the making of such construction contract; that the road was to be paid for with bonds at the rate of \$20,000 per mile, which were to be bonds of the Knoxville Southern Railroad Company or any other company received by Eager, and that it had made a contract with Eager to execute a first mortgage to the Central Trust Company of New York to secure said bonds; that Eager had received said bonds from the Marietta & North Georgia Railway Company, issued under the mortgage of January 1, 1887, and it thereby confirms the indenture of mortgage of that date made by the Marietta & North Georgia Railway Company to the Central Trust Company, and does convey said Knoxville Southern Railroad to the Central Trust Company of New York by deed of trust to secure said bonds at the rate of \$20,000 per mile of said Knoxville Southern Railroad.

On January 12, 1891, a bill in equity was filed in the United States Circuit Court for the Northern District of Georgia to foreclose the said deed of trust or mortgage made January 1, 1887, on the Marietta & North Georgia Railway from Marietta to Knoxville.

On March 30, 1892, a bill of complaint was filed in the same court by the Boston Safe Deposit & Trust Company to foreclose the first and second mortgages of the Marietta & North Georgia Railroad Company, dated July 1, 1881.

On March 13, 1893, an order was taken consolidating these two foreclosure suits, and on May 13, 1893, a decree of foreclosure and sale was taken in the United States Circuit Court for the Northern District of Georgia, at

Atlanta, directing the sale of said entire property covered by said mortgages, and also certain other preferential debts adjudged in said decree, to wit, certain rolling stock notes and certain receiver's certificates.

About the same time with the filing of this bill in Georgia, in January, 1891, the Central Trust Company of New York filed a similar bill in the United States Circuit Court for the Eastern District of Tennessee, Northern Division, to foreclose said mortgage, reciting therein that a similar bill had been filed in the Northern District of Georgia. A few days thereafter McBee & Company, contractors, who claimed liens against the Knoxville Southern Railroad Company, filed their bill in the United States Circuit Court for the Eastern District of Tennessee, Northern Division, against the Knoxville Southern Railroad Company, attacking said consolidated mortgage and the mortgage made by the Knoxville Southern Railroad Company confirming the same, and seeking to have priority for their claims.

A full report of the proceedings had in said litigation and of the ruling of the court upon the issues raised will be found in the case of Central Trust Company of New York v. Bridges *et al.*, 57 Fed. Rep. 753, being a decision of the case in the Circuit Court of Appeals for the Sixth Circuit, the gist of which decision was, so far as now material, that the Marietta & North Georgia Railway Company's consolidated mortgage was not a good mortgage in the State of Tennessee, it not being shown that it had then authority under the laws of the States of Georgia or Tennessee to mortgage after-acquired railroad property in Tennessee, but that the agreement between Eager and the Knoxville Southern Railroad Company

in July, 1890, made a good equitable lien and gave the Central Trust Company representing the bondholders an equitable lien upon the railroad known as the Knoxville Southern.

Previous to this decision the cases of the Central Trust Company v. Marietta & North Georgia Railway Company and McBee & Company *et al.* v. Knoxville Southern Railroad Company had been consolidated, so that all the different railroad companies were before the court.

On July 27, 1894, a decree of final foreclosure and sale was entered also in the United States Circuit Court for the Eastern District of Tennessee, Northern Division, the same adopting the decree rendered by the United States Circuit Court in Georgia, but providing for the sale of the part of the railroad in Tennessee in conformity with the views expressed by the Circuit Court of Appeals for the Sixth Circuit.

H. H. Taylor was appointed Commissioner to sell the road by the Tennessee court, and R. J. Lowry by the Georgia court, and the two were constituted joint commissioners. Said decrees were from time to time amended in matters not material to the present history, and said road was finally sold in accordance with the decrees of both courts on November 25, 1895, and a report duly made to the court. Only a small portion of this road lay in North Carolina, but a bill ancillary to the proceedings in Georgia was filed in the United States Circuit Court for the Western District of North Carolina, and the decrees of the United States Circuit Court for the Northern District of Georgia so far as they affected the property in North Carolina, including the decree for sale, were all

likewise entered in the United States Circuit Court for the Western District of North Carolina.

On January 6, 1896, the said sale to the ATLANTA, KNOXVILLE & NORTHERN RAILWAY CONSTRUCTION COMPANY was ratified and confirmed, subject to ratification and approval by the United States Circuit Court for the Eastern District of Tennessee, Northern Division.

On January 8, 1896, said sale was likewise confirmed by the said United States Circuit Court for the Eastern District of Tennessee, Northern Division, and for the Western District of North Carolina.

The property sold is described as follows:

“All and singular the corporate property and franchises of said Marietta & North Georgia Railway Company, the line of railway extending from the town of Marietta, in Cobb County, Georgia, through the counties of Cobb, Pickens, Cherokee, Gilmer, and Fannin to the town of Blue Ridge, in Fannin County, Georgia, and thence on to the city of Knoxville, in Knox County, Tennessee, through the counties of Polk, McMinn, Monroe, Loudon, Blount, and Knox, being a total distance of about 205 miles from Marietta to Knoxville, being a standard gauge road, and about 95.61 miles lying in the State of Georgia, and about 109.31 miles lying in the State of Tennessee; and also the further line of said railroad being a narrow gauge road extending from the town of Blue Ridge, in Fannin County, Georgia, to Murphy, in Cherokee County, North Carolina, a distance of about 25 miles, there being about 12.51 miles in the State of Georgia of this narrow gauge road and about 12.49 miles in the State of North Carolina, together with all and singular the property and estate of said company of every kind, real, personal, or mixed, whether within or outside the location of said railway and however acquired, and all other lands, station-houses, bridges, buildings, fixtures, and the equipment,

rolling stock, machinery, tools, implements, and furniture whatever connected with or belonging to the said line of railway; and also all rights, privileges, franchises, leases, contracts, choses in action and similar property, whether legal or equitable, belonging to said Marietta & North Georgia Railway Company, or to which it is in any way entitled, and also all right, title, claim, interest, and demand of the said Marietta & North Georgia Railway Company in and to the line of telegraph upon its right of way."

Thereafter, on June 3, 1896, the Atlanta, Knoxville & Northern Railway Construction Company and certain persons associated with it filed their petition with the Secretary of State of the State of Georgia to incorporate the ATLANTA, KNOXVILLE & NORTHERN RAILWAY COMPANY, which was thus created a corporation with a capital stock of \$3,000,000, to continue for a period of one hundred and one years, with such privilege of renewal as may be authorized by law. The principal office of the corporation to be in Atlanta, Georgia. (Contract 6077.)

The petition recites the purchase by the Atlanta, Knoxville & Northern Railway Construction Company of the property and franchises of the Marietta & North Georgia Railway Company, and confers upon the Atlanta, Knoxville & Northern Railway Company "all the rights, powers, and privileges and immunities enjoyed by said Marietta & North Georgia Railway Company under its original charter and amendments thereto," together with all the rights, powers, and privileges conferred by certain general laws referred to in the petition. The petition also recites that the corporation is created "for the purpose of maintaining and operating and improving the several lines of railroad heretofore owned and operated

by said Marietta & North Georgia Railway Company between Marietta, Georgia, and Knoxville, Tennessee, and between Blue Ridge, Georgia, and Murphy, North Carolina," and that the powers and privileges granted are "subject to Article 4 of the Constitution of this State, and all the laws governing railroad companies at the date hereof, or that may hereafter become of force, either by constitutional or statute law, or by any rule or regulation of the Railroad Commission of this State, or otherwise, which govern and control the operation of railroads in this State."

By an amendment granted May 2, 1901, by the State of Georgia, through the Secretary of State, the corporation was authorized to issue, under the terms and conditions of the general railroad law, preferred stock of the par value of \$1,500,000, in shares of \$100 each, to be preferred over the common stock as to payment of dividends only, to the extent of not exceeding 5 per cent per annum, payable only out of the earnings when earned in any one year ending the thirtieth of June. And at a special stockholders' meeting held June 4, 1901, this amendment was accepted and it was resolved that the capital stock be increased by the issue of \$1,500,000 par value of preferred stock in shares of \$100 each, as authorized.

On October 24, 1904, the Secretary of State granted an amendment to the charter of the Atlanta, Knoxville & Northern Railway Company authorizing the construction of a branch line of its railroad from a point on its line near where Cane Creek crosses the same near Cambria, McMinn County, Tennessee, southwestwardly through McMinn, Bradley, and Polk counties, in the State of Ten-

nessee, to a point where the Connesauga River crosses the State line between Georgia and Tennessee; thence from said point southwestwardly through Murray, Gordon, and Bartow counties, in the State of Georgia, to and into the city of Cartersville, said Bartow County, Georgia; and,

On December 9, 1904, the Secretary of State granted another amendment to the charter of the Atlanta, Knoxville & Northern Railway Company so as to authorize the construction of a branch line of its road from a point on its said line at or near the city of Marietta, Cobb County, Georgia, northwardly through the counties of Cobb and Bartow, passing near the Old Cooper Furnace to Woffords (or Warfords) Cross Roads, in Bartow County, Georgia.

Instead of building that portion of the branch line authorized by the amendment of October 24, 1904, from Cambria, Tennessee, to the point where the Connesauga River crosses the State line between Georgia and Tennessee, the Atlanta, Knoxville & Northern Railway Company acquired by purchase, by deed dated December 14, 1904, all the rights, privileges, properties, etc., of the Cambria Southern Railway Company, which was then in process of construction and not yet completed. From this point on the State line between Tennessee and Georgia the road is now being constructed under the amendment of October 24, 1904, to Cartersville, Bartow County, Georgia, as a branch line of the Atlanta, Knoxville & Northern Railway.

By agreement of date November 17, 1903, the Nashville, Chattanooga & St. Louis Railway granted to the Atlanta, Knoxville & Northern Railway Company the right to use in common with it that part of the Western & Atlantic Railroad operated by it under lease from the

State of Georgia, between point of connection at Marietta, Georgia, and the terminus at Lloyd Street in the city of Atlanta, Georgia, or to a connection with the tracks of the Georgia Railroad. This contract, by its terms, took effect July 1, 1904, and was to continue in effect until December 27, 1919, the date of expiration of the lease by the State of Georgia of the Western & Atlantic Railroad to the Nashville, Chattanooga & St. Louis Railway. (Contract 6898, Part 1.) An agreement of date December 12, 1904, between the same parties, was subsequently substituted for the agreement of November 17, 1903, the new agreement giving to the Atlanta, Knoxville & Northern Railway Company the right to use jointly with the Nashville, Chattanooga & St. Louis Railway that part of the Western & Atlantic Railroad from Cartersville, Georgia, to a connection with the tracks of the Georgia Railroad at Lloyd Street in the city of Atlanta, Georgia, and to continue in effect until December 27, 1919. (Contract 6898, Part 2.)

✓ By deed of date February 11, 1905 (No. 5942), the Atlanta, Knoxville & Northern Railway Company conveyed to the Louisville & Nashville Railroad Company "all the railroads, properties, rights, powers, privileges, immunities, and franchises of said Atlanta Company of every character and description, which it now owns or which it may hereafter acquire, or to which it may be entitled." The property and franchises conveyed are specifically described as the grantor's

"Line of standard gauge railway, with all the rights, powers, privileges, immunities, and franchises appertaining to the same, extending from the city of Knoxville, in the State of Tennessee, through the counties of Knox, Blount, Loudon, Monroe, McMinn, and Polk, in the State

of Tennessee; Fannin, Gilmer, Pickens, Cherokee, and Cobb in the State of Georgia, to the city of Marietta in said county of Cobb, a distance of about two hundred and five (205) miles, of which about ninety-five and sixty-one one hundredths (95.61) miles are within said State of Georgia, and about one hundred and nine and thirty-one one hundredths (109.31) miles in the State of Tennessee; together with the said extension of said railroad, built and to be built, from said city of Marietta to the city of Atlanta, with all rights, powers, privileges, and franchises granted to said Atlanta Company to build, construct, own, use, or operate the same, and all connections thereof with other lines of road coming into the city of Atlanta, including all rights, powers, and franchises of said Atlanta Company to acquire by condemnation or otherwise property of any sort necessary or useful for the building, construction, maintenance, use, or operation of said extension, terminals, or connections, built or to be built or constructed, together with the trackage rights which said Atlanta Company now has over the Western & Atlantic Railroad from Marietta, Georgia, to Atlanta, Georgia, a distance of about twenty (20) miles, by virtue of the contract entered into on November 17, 1903, between said Atlanta Company and the Nashville, Chattanooga & St. Louis Railway, as lessee of the Western & Atlantic Railroad, and all such other trackage rights as said Atlanta Company now has or may hereafter acquire over said Western & Atlantic Railroad; also the line of standard gauge railway, together with all the rights, powers, privileges, immunities, and franchises appertaining to the same, extending from the town of Blue Ridge, in said Fannin County, Georgia, to Murphy, Cherokee County, North Carolina, a distance of about twenty-five (25) miles, of which about twelve and fifty-one one hundredths (12.51) miles are in Georgia, and about twelve and forty-nine one hundredths (12.49) miles are in North Carolina.

“Also its aforesaid railroad, together with all the rights, powers, privileges, immunities, and franchises appertaining to the same, both that built and that now in process of

construction, and extending from a point on the line of said Atlanta Company at or near Mentor Station in Blount County, Tennessee, in a southerly direction through the counties of Blount, Loudon, and Monroe in the State of Tennessee, to a connection with the line of said Atlanta Company at or near Vonore Station, Monroe County, Tennessee, a distance of about twenty-two (22) miles, being the same railroad and property and all and every part thereof, together with all the rights, powers, privileges, immunities, and franchises heretofore conveyed to, and acquired by, said Atlanta Company from the Mentor Southern Railway Company by deed of date the 23d day of November, 1904.

“Also its railroad aforesaid, together with all of the rights, powers, privileges, immunities, and franchises appertaining to the same, both that built and that now in process of construction, and extending from a point on the line of said Atlanta Company, near where Cane Creek crosses the same, near Cambria Station aforesaid, in McMinn County, Tennessee, southwestwardly through the counties of McMinn and Polk, in the State of Tennessee, to a point near where the Connesauga River crosses the line between the States of Georgia and Tennessee, and thence from said point southwestwardly through the counties of Murray, Gordon, and Bartow, in the State of Georgia, to and into the city of Cartersville, in said Bartow County, Georgia, and to a connection with the Western & Atlantic Railroad, a distance of about eighty-seven and twenty-five one hundredths (87.25) miles, of which about twenty-six and ninety-four one hundredths (26.94) miles are in Tennessee, and sixty and thirty-one one hundredths (60.31) miles are in Georgia; the same being that line of railroad being constructed by said Atlanta Company by virtue of the amendment to its charter authorizing the construction of said branch line from said point on its line at or near said Cambria Station to said city of Cartersville, together with all the franchises, rights, powers, privileges, and immunities conferred by said amendment, including

those to acquire, by condemnation or otherwise, property of all sorts useful or necessary for the construction, maintenance, use, or operation of said branch line, the same also including the railroad and property, and all and every part thereof, together with all of the rights, powers, privileges, immunities, and franchises heretofore conveyed to and acquired by said Atlanta Company from the Cambria Southern Railway Company by deed of date the 14th day of December, 1904.

“Together with all of the rights, privileges, powers, immunities, and franchises of every character held, owned, or possessed, by whatever means acquired, of said Atlanta Company, including the right, power, and franchises to build, construct, maintain and operate a branch railroad from a point on its line at or near Marietta, Georgia, extending northwardly through the counties of Cobb and Bartow, in the State of Georgia, passing near the old Cooper Furnace, to Warford’s Cross-roads, in said Bartow County, Georgia;

“Also, all and singular, the other property and estate of the said Atlanta Company of every kind, real, personal, or mixed, whether within or outside the location of said Atlanta Company, and however acquired, including the right of way on which said railroad is or may be located, and all the roadways, tracks, side tracks, rails, superstructure, viaducts, bridges, station lands, and all other lands, rights of way, and grounds, depots, and station-houses, shops, machine-houses, and all other buildings, fixtures, and all the equipment, rolling stock, engines, supplies, machinery, tools, implements, and furniture whatever; also all the rights, privileges, franchises, powers, immunities, leases, contracts, choses in action and similar property, whether legal or equitable, now belonging to said Atlanta Company, or to which it may be now or hereafter in any way entitled.” (Deed 5942.)

The deed recites that it is subject to two deeds of trust and mortgage, to wit, one dated December 1, 1896, exe-

cuted to the Central Trust Company of New York to secure an issue of bonds known as first mortgage 5 per cent gold bonds, bearing date December 1, 1896, and falling due December 1, 1946, of which "there are now outstanding" the sum of \$1,000,000 principal; and the other executed to the United States Trust Company of New York, as trustee (the New York Trust Company is now the trustee under this mortgage), bearing date November 26, 1901, securing an issue of bonds known as first consolidated mortgage 4 per cent gold bonds, bearing date March 1, 1902, and falling due March 1, 2002, of which bonds "there are now outstanding" the sum of \$500,000 principal.

This road is also covered by a mortgage of date April 1, 1905, executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York, as trustee, which is known as the Atlanta, Knoxville & Cincinnati Division mortgage, and covers the continuous line of railroad extending from Cincinnati, Ohio, by way of Knoxville, Tennessee, to Atlanta, Georgia. (Contract 7679.) This mortgage was executed to secure the payment of bonds not to exceed in the aggregate \$50,000,000, payable May 1, 1955, and bearing 4 per cent interest. Of these bonds, \$20,000,000 are set apart for immediate issue to pay the Louisville & Nashville Railroad Company the sums heretofore expended or to be hereafter expended, and indebtedness incurred or to be hereafter incurred for certain purposes specified, the remaining bonds being reserved for the purpose of taking up certain underlying mortgage indebtedness and for the acquisition of additional lines of railway by construction or purchase which shall become subject to the lien of the mortgage.

Entire issue of stock: Common, \$3,000,000, preferred \$1,500,000. A majority of the stock was purchased by the Louisville & Nashville Railroad Company March 10, 1902 (Contract 6008), and the remainder was subsequently purchased by that Company.

THE CAMBRIA SOUTHERN RAILWAY.—The Cambria Southern Railway Company was incorporated by the filing of articles of incorporation in the Register's office of Knox County, Tennessee, August 12, 1904, and in the office of the Secretary of State of Tennessee August 15, 1904.

The articles declare that the corporation is created for the purpose of constructing "a line or lines of railway from a connection with the Atlanta, Knoxville & Northern Railway Company at or near its point of crossing Cane Creek between Grady and Cambria in McMinn County, Tennessee, extending in a southerly and southwesterly direction through the counties of McMinn, Bradley, and Polk, in the State of Tennessee, to a point on the line between Polk County, Tennessee, and Murray County, Georgia, at or near the point at which the State line crosses Connesauga River."

Authorized capital stock, \$100,000. Full amount issued, and all owned by the Louisville & Nashville Railroad Company.

By deed of date December 14, 1904 (No. 5946), the Cambria Southern Railway Company conveyed to the Atlanta, Knoxville & Northern Railway Company all its property and franchises, this being that portion of the route that lies in Tennessee, described in the amendment of the Atlanta, Knoxville & Northern charter of October 24, 1904, which authorized the construction of a branch line of its railroad from a point on its line near where Cane

Creek crosses the same near Cambria, McMinn County, southwestwardly through McMinn, Bradley, and Polk counties in the State of Tennessee, where the Connesauga River crosses the State line between Georgia and Tennessee; thence from said point southwestwardly through Murray, Gordon, and Bartow counties in the State of Georgia, to and into the city of Cartersville, in said Bartow County, Georgia.

Instead of constructing that portion of the branch line from Cambria, Tennessee, to the State line between Georgia and Tennessee, the Atlanta, Knoxville & Northern Railway merely acquired by purchase the rights, privileges, and franchises of the Cambria Southern Railway, and continued the construction of its branch line, as authorized by the amendment, through the State of Georgia into Cartersville.

The property conveyed by the deed of December 14, 1904, from the Cambria Southern Railway Company to the Atlanta, Knoxville & Northern Railway Company is specifically described therein as follows:

“The main line of the Cambria Southern Railway, extending in a southerly and southwesterly direction from a connection with the main line of the Atlanta, Knoxville & Northern Railway at or near its point of crossing Cane Creek between Grady and Cambria in McMinn County, Tennessee, through the counties of McMinn and Polk in the State of Tennessee, a distance of 27 miles, more or less, to a point on the line between Polk County, Tennessee, and Murray County, Georgia, at or near the point at which the State line crosses Connesauga River, with all sidings, spurs, turn-outs, switches, second main tracks, switchyards, terminals, depot lots, section lots, rights of way, borrow pits, branch or lateral lines, freight and passenger stations, water-plants, and all property of every descrip-

tion owned by the party of the first part between the points aforesaid, especially the property acquired by party of the first part by the following conveyances, to wit:

“(1) Deed from Louisville Property Company to Cambria Southern Railway Company, dated November 23, 1904, and recorded in Book N. N., Volume II, p. 344, of the Register's office of McMinn County, Tennessee.

“(2) Deed from Louisville Property Company to Cambria Southern Railway Company, dated November 23, 1904, and recorded in Book No. 6, p. 306, of the Register's office of Polk County, Tennessee.”

MENTOR SOUTHERN RAILWAY.—The Mentor Southern Railway Company was incorporated by the filing of articles of incorporation in the Register's office of Knox County, Tennessee, on August 13, 1904, and in the office of the Secretary of State of Tennessee on August 15, 1904.

The articles declare that the corporation is created for the purpose of constructing “a line or lines of railway extending from a connection with the Atlanta, Knoxville & Northern Railway at or near Mentor, in the county of Blount, in the State of Tennessee, in a southerly direction through the counties of Blount, Loudon, and Monroe to a connection with the Atlanta, Knoxville & Northern Railway at or near Vonore, in the county of Monroe, State of Tennessee.”

Authorized capital stock \$50,000. Full amount issued, and all owned by the Louisville & Nashville Railroad Company.

By deed of date November 23, 1904 (No. 5945), the Mentor Southern Railway Company conveyed to the Atlanta, Knoxville & Northern Railway Company all its property and franchises.

The property conveyed by that deed is specifically described therein as follows:

“The main line of the Mentor Southern Railway, extending in a southerly direction from a connection with the Atlanta, Knoxville & Northern Railway at or near Mentor, in Blount County, Tennessee, through the counties of Blount, Loudon, and Monroe, in the State of Tennessee, a distance of twenty-two (22) miles, more or less, to a connection with the Atlanta, Knoxville & Northern Railway at or near Vonore, in Monroe County, Tennessee, with all sidings, spurs, turn-outs, switches, second main tracks, switch yards, terminals, depot lots, section-houses, borrow pits, lots, and property of every description owned by the party of the first part between the points aforesaid, especially the property acquired by the following conveyances, to wit:

“ (1) Deed from J. H. Ellis, trustee, to Mentor Southern Railway Company dated November 11, 1904, and recorded in Book No. 57, p. 388, of the Register’s office of Blount County, Tennessee;

“ (2) Deed from J. H. Ellis, trustee, to Mentor Southern Railway Company dated November 11, 1904, and recorded in Book No. 13, p. 536, of the Register’s office of Loudon County, Tennessee;

“ (3) Deed from J. H. Ellis, trustee, to Mentor Southern Railway Company dated November 11, 1904, and recorded in Book No. 9, p. 464, of the Register’s office of Monroe County, Tennessee.”

MEMPHIS LINE.

	MILES	
Memphis Junction, Kentucky, to Memphis (Freight Station), Tenn.	259.13	
Leewood, Tenn., to Aulon, Tenn.	2.46	
	261.59	

That part of the MEMPHIS LINE which lies in Kentucky was built by the Louisville & Nashville Railroad Company under its own charter. It unites at Guthrie with the Memphis, Clarksville & Louisville Railroad, with which and the Memphis & Ohio Railroad it has been consolidated.

THE MEMPHIS, CLARKSVILLE & LOUISVILLE RAILROAD COMPANY was chartered by the legislature of Tennessee January 28, 1852 (see Laws of Tennessee, 1851-2, p. 121), with all the rights, powers, and privileges of the Nashville & Chattanooga Railroad Company.

Its road extends from Guthrie, on the Kentucky line, to Paris, Tennessee, a distance of 82.50 miles.

The shares of stock were \$100 each. The capital stock was \$3,000,000, with power to increase it to \$4,000,000. At the time of the purchase of its road by the Louisville & Nashville Railroad Company the capital stock issued and outstanding amounted to \$662,000.

The company borrowed from the State of Tennessee \$1,582,000 of bonds of the State, and under the "Internal Improvement Law" the State of Tennessee was entitled to a lien upon the entire road with all its property and franchises.

By virtue of an act passed by the legislature of Tennessee on February 1, 1860 (Laws 1859-60, p. 210), the company executed what is known as the second mortgage upon its road, property, privileges, franchises, and income

to secure bonds to the amount of \$350,000. Nearly all these bonds were issued, but there was a controversy as to the legality of the issuance of about \$90,000 of them.

The company having defaulted upon its interest due upon the bonds loaned it by the State of Tennessee, the State, under powers reserved in the "Internal Improvement Law," in July, 1865, appointed a receiver to take charge of and operate the road. This receiver purchased from the United States Government rolling stock and other material to the amount of \$336,620.13. This debt was assumed by the State of Tennessee and a bond executed for it, and to secure this debt the State of Tennessee claimed to be entitled to a lien on the railroad, its property and franchises, of the same character as the lien it held for the bonds which it had loaned to the company.

The receiver continued to operate the road until February 6, 1868, when the operatives refused to work any longer unless their wages were guaranteed to them. The operations of the road were then suspended until February 17, 1868, when an agreement was made between the receiver and the Louisville & Nashville Railroad Company, by which the latter Company guaranteed to the operatives their wages, and to pay for the supplies used in the operation of the road. If the earnings were not sufficient to meet this expense the Louisville & Nashville Railroad Company was to make up the deficit; and if there was a surplus of earnings above this expense it was to be paid over to the receiver. The Louisville & Nashville Railroad Company from that time until it purchased the road operated it as the agent of the receiver.

On January 20, 1871, the State of Tennessee filed its bill against the Memphis, Clarksville & Louisville Rail-

road Company, and other delinquent railroad companies, in the Chancery Court at Nashville to enforce the lien of the State upon their roads, property, rights, and franchises. The bill attempted to make the holders of the State bonds, the holders of the second mortgage bonds, and all other creditors and stockholders of the companies parties. The court on September 20, 1871, adjudged that they were properly made parties, and that the lien of the State of Tennessee to the extent of the bonds loaned by it to the several companies, with interest, was a first lien upon the roads, their property, rights, and franchises. The decree recited that the original debt due the State from the Memphis, Clarksville & Louisville Railroad Company was \$1,582,000, and that on January 1, 1871, "said company was justly indebted to the State in the sum of \$2,450,125.92 for bonds issued by the State and interest thereon, and in the further sum of \$499,670 for rolling stock purchased from the Government of the United States, and subject to all proper credits, if any." Under the decrees made in said cause the Louisville & Nashville Railroad Company on September 30, 1871, purchased the Memphis, Clarksville & Louisville Railroad, its rights, property, and franchises, at the price of \$1,700,000, payable in bonds of the State; one half of which was paid at time of sale; the balance of the purchase money was to be paid in one, two, and three years, respectively, from the date of sale.

It was agreed in the decree of sale that the State would indemnify the purchaser against all liability for the debt for rolling stock purchased from the United States, and that the purchaser should have a credit on the last installment of the purchase money to secure the performance

by the State of its promise to indemnify the purchaser against said debt, and the State retained a lien upon the road, its property, rights, and franchises to secure the payment by the Louisville & Nashville Railroad Company of the deferred installments of purchase money. The sale was confirmed by decree of October 2, 1871.

Under an act of the legislature of Tennessee, approved March 30, 1872 (Acts 1872, p. 31), entitled "An Act to authorize the Railroad Commissioners to receive the balance due on the purchase money of the Memphis, Clarksville & Louisville Railroad," the Louisville & Nashville Railroad Company, on May 7, 1872, delivered to said commissioners 450 bonds of the State of Tennessee for \$1,000 each in absolute payment of so much of the purchase money; and the balance of the State bonds that still remained unpaid, which amounted to \$400,000, with coupons, were deposited in the Fourth National Bank of Nashville. The State bonds so deposited were made payable to the Louisville & Nashville Railroad Company. A receipt was taken from the bank specifying that the bonds are to be withdrawn only on the joint order of said commissioners and said Company; that they are to be held by said bank until the State can effect a settlement with the United States of said debt due for rolling stock and material, and when said debt is settled said bonds are to be delivered by said bank to the State of Tennessee, and become its absolute property. Upon said payment and deposit having been made, as stated above, the Chancery Court, as authorized by said act, decreed on May 13, 1872, that the lien which was retained by the decrees of the court upon the Memphis, Clarksville & Louisville Railroad, its property, rights, and franchises,

to secure the payment of the deferred installments of purchase money, should be discharged and released from said railroad, its property, rights, and franchises, and attached upon the bonds in possession of said bank, where said bonds would be held in accordance with the lien of the State, and the rights of the State and the Louisville & Nashville Railroad Company as settled by the decrees of the court in that cause. The State never having effected a settlement with the United States of the debt due for rolling stock and material, the bonds deposited in the Fourth National Bank of Nashville remain on deposit there.

The possession of the road was transferred to the Louisville & Nashville Railroad Company on October 1, 1871, and has been operated by that Company as owner ever since.

In 1879 C. A. Stevens filed a bill in the United States Circuit Court at Memphis in behalf of himself and other holders of the outstanding bonds lent by the State of Tennessee to the Memphis, Clarksville & Louisville Railroad Company, insisting that the lien created by the "Internal Improvement Laws" inured to the benefit of the bondholders, and that the State of Tennessee had no right to sell the road under the Chancery Court proceedings referred to above, and that the sale to the Louisville & Nashville Railroad Company under those proceedings was null and void as against the bondholders. The Circuit Court decided against the bondholders, and they appealed to the United States Supreme Court.

The bondholders, however, accepted the settlement offered them by the legislature of Tennessee at its session of 1881, and abandoned their appeal.

THE MEMPHIS & OHIO RAILROAD COMPANY was originally chartered as the "Nashville & Memphis Railroad Company," by an act of the legislature of Tennessee passed February 4, 1852. (See Laws of Tennessee 1851-2, p. 299.) Its road extended from Paris, Tennessee, to Memphis, Tennessee, a distance of 130.60 miles. It was invested with all the powers, rights, and privileges of the Nashville & Chattanooga and Memphis & Charleston Railroad companies. Pursuant to authority granted by act of December 16, 1853 (Acts 1853-4, p. 208), the name of the corporation was subsequently changed to the Memphis & Ohio Railroad Company.

The shares of stock were \$25 each. The capital stock was \$3,000,000, with power to increase the same to an amount sufficient to insure the completion of the road. The amount of capital stock issued and outstanding at the time of the consolidation was about \$1,200,000.

The State of Tennessee loaned to the Memphis & Ohio Railroad Company \$1,999,000 of bonds of the State, to secure which the "Internal Improvement Law" gave the State a first lien upon the entire road, with all its property, rights, and franchises.

The company also owed 10 per cent bonds due 1870, \$432,000; 6 per cent bonds due 1876, \$437,500. These bonds were of course subordinate to the lien of the State of Tennessee.

The Memphis & Ohio Railroad Company having failed to pay the interest on the bonds of the State of Tennessee, due July 1, 1867, for the preceding six months, the State of Tennessee appointed a receiver to take charge of the road. The company at that time was greatly indebted to the operatives, as well as to parties who had furnished sup-

plies or advanced money to carry on the work of reconstruction. To prevent the road from falling into the hands of a receiver, the Memphis & Ohio Railroad Company, on September 1, 1867, leased the road to the Louisville & Nashville Railroad Company under the following general conditions:

The Louisville & Nashville Railroad Company had before that time advanced to the Memphis & Ohio Railroad Company \$125,000. The Louisville & Nashville Railroad Company was to pay the interest on the State bonds to the State of Tennessee; to assume the payment of the debts of the Memphis & Ohio Railroad Company incurred since the war in the reconstruction and operation of the road; and to reimburse itself from the earnings of the road. Should the earnings exceed the expenditures, the surplus was to be paid over to the Memphis & Ohio Railroad Company.

The road was operated under said lease until the consolidation.

In accordance with the terms of the lease the Louisville & Nashville Railroad Company paid to the State of Tennessee the interest on the bonds loaned to the Memphis & Ohio Railroad Company from July, 1867, to July, 1871.

On May 25, 1871, the Memphis & Ohio Railroad Company paid the State of Tennessee \$2,468,376.60 in bonds and coupons of the State in full discharge of all liens upon the property, rights, franchises, and privileges of said company originating in or created by the loan to said company of the bonds of said State under the Internal Improvement Acts.

On June 1, 1871, the Memphis & Ohio Railroad Company executed a mortgage upon its railroad property,

rights, and franchises to secure \$3,500,000 of mortgage bonds, which after the payment of the State debt were regarded and called first mortgage bonds.

✓ On October 9, 1872, the Memphis & Ohio Railroad Company and the Louisville & Nashville Railroad Company were consolidated, the consolidated companies taking the name of the Louisville & Nashville Railroad Company. The stock in the Memphis & Ohio Railroad Company was surrendered and in lieu thereof stock was issued in the Louisville & Nashville Railroad Company. ✓

In 1879 C. A. Stevens, on behalf of himself and of the other holders of the outstanding bonds lent by the State of Tennessee to the Memphis & Ohio Railroad Company, filed a bill in the United States Circuit Court at Memphis, insisting that the lien created by the Internal Improvement Laws inured to the benefit of the holders; and that the State of Tennessee had no right to release the lien to the Memphis & Ohio Railroad Company.

The Circuit Court decided against the bondholders, and they appealed to the United States Supreme Court, but subsequently accepted the settlement offered by the legislature of Tennessee at its session of 1881 and abandoned their appeal.

The Memphis Line, from Memphis Junction, Kentucky, to Memphis, Tennessee, is covered by the General Mortgage of date June 1, 1880, executed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York, as trustee, to secure an issue of \$20,000,000 of 6 per cent bonds, maturing June 1, 1930, of which \$8,239,000 are outstanding. Subject to the General Mortgage, that part of the road is also covered by the Unified Mortgage of June 2, 1890, and the latter mortgage is a first lien on the connection track from Leewood, Tennessee, to Aulon, Tennessee.

OWENSBORO & NASHVILLE RAILWAY.

Owensboro to Adairville, Kentucky..... 83.46 miles.
 Mud River Branch—Penrod to Mud River Mines, Ken-
 tucky 4.64 miles.

✓ THE OWENSBORO & RUSSELLVILLE RAILROAD COMPANY was incorporated by act of the Kentucky Legislature approved February 27, 1867 (2 Acts 1867, chap. 1505, p. 75.) The president and directors were vested with all powers and rights necessary to the construction of a railroad from the city of Owensboro to the city of Russellville, the route to be by them selected and determined, not exceeding sixty feet in width, with as many sets of tracks as they may deem necessary. And power was given to charge for transportation of persons and property any sum not exceeding the following rates:

“On all goods, merchandise, or property, for every one hundred pounds transported over twenty miles and under fifty miles, three and a half mills for each mile; and for persons and every species of live stock and every other description of freight or property they shall charge no greater rate than is authorized to be charged on the railway from Louisville to Nashville.”

Authorized capital stock \$1,000,000, in shares of \$25 each.

By amendment approved February 1, 1868 (Acts 1867-8, Volume 1, p. 421), the company was authorized to extend its road to the State line of Tennessee at Adairville, in Logan County. And that act was re-enacted by an act approved February 25, 1871 (1 Acts 1871, p. 297). By amendment approved February 5, 1868, the capital stock was increased to \$2,000,000. (Acts 1867-8, Volume

1, p. 434.) The original charter provided that work on the road should commence at Owensboro and be prosecuted thence continuously by way of Greenville, toward the other terminus of the road. By amendment of March 15, 1870 (Acts 1869-70, Volume 2, p. 392), the directors were authorized *at their option* to commence work at Owensboro and prosecute same from thence continuously "either by the way of Greenville, or by any other route they may select or determine upon, toward the other terminus"; and the company was further authorized, at any time, at the option of the directory, to "continue their road from the terminus at Russellville to any point on the border line, between Kentucky and Tennessee, that the directory of said company may determine upon."

By amendment of March 21, 1871 (2 Acts 1871, p. 370), that portion of Section 16 of original charter relating to tolls was so changed "as to allow said company to charge per mile on freight or passengers transported by them, at the same rates as are now allowed to any railroad company in this State; and the tariff of rates so charged shall refer to any number of miles said passengers or freight shall be transported."

By amendment of January 27, 1872, the company was authorized to issue and sell bonds of \$500 each, amounting to not exceeding \$1,500,000. And it was further provided that the president and directors might, with the assent of the holders of a majority in value of the stock authorized, "purchase and hold any other railroad in this or any other State, and may subscribe stock in or guarantee the bonds of or aid in the building of any other road in or out of the State, whenever in their judgment it may be the interest of the said Owensboro & Nashville

Railroad Company to do so. They may sell the said railroad or lease the same, and may build branches from said road."

By act approved March 13, 1872, the act of January 27, 1872, was amended so as to authorize the company to issue and sell mortgage bonds of any denomination to the amount of \$1,500,000, and all bonds of any denomination issued under the act of January 27, 1872, were legalized.

The charter of the Owensboro & Russellville Railroad Company was amended by the following acts, including those already referred to:

Act approved March 8, 1867 (Acts 1867, Vol. 2, p. 371).

Act approved February 1, 1868 (Acts 1867-8, Vol. 1, p. 421).

Act approved February 5, 1868 (Acts 1867-8, Vol. 1, p. 434).

Act approved February 13, 1869 (Acts 1869, Vol. 1, p. 333).

Act approved February 25, 1869 (Acts 1869, Vol. 1, p. 515).

Act approved March 15, 1870 (Acts 1869-70, Vol. 2, p. 392).

Act approved February 25, 1871 (1 Acts 1871, p. 297).

Act approved March 21, 1871 (2 Acts 1871, p. 370).

Act approved January 27, 1872 (1 Acts 1871-2, p. 194).

Act approved March 13, 1872 (1 Acts 1871-2, p. 605).

Act approved March 28, 1873 (2 Acts 1873, p. 169).

(For charter and amendments see also Contract 6773).

By articles of incorporation filed in the office of the Register for Davidson County, Tennessee, December 27, 1879, and in the office of the Secretary of State of Tennessee January 12, 1880 (Book C, p. 234), the Owensboro & Russellville Railroad Company was incorporated in the State of Tennessee "for the purpose of constructing a railway from the Owensboro & Nashville Railroad at the boundary line of the States of Kentucky and Tennessee, in the county of _____, Kentucky, to the city

of Nashville, in the county of Davidson and State of Tennessee." (Contract No. 6773.) Thereafter this corporation was consolidated with the Kentucky corporation of the same name, and after this consolidation, by a vote of a majority in interest of the stockholders, the name of the company was changed to the name and style of Evansville, Owensboro & Nashville Railroad Company, pursuant to authority granted by an act of the Kentucky Legislature approved March 28, 1873, to change the name of the corporation in the event of consolidation with other corporations.

The Owensboro & Russellville Railroad Company executed two mortgages to William N. Sweeney and W. B. Tyler or bearer, the one dated April 1, 1871, and the other dated February 1, 1872, to secure 2,400 bonds, 1,000 of the denomination of \$1,000 each and 1,400 of \$500 each. Of the bonds of \$500 each, 400 were dated April 1, 1871, and the remainder of those bonds, and all the bonds of \$1,000 each, were dated February 1, 1872.

The Evansville, Owensboro & Nashville Railroad Company (successor of the Owensboro & Russellville Railroad Company) made default in the payment of these bonds and other indebtedness, and was, July 17, 1875, adjudged a bankrupt. John G. Weir was elected assignee, and on December 12, 1875, filed petition in the District Court of the United States for District of Kentucky at Louisville to sell the property of the bankrupt free of liens under the mortgages. A decree was entered April 1, 1876, decreeing a sale of the property, and that decree was amended May 6, 1876. At the sale made under that decree James Nunan became the purchaser, and the sale was confirmed July 10, 1876. James Nunan being

unable to execute bonds for the price, he surrendered his bid and the court, March 20, 1877, entered decree annulling the sale and directing a resale. John G. Weir was appointed Commissioner on April 1, 1877, to make the resale. The property was sold May 29, 1877, and J. J. Brown, James Weir, and John G. Barret became the purchasers for the sum of \$63,000. The sale was confirmed July 5, 1877, and the purchasers, by leave of court, transferred their bid to the Owensboro & Nashville Railroad Company, which was declared the purchaser. The bondholders formed a pool and issued stock to each in proportion to the amount of bonds held. Under this arrangement the holders of bonds amounting to \$1,156,000 came into the pool at that time and received Owensboro & Nashville Railroad Company stock of that amount. The Nashville, Chattanooga & St. Louis Railway, which owned a majority of this stock, purchased about one half the outstanding bonds. (Miscellaneous Papers, No. 194.) On June 18, 1880, Thomas H. Taylor was appointed Commissioner to release mortgages and make deed to purchaser, which he did by deed of date April 26, 1881.

The OWENSBORO & NASHVILLE RAILROAD COMPANY was incorporated in Kentucky by articles of incorporation filed June 25, 1877, in the office of the Clerk of the Jefferson County Court. (Contract 6773.) The articles recited the purchase, by the incorporators, of the Evansville, Owensboro & Nashville Railroad, extending from Owensboro, Kentucky, to a point on the Tennessee and Kentucky boundary line near Adairville, in Logan County, Kentucky, at a sale made May 29, 1877, pursuant to a decree of the District Court of the United States for the District of Kentucky in the matter of the Evansville, Owensboro & Nash-

ville Railroad Company in bankruptcy, and their association and incorporation in the name of the Owensboro & Nashville Railroad Company. The business of the corporation was declared to be "to operate and complete said railroad so purchased and acquired." Authorized capital stock \$1,500,000, divided into 60,000 shares of \$25 each. By original articles the board of directors was authorized to issue negotiable bonds not exceeding \$1,000,000, but by amendment adopted by stockholders November 29, 1879, the words "two million five hundred thousand dollars" were substituted.

The TENNESSEE & KENTUCKY RAILROAD COMPANY was incorporated by articles filed in the office of the Secretary of State of the State of Tennessee on August 24, 1881 (Contract No. 7073), the company being declared a corporation

"For the purpose of constructing a railway from the point where the Owensboro & Nashville Railroad, chartered by the State of Kentucky, may intersect the line between the States of Tennessee and Kentucky, on the line of Robertson County, Tennessee, to the city of Nashville, in the county of Davidson and State of Tennessee."

The articles provided that

"The charge for transportation shall not exceed 25 cents per hundred pounds on heavy articles, and 10 cents per cubic foot on articles of measurement for every 100 miles transported, and 4 cents per mile for every passenger, with power to make special contracts with shippers on their roads in regard to rate of freight, so as not to exceed the amounts herein designated."

The board of directors was authorized to fix the amount of the capital stock and the number of shares into which same may be divided.

By an agreement of consolidation entered into October 1, 1881, between the Owensboro & Nashville Railroad Company and the Tennessee & Kentucky Railroad Company, the OWENSBORO & NASHVILLE RAILWAY COMPANY was created, the consolidated company to have all the powers, privileges, and immunities of the constituent corporations. (Contract 6773.) Capital stock fixed at \$1,500,000, divided into shares of \$100 each. The president and directors were authorized to execute a first mortgage and such other mortgages as they may deem best, not to exceed in amount \$30,000 per mile. This agreement of consolidation was filed in the office of the Secretary of State of Tennessee on October 3, 1881 (Book D, p. 604). First election of directors took place October 8, 1881.

✓ In March, 1880, the Louisville & Nashville Railroad Company purchased from the Nashville, Chattanooga & St. Louis Railway a controlling interest in the stock of what is now the Owensboro & Nashville Railway Company, and at intervals thereafter the entire stock came into possession of the Louisville & Nashville Railroad Company, the last purchase being made during the fiscal year ended June 30, 1892. // The road has been operated by the Louisville & Nashville Railroad Company since April 1, 1880.

Stock issued, \$1,156,524.99. Bonded debt \$1,200,000, bearing 6 per centum interest, secured by mortgage of date November 1, 1881, maturing November 1, 1931, executed to the Central Trust Company of New York as trustee. Bonds authorized, \$2,000,000. Bonds issued \$1,760,000, but of those issued \$560,000 are in the treasury of the Owensboro & Nashville Railway Company, the other \$1,200,000 being owned by the Louisville & Nashville Railroad Company.

CLARKSVILLE & PRINCETON BRANCH.

Princeton Junction, Tennessee, to Princeton, Kentucky 52.74 miles.
 That portion now operated by Louisville & Nashville
 Railroad Company extends from Princeton Junction,
 Tennessee, to Gracey, Kentucky..... 32.00 miles.

This branch was constructed under the charter of the Indiana, Alabama & Texas Railroad Company, Consolidated, that corporation being created by a consolidation of the Indiana, Alabama & Texas Railroad Company, an Alabama corporation, the Mobile, Clarksville & Evansville Railroad Company, a Tennessee corporation, and the Princeton & Ohio River Railroad Company, a Kentucky corporation.

The certificate of incorporation of the INDIANA, ALABAMA & TEXAS RAILROAD COMPANY was issued by the Secretary of State of Alabama February 21, 1882. Declaration of incorporators, filed October 3, 1881, declares that terminal points are Mobile, Alabama, and Evansville, Indiana, and makes provision for a branch from Main Line at some point between Florence and Tuscaloosa to the State line of Mississippi in direction of Mississippi River, and for a branch from Main Line to some point on Selma, Rome & Dalton Railroad, striking said railroad at some suitable point at or near Montevallo, or between Montevallo and Selma. Capital stock \$3,000,000, divided into 30,000 shares.

On February 15, 1884, the stockholders ratified an agreement of consolidation which the corporation had previously entered into with the Mobile, Clarksville & Evansville Railroad Company and the Princeton & Ohio River Railroad Company. This agreement declared its object

to be the formation of one continuous and connected railway line through Alabama, Tennessee, and Kentucky, beginning at Mobile and terminating at some point on the Ohio River at or near the mouth of Green River, with a branch extending to some point on the Ohio River opposite or as nearly opposite as practicable to Mt. Vernon, Indiana, and a branch to some point on Ohio River opposite or as nearly opposite as practicable to Shawneetown, Illinois. On April 9, 1887, the corporation thus created, designated as the Indiana, Alabama & Texas Railroad Company, Consolidated, conveyed to the Louisville & Nashville Railroad Company all its property, privileges, franchises, rights, and interests (Deed No. 2073), the Louisville & Nashville Railroad Company having bought its stock and bonds August 14, 1886. Stock and bonds canceled. At the time of the purchase the road was about 30 miles long, poorly built, narrow gauge, and extended from Clarksville, Tennessee, in direction of Princeton, Kentucky. About 6 miles of the track then existing was abandoned. The line was completed December 1, 1887, from Princeton Junction to Princeton, a distance of 52.74 miles.

That part of the line extending from a terminus near Princeton to north head block of switch at Gracey Station in Christian County, Kentucky, a distance of 20.7 miles, "with all the rights, privileges, franchises, and immunities pertaining thereto," was leased July 26, 1892, to Ohio Valley Railway Company for ninety-nine years. (Contract No. 2877.)

The PRINCETON & OHIO RIVER RAILROAD COMPANY was incorporated by act of the General Assembly of Kentucky of February 7, 1882 (1 Acts 1881-2, p. 375),

“For the purpose of constructing, equipping, and operating a railway from the town of Princeton, in Caldwell County, to some point on the Ohio River at or near the mouth of Green River, with a branch of said railroad extending to some point on the Ohio River at or near Uniontown, or to some point on said river opposite, or as nearly opposite as practicable, to Shawneetown, Illinois, on the most practicable lines through the counties of Caldwell, Hopkins, Crittenden, Union, Webster, and Henderson, to be determined by the president and board of directors of said Princeton & Ohio River Railroad Company.”

The capital stock was \$1,500,000, shares \$50 each, with power to increase to \$3,000,000 if necessary, when authorized by vote of stockholders.

The corporation was given power to rent or lease road to any other railroad company, or to lease any other connecting road and operate same; to connect or consolidate with any other railroad built or to be built in or through the State of Kentucky or any adjoining State, so as to form a continuous or connected line; and should such connection or consolidation be made, it was authorized to assume the name and style of Indiana, Alabama & Texas Railroad Company, without loss of any of the rights or benefits of its charter.

By amendment of April 1, 1882 (2 Acts of 1881-2, p. 43), the company was empowered to

“Run, construct, or extend a line or branch of said road from said town of Princeton, in a southeasterly direction, to the State line between the States of Kentucky and Tennessee, along such route as the company may determine, through the counties of Caldwell, Trigg, Lyon, and Christian counties, or either of said counties,” and “to run a branch or line of said road from the town of Cadiz, or

some point in Trigg or Christian counties, through said counties, by way of Hopkinsville, into and through the county of Muhlenberg to Greenville, or some other point in said county, and thence to some point on the Ohio River, as may be determined by said company."

The MOBILE, CLARKSVILLE & EVANSVILLE RAILROAD COMPANY was incorporated by a charter of date November 28, 1881, registered in the office of the Secretary of State of Tennessee on November 30, 1881. The charter declares that the incorporation is for the purpose of

"Constructing a railway from some point on the State line of Kentucky and Tennessee in the county of Montgomery to the city of Clarksville, in the said county, thence southwardly through said county of Montgomery and the counties of Dickson, Hickman, Lewis, and Wayne to the State line of Alabama in the direction of Florence or some other point on the Tennessee River in Lauderdale County, Alabama." And the charter further states that "said railroad company proposes and it is their object and purpose to build branches to said railroad in the counties aforesaid, and also into the counties of Humphreys, Perry, and Hardin." (Contract 6775.)

✓ The entire Clarksville & Princeton Branch, from Princeton Junction, Tennessee, to Princeton, Kentucky, is covered by a mortgage of date April 30, 1887, executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York, as trustee, to secure an issue of fifty-year 5 per cent gold bonds, not to exceed in the aggregate \$3,500,000, of which \$1,764,000 have been issued, \$15,000 being owned by the Louisville & Nashville Railroad Company and \$1,749,000 outstanding in the hands of the public. This mortgage is usually designated as the "First Mortgage Fifty Year Five Per

Cent Gold," but is sometimes referred to as the "Five Per Cent Branch Mortgage."

Subject to the mortgage just described, this branch is also covered by the Unified Mortgage of June 2, 1890.

CLARKSVILLE MINERAL BRANCH.

	MILES	
Hematite, Tennessee, to Pond, Tennessee (including Louise Spur .43).....	31.35	
Van Leer, Tennessee, to Cumberland Furnace, Tennessee	6.00	
	37.35	

✓ This branch was built by the Louisville & Nashville Railroad Company under the powers granted in the charter of the Memphis, Clarksville & Louisville Railroad Company, which powers and franchises the Louisville & Nashville Railroad Company became invested with by purchase of the property and franchises of the Memphis, Clarksville & Louisville Railroad Company by virtue of Section 10, Chapter 23, of the Acts of Tennessee of 1870-1, p. 28. (*Ante*, p. 143.)

✓ The original contract for the construction of the road was made July 7, 1890, and the construction was commenced shortly after that date. This original contract included the Main Line from Hematite to Pond and the Van Leer Spur from Van Leer to Cumberland Furnace. Sections 14 to 20, inclusive, were cut out of the original contract, leaving a gap of 8.1 miles. The part of the road between Hematite and the gap was opened for business December 1, 1891, and the part between Pond and Van Leer, and including the Van Leer Spur between Van Leer and Cumberland Furnace, was opened for business August 1, 1891, and operated under contract with the Nashville,

Chattanooga & St. Louis Railway from that time to January 1, 1893, when the Louisville & Nashville Railroad Company took charge and began operation. The contract for the construction of the gap was made April 14, 1892, and the construction was begun shortly after that date. The gap was finished and opened for business February 1, 1893.

HENDERSON DIVISION.

	MILES	
Edgefield Junction, Tennessee, to Henderson, Kentucky	134.76	
Madisonville, Kentucky, to Providence Mine, Kentucky	16.10	
Henderson Bridge Company's Tracks—Henderson, Kentucky, to Howell, Indiana.....	10.06	
	160.92	

(a) EVANSVILLE, HENDERSON & NASHVILLE RAILROAD—TENNESSEE DIVISION.

Edgefield Junction, Tennessee, to Guthrie, Kentucky.....37 miles.

✓The corporation by which this road was constructed was originally chartered as the EDGEFIELD & KENTUCKY RAILROAD COMPANY by act of the legislature of Tennessee passed February 13, 1852, and for the purpose of making and using its road was invested with all the powers, rights, and privileges of the Nashville & Chattanooga Railroad Company. (Laws of Tennessee, 1851-2, p. 338.)

The shares of stock were \$25 each. The capital stock was \$300,000, with the privilege of increasing it to double that sum if necessary. At the time of its sale under the Chancery Court proceedings, to be hereinafter referred to, the amount of stock issued and outstanding was \$353,000.

The State of Tennessee loaned to the Edgefield & Kentucky Railroad, under the "Internal Improvement Laws" of the State, \$1,180,000 of bonds of the State, to secure which the State reserved under said law a first lien upon the entire road, with all its property, rights, and franchises. The company having defaulted upon its interest due to the State, the road was placed in the hands of a receiver by the State, and while operated by the receiver the State purchased rolling stock and material from the United States with which to operate the road, and which amounted with interest to January 1, 1871, to \$171,375.45.

The State claimed that this debt for rolling stock, etc., was entitled to the same lien as the bonds which the State had loaned the company.

On January 20, 1871, the State filed its bill in the Chancery Court at Nashville against the Edgefield & Kentucky Railroad Company, its creditors and stockholders, insisting that the State's lien was prior to all other encumbrances upon the property. By decrees of date May 23, 1871, and July 6, 1871, the court so adjudged, and ordered the road, its property, rights, and franchises to be sold, and at the sale made under those decrees, the property was purchased by an association of stockholders for the sum of \$900,000, payable in coupon bonds of the State. The decree of May 23, 1871, ascertained the debt of the Edgefield & Kentucky Railroad Company to be \$2,081,179.71, which included the debt of \$171,375.45 to the United States Government, which had been assumed by the State. Subsequently, on April 18, 1872, an amendment of the charter was procured from the Chancery Court at Nashville, changing the name of the company to the

Nashville, Chicago & St. Louis Railroad Company (Minute Book V, pp. 106, 107), which corporation, by proper conveyance, became the owner of the road, its property, franchises, etc.

That corporation was thereafter consolidated with the Evansville, Henderson & Nashville Railroad Company, chartered by the State of Kentucky; the St. Louis & Southeastern Railway Company (Kentucky Division), chartered by the State of Kentucky; and the St. Louis & Southeastern Railway Company, a corporation chartered by the laws of Illinois and Indiana, respectively. The name of the new corporation thus created was the St. Louis & Southeastern Railway Company (Consolidated). The articles by which this consolidation was effected bore date July 29, 1872, and provided that they should take effect October 1, 1872. They were filed in the office of the Secretary of State of Tennessee on October 17, 1872, and in the offices of the Secretary of State of Illinois and of the Secretary of State of Indiana on October 18, 1872. This consolidation was confirmed by an act of the Kentucky Legislature approved and in force February 3, 1874. (Acts 1873-4, p. 211.)

Prior to the consolidation, the Nashville, Chicago & St. Louis Railroad Company, on September 26, 1872, executed a mortgage upon what was formerly the Edgefield & Kentucky Railroad, to secure \$1,800,000 in gold, with interest in gold, payable semi-annually on the first days of January and July.

After the consolidation, to wit, on October 1, 1872, the St. Louis & Southeastern Railway Company (Consolidated) executed a mortgage upon the entire road from Nashville, Tennessee, to East St. Louis, Illinois, to secure \$4,922,000

of bonds payable in gold coin in November, 1902, with 7 per cent gold interest, payable semi-annually on the first days of August and February, all of which bonds were issued.

The trustees in the mortgage last mentioned subsequently became the owners of the bonds and mortgage executed by the Nashville, Chicago & St. Louis Railroad Company above referred to, and default having been made upon the interest due under both mortgages, bills were filed in the United States Circuit Court at Nashville to foreclose both of said mortgages. October 24, 1874, the court appointed J. F. Alexander receiver, and he took possession of the road November 1, 1874. He died in office August 26, 1876, and James H. Wilson was appointed to succeed him September 8, 1876, the appointment to date from the death of his predecessor. On November 1, 1878, a decree was rendered by the court ordering a sale of what had formerly been known as the Edgefield & Kentucky Railroad, to pay the amount due upon both mortgages, and at a sale made April 9, 1879, Jacob H. Schiff, John B. Dumont, and George Opdyke, a committee of bondholders, became the purchasers.

That sale was confirmed May 30, 1879, and on May 31, 1879, the order of confirmation was modified so as to direct the receiver to turn over to the purchaser or his assignee the entire property, rights, and franchises purchased, upon demand of purchaser made at any time after ten days from date of order. The purchasers, having taken possession pursuant to that order, granted license to the Louisville & Nashville Railroad Company to operate the road, the license being dated July 25, 1879. By deed of July 29, 1879, executed by Lewis T. Baxter, Clerk of United States

Circuit Court, Philo C. Calhoun and George Opdyke, trustees, and the St. Louis & Southeastern Railway Company (Consolidated), the property, rights, and franchises purchased by Jacob H. Schiff and others were conveyed to them. (Deed No. 542, recorded in Register's office of Davidson County, Tennessee, Book 63, p. 218.) Thereafter, by deed of December 6, 1879, between the Louisville & Nashville Railroad Company of the first part, Jacob H. Schiff, John B. Dumont, and George Opdyke, committee of bondholders, of the second part, and the Central Trust Company of New York, of the third part, the said property, rights, and franchises were conveyed to the Central Trust Company of New York to secure bonds amounting to \$2,400,000, bearing 6 per centum interest, and maturing December 1, 1919, the committee of bondholders also by the same instrument conveying to the Louisville & Nashville Railroad Company the property, rights, and franchises thus mortgaged to the Central Trust Company of New York. (Deed 1011.) Amount of bonds outstanding in hands of public June 30, 1904, \$1,730,000.

This mortgage covers the line from Edgefield Junction, Tennessee, to Henderson, Kentucky, and an undivided one half of the line from Edgefield Junction, Tennessee, to Nashville, Tennessee; also 11 miles of the Providence Branch, from Madisonville, Kentucky, toward Providence, Kentucky. All the property covered by this mortgage is also covered by the General Mortgage of date June 1, 1880, executed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York, as trustee, to secure an issue of \$20,000,000 of 6 per cent bonds, maturing June 1, 1930, of which \$8,239,000 are outstanding, which is a second lien thereon, and is also a first lien

on the other undivided one half of the line from Edgefield Junction, Tennessee, to Nashville, Tennessee, and on the extension of the Providence Branch to Providence, Kentucky, 5.10 miles in length.

The entire Henderson Division is also covered by the Unified Mortgage of June 2, 1890, which is a second lien on an undivided one half of the line from Edgefield Junction, Tennessee, to Nashville, Tennessee, and on the extension of the Providence Branch to Providence, Kentucky, 5.10 miles in length, and is a third lien on the line from Edgefield Junction, Tennessee, to Henderson, Kentucky, on 11 miles of the Providence Branch from Madisonville, Kentucky, toward Providence, Kentucky, and on the other undivided half of the line from Edgefield Junction, Tennessee, to Nashville, Tennessee.

(b) EVANSVILLE, HENDERSON & NASHVILLE RAILROAD—
KENTUCKY DIVISION.

Henderson to Guthrie.....97.76 miles.
Providence Branch—Madisonville to Providence.....16.10 miles.

The HENDERSON & NASHVILLE RAILROAD COMPANY was incorporated by an act of the Kentucky Legislature approved February 8, 1837 (Acts 1836-7, p. 118). On November 15, 1849 (Acts 1849-50, p. 43), the legislature of Tennessee passed an act to amend and re-enact that act providing that the company authorized thereby should, when formed, have corporate existence in each of the States of Kentucky and Tennessee, the company being empowered to construct railroads so as to form continuous lines between the town of Henderson and city of Nashville, so as to touch at Clarksville, Tennessee, in such manner as to

afford that town all the benefits of which the road is capable. That act provided that it should become a law whenever the State of Kentucky might enact the same and concur in the amendment made thereby to the Kentucky act of February 8, 1837, which the Kentucky Legislature did by an act approved March 4, 1850. (Acts 1849-50, p. 308.)

At a sale of the property, rights, and franchises of the Henderson & Nashville Railroad Company, made February 23, 1867, under a judgment rendered at the January called term, 1867, of the Circuit Court of Christian County, Kentucky, E. G. Sebree became the purchaser, and by deed of March 22, 1867, John Feland, Master Commissioner, conveyed to him

“The railroad constructed and to be constructed, the railroad track, road-bed, rails, bridges, fixtures, and the land on which they are situated, and all the rights, privileges, and franchises whatever of the Henderson & Nashville Railroad Company, with all the depots, stations, and other real estate belonging to the said Henderson & Nashville Railroad Company included and embraced in the deed of trust or mortgage from said railroad company to T. S. Goodman and J. S. Atwood, dated March 1, 1854, said property being situated in the counties of Todd, Christian, Hopkins, Webster, and Henderson.” (Deed 835.)

By deed of June 20, 1867 (Deed 868), E. G. Sebree and wife conveyed to the Evansville, Henderson & Nashville Railroad Company the property, privileges, and franchises thus conveyed to E. G. Sebree by John Feland, Master Commissioner.

The EVANSVILLE, HENDERSON & NASHVILLE RAILROAD COMPANY was incorporated by act of the Kentucky Legis-

lature approved and in force January 29, 1867 (1 Acts 1867, p. 146), with power to construct and operate a railroad "from the city of Henderson, on the Ohio River and in the State of Kentucky, to the line of the State of Kentucky and Tennessee, in the direction of Nashville, in Tennessee." And the company was authorized and empowered to purchase from any railroad company or any person any railroad track, road-bed, right of way, rails, and other material and franchises necessary to construct the said road. While some work was done under the charter of the Henderson & Nashville Railroad Company, the line was substantially built under the charter of the Evansville, Henderson & Nashville Railroad Company. Subsequently, in October, 1872, as set out on pages 180-81 of this history, that company was consolidated with three other companies to form the St. Louis & Southeastern Railway Company (Consolidated). One of these companies was another Kentucky corporation, the St. Louis & Southeastern Railway Company (Kentucky Division), which was originally incorporated as the Madisonville & Shawneetown Straight Line Railroad Company, by act approved and in force February 18, 1870 (1 Acts 1869-70, p. 342), with power to construct a railroad from Madisonville, Kentucky, to Shawneetown, Illinois. By act approved and in force March 26, 1872 (2 Acts of 1871-2, p. 250), the name of that corporation was changed to St. Louis & Southeastern Railway Company (Kentucky Division), and the company was given power to build, equip, maintain, and operate a double or single track railroad "from any eligible point on its railroad between Shawneetown and Madisonville, into or through the counties of Union, Webster, Hopkins, Crittenden, Cald-

well, Christian, and Trigg, or either of them, to the south boundary line of Kentucky in the general direction of Clarksville, Tennessee.”

George Opdyke and Philo C. Calhoun, trustees, filed bill of complaint in October, 1874, in United States Circuit Court for District of Kentucky, asserting a lien on the property of the St. Louis & Southeastern Railway Company (Consolidated) and of the Evansville, Henderson & Nashville Railroad Company within the State of Kentucky, by virtue of a mortgage executed to them as trustees by the St. Louis & Southeastern Railway Company (Consolidated), dated October 1, 1872. A cross-bill was filed by Ambrose E. Burnside, surviving trustee, July 26, 1876, asserting a lien upon the property of both companies by virtue of a mortgage executed to Thomas E. Bramlette and Ambrose E. Burnside, trustees, by the Evansville, Henderson & Nashville Railroad Company, dated July 1, 1867. In that suit St. John Boyle was appointed receiver October 20, 1874, and he continued to operate the road as receiver until August 1, 1879. Final decree of foreclosure was rendered June 7, 1879, sale made July 19, 1879, and sale confirmed November 21, 1879. At that sale the Louisville & Nashville Railroad Company became the purchaser, and as such began to operate the road August 1, 1879. By deed of date December 1, 1879, St. John Boyle, Special Master, conveyed to that Company all the railroad of the Evansville, Henderson & Nashville Railroad Company from Henderson to Guthrie, with all its franchises, rights, and privileges and all the franchises, rights, and privileges of the St. Louis & Southeastern Railway Company (Consolidated), and all the property of said company or apper-

taining to its railroad within the jurisdiction of the court, "including the railroad, right of way, and other property forming part of the St. Louis & Southeastern Railway (Kentucky Division), so called, extending from Madisonville, in the county of Hopkins, through the counties of Webster and Union to a point on the Ohio River opposite Shawneetown, in Illinois." (Deed 1011, Part 1.)

A statement of the mortgages covering the Kentucky Division appears in the history of the Tennessee Division, pp. 165-66.

The HENDERSON BELT RAILROAD COMPANY, under whose charter certain tracks in the city of Henderson, Kentucky, now operated as side tracks, were constructed, was incorporated by an act of the Kentucky Legislature approved April 12, 1888 (3 Acts 1887-8, p. 4). By an act to amend the charter, approved March 13, 1890 (1 Acts 1889-90, p. 636), it was provided that "said railroad may commence at or near the Ohio River, in the city of Henderson, and run thence to such points within, or not exceeding five miles from, the corporate limits of the city of Henderson, as will enable said railroad to connect with any other railroad that may now enter, or may hereafter enter, the city of Henderson."

By an ordinance of the city of Henderson, passed December 21, 1889, the city granted to the Henderson Belt Railroad Company a right of way over certain streets and alleys of the city (Contract 4671), and by contract of date March 11, 1890, between the Louisville & Nashville Railroad Company of one part and the Henderson Belt Railroad Company, W. W. Shelby and W. J. Marshall of the other part, the Henderson Belt Railroad Company agreed to construct a railroad over a certain route specifi-

cally described therein, and the Louisville & Nashville Railroad Company agreed to furnish the money therefor, the debt therefor to be discharged by the said W. W. Shelby and W. J. Marshall transferring and causing to be transferred to the Louisville & Nashville Railroad Company the entire capital stock of said Belt Railroad Company. It was further agreed that when the said Belt Railroad should be completed and the stock of the Belt Railroad Company transferred as therein provided, the Louisville & Nashville Railroad Company should take charge of said road and operate it upon certain terms and conditions specifically prescribed. (Contract 2398.)

By the charter of the Belt Railroad Company the directors were authorized to fix the amount of the capital stock not to exceed \$500,000, in shares of \$50 each. Pursuant to that authority the stock was fixed at \$20,000, all of which is owned by the Louisville & Nashville Railroad Company, and all of which, except five shares, is deposited with the Central Trust Company of New York as trustee under the Unified Mortgage of June 2, 1890.

(c) HENDERSON BRIDGE AND CONNECTING TRACK.

Henderson, Kentucky, to Howell, Indiana 10.06 miles.

The HENDERSON BRIDGE COMPANY was incorporated by act of the General Assembly of Kentucky approved February 9, 1872 (1 Acts 1871-2, p. 314). By its charter it was empowered "to construct a bridge across the Ohio River, extending from some convenient point within the corporate limits of the city of Henderson to some convenient point on the Indiana side of said river opposite to the

city of Henderson," and the charter provided further "that said company may extend a railway over said bridge with as many tracks as may be deemed expedient; and shall have the right to fix reasonable rates of tolls for passing over said bridge, collect the same from all and every person or persons passing thereon, and on all goods and chattels, vehicles, and animals passing thereon or carried thereon of every kind and description." The capital stock was fixed at \$2,000,000, to be divided into shares of \$100 each.

By Kentucky act approved March 10, 1882 (1 Acts 1881-2, p. 713), the Henderson Bridge Company was empowered to exercise in the State of Indiana all the rights, powers, faculties, franchises, and privileges conferred by two acts of the General Assembly of the State of Indiana, approved March 2, 1875, and April 8, 1881, respectively.

By Kentucky act of March 28, 1884 (1 Acts 1883-4, p. 851), the capital stock was reduced to \$1,000,000.

By the Indiana act of April 8, 1881 (2 Burns' Ann. Stats. Indiana, Sec. 4670), referred to above, it was provided:

"That any corporation created by the laws of another State for the purpose of constructing a bridge across any river or stream forming in whole or in part the boundary between such other State and this State, shall have and enjoy within this State all of the rights, powers, faculties, franchises, and privileges contained in the said act, to which this is supplemental, entitled, 'An act providing for the incorporation of companies formed for the purpose of constructing bridges for railway or common roadway purposes, or both, over rivers and streams forming the boundaries of the State of Indiana or a part thereof,' approved

March 2, 1875: *Provided*, that said corporation shall first file for record, in the office of the Recorder of the county in which such bridge is proposed to be constructed, a copy of its charter from such State and of the resolutions of its board of directors accepting the benefits of this and the said act, signed by its president and attested by its secretary; and, *Provided*, that such corporation shall, so far as it may exist and do business in this State, be subject to the laws of this State for the government of foreign corporations: *Provided*, further, that any bridge constructed and maintained under the provisions of this act shall be a public highway and subject to use by all persons and corporations electing to use the same for any purpose or purposes to which the same is adapted, subject to such reasonable rules and regulations as the corporation owning such bridge shall prescribe; and that the rates of toll over said bridge shall be reasonable and uniform to all persons and corporations using the same: *Provided*, that nothing in this act contained shall be deemed or construed to be a limitation or restriction of the right of the General Assembly to alter or amend the charter of any corporation or company constructing any bridge under the provisions of this act."

The Indiana act of March 2, 1875 (2 Burns' Ann. Stats. Indiana, Secs. 4652-4659), referred to in that act, after conferring certain general powers upon corporations formed for the purpose of constructing bridges for railway or common roadway purposes, or both, over streams forming the boundaries of the State of Indiana or part thereof, confers certain other powers, the most important of which are as follows:

"Said corporation shall have power to construct a railway, with one or more tracks over said bridge and the embankments appertaining thereto, and to connect the same with other railway tracks, and shall have the right to

fix and alter at pleasure the rates of toll for all persons and property passing over said bridge, and all railway tracks connected therewith, whether on foot or horseback, or in vehicles of any kind, or in cars propelled by steam or any other power. For the purpose of collecting tolls, toll houses may be erected and maintained at the said bridge, near to it, or on the approaches leading to it. The rates of toll for persons on foot or horseback or in vehicles (except in cars propelled by steam or other power) shall be first submitted to and approved by the Board of Commissioners of the proper county in which any part of such bridge and embankment may be situated. The rates of toll shall be painted on a board, and set up in some conspicuous place on the toll house or bridge; and said corporation may demand and receive the rates of toll thus fixed and published.

“The said corporation shall also have full power and authority to connect the line of railway over said bridge, by continuous line of railway, in such manner and upon such route and terms as may be deemed most expedient, with any other line of railway whatever, and to maintain, use, operate, and control the said connection, when completed, and charge and receive tolls for the use thereof.

“The said corporation shall have the right to contract, at any agreed sum or rate, with any railroad company now existing or which may hereafter be incorporated, for the annual use of said bridge by the cars or engines, or for the use of said railroad company; and any such railroad company is hereby authorized to subscribe for the stock or to purchase the bonds issued by said bridge company, and is further authorized to make all such guarantees as to the net earnings of said bridge, over cost of operation and repair, as may be agreed upon by the two contracting companies. Such corporation shall have authority, by a vote of a majority of the directors, to unite and consolidate its franchises, business, and interests with those of any other bridge company incorporated under the laws of any

other State, and having authority to construct a bridge over the same stream at the same point."

These two Indiana acts were accepted by the Henderson Bridge Company by resolution of its board of directors passed April 16, 1881, a copy of which was recorded May 2, 1881, in the Recorder's office of Vanderburg County, Indiana (Miscellaneous Record B, p. 220), and at the same time a copy of the company's articles of incorporation was filed and recorded in the same office. (Miscellaneous Record B, pp. 218-220.)

By ordinance of the city of Henderson, accepted by the Henderson Bridge Company February 11, 1882, the bridge company was granted

"The right to construct on and over the center of Fourth Street in the city of Henderson and the line thereof extending to low water on the Ohio River such approaches, avenues, piers, trestles, abutments, toll houses, and other appurtenances necessary in the erection and for the business of the bridge over the Ohio River from a point in the city of Henderson to some convenient point on the Indiana side of said river."

And the Bridge Company was further granted the right

"To use the space between Water Street in said city and low water mark on the Ohio River, extending 100 feet below the center of Fourth Street extended, and 300 feet above the center of said street extended to the Ohio River, for any purpose required by said company."

And the company was further authorized to erect grain elevators within said space, above high water mark.

By act of Congress approved December 17, 1872 (17 U. S. Stats. at Large, 398-9), which was in force when the

Henderson Bridge was built, it was provided that any persons or corporations having lawful authority therefor might thereafter erect bridges across the Ohio River for railroad or other uses, upon compliance with the provisions and requirements of that act. The bridge and connecting track were completed and put in operation July 13, 1885.

By a contract entered into February 26, 1884, between the Henderson Bridge Company of the one part, and the Louisville & Nashville Railroad Company, Southeast & St. Louis Railway Company (Louisville & Nashville Railroad Company, lessee), Evansville & Terre Haute Railroad Company, Louisville, Evansville & St. Louis Railway Company, and the Peoria, Decatur & Evansville Railway Company, of the other part, the freight and passenger tolls for the use of the bridge by the railroad companies named as parties to the contract were fixed, and the railroad companies named agreed to give to the bridge company all the business of their respective roads, and further agreed that the bridge company should receive in tolls from the entire business of the bridge not less than \$200,000 per annum, the bridge company agreeing to refund any excess of tolls over 10 per cent on the aggregate cost of the bridge, provided no repayment should be made to reduce the income of the bridge company below \$200,000 per annum. This contract was to take effect February 25, 1884, and to continue for ninety-nine years from the completion of the bridge, approaches, and railroad.

By a supplemental agreement between the same parties, entered into January 16, 1886, to take effect February 1, 1886, certain changes were made in the passenger and freight tolls.

By an agreement entered into February 27, 1884, between the Louisville & Nashville Railroad Company and the Henderson Bridge Company, the railroad company undertook to keep the bridge and railroad of the bridge company in repair, and to pay all taxes thereon, the bridge company agreeing to pay to the railroad company \$10,000 per annum for that purpose, but the contract provided that no further sum would be advanced by the bridge company to the railroad company for such purpose in case thereby the gross income of the bridge would be reduced below \$190,000. This contract was to continue in effect until September 1, 1931.

By contract of April 12, 1902, between the bridge company and the Louisville & Nashville Railroad Company, all the foregoing contracts were canceled, and the railroad company, in consideration of that fact and of the full use of the bridge company's property without other compensation, undertook on and after May 1, 1902, to maintain and operate the bridge company's bridge and railway, and to pay the interest on the outstanding bonded debt of the bridge company, secured by its mortgage of September 1, 1881, and to pay the sinking fund payments required by that mortgage and the supplement thereto of February 27, 1884. It was further provided that either party should have the right to cancel the contract upon giving sixty days' notice in writing of its intention to do so. (Contract 5905.)

By contract of date May 1, 1904, between the Louisville & Nashville Railroad Company and the Illinois Central Railroad Company, which was ratified and confirmed by the Henderson Bridge Company, the Louisville & Nashville Railroad Company granted to the Illinois

Central Railroad Company the right to use in common with it, "equally and jointly," the railroad tracks and bridge forming a continuous line of railroad between the cities of Henderson and Evansville. By its terms this agreement is not to terminate until the expiration of three years after written notice by one party to the other of its intention to terminate the agreement, and in no event to terminate in less than five years from its date. (Contract 7195.)

Bonded debt \$2,000,000, bearing 6 per cent interest, secured by mortgage of September 1, 1881, executed by the Henderson Bridge Company to the Central Trust Company of New York as trustee, and by supplemental mortgages of January 10, 1882, and February 27, 1884. By the former of these supplemental mortgages, all that part of the property and franchises of the Henderson Bridge Company in the State of Indiana is conveyed to S. B. Vance as trustee.

Bonds amounting to \$497,000 redeemed for the Sinking Fund up to June 30, 1904. Interest on bonds thus redeemed is regularly paid into the Sinking Fund. Of the authorized capital stock of \$1,000,000, only \$938,000 has been issued, all of which is owned by the Louisville & Nashville Railroad Company, 5,010 shares being deposited by that Company with the Central Trust Company of New York under the Unified Mortgage.

SOUTHEAST & ST. LOUIS RAILWAY.

	MILES	
East St. Louis, Illinois, to Evansville, Indiana.....	162.00	
Shawneetown Branch—Shawneetown Junction to Shawneetown, Illinois.....	40.70	
O'Fallon Branch—O'Fallon Junction to O'Fallon, Illinois	6.04	
	208.74	

✓ The ST. LOUIS & SOUTHEASTERN RAILWAY COMPANY was chartered by the legislature of the State of Illinois by an act entitled "An Act to incorporate the St. Louis & Southeastern Railway Company," approved March 10, 1869 (Laws of Illinois, 1869, Volume 3, p. 238), and authorized to build a railway from the bank of the Mississippi River, opposite the city of St. Louis, to Shawneetown, Illinois, on the Ohio River, via Mt. Vernon, McLeansboro, and Equality.

The EVANSVILLE & SOUTHERN ILLINOIS RAILROAD COMPANY was chartered by the legislature of the State of Illinois by an act entitled "An Act to incorporate the Evansville & Southern Illinois Railroad Company," in force March 26, 1869 (Laws of Illinois, 1869, Volume 3, p. 10), and authorized to build a railroad from the town of McLeansboro, in Hamilton County, to a point on the Big Wabash River via Enfield and Carmi, in White County.

The EVANSVILLE, CARMi & PADUCAH RAILROAD COMPANY was duly incorporated on June 9, 1869, under and by virtue of an act of the General Assembly of the State of Indiana, entitled "An Act to provide for the incorporation of railroad companies," approved May 11, 1852 (see Volume 2, Burns' Ann. Stat. Ind., Sections 5134-5200), and acts amendatory thereof and supplemental thereto,

and authorized to build a railroad from the city of Evansville to the Big Wabash River in the general direction of Carmi, White County, Illinois.

The Congress of the United States, by a joint resolution approved July 14, 1870, granted to the Evansville & Southern Illinois Railroad Company the right to construct a bridge for railroad purposes and as a public highway across the Big Wabash River.

By articles of consolidation bearing date February 21, 1871, and filed in the office of the Secretary of State of Illinois April 11, 1871 (Deed A 7), the St. Louis & Southeastern Railway Company and the Evansville & Southern Illinois Railroad Company were consolidated under the name of the St. Louis & Southeastern Railroad Company, pursuant to authority granted by the charters of the constituent corporations and an act of the General Assembly of the State of Illinois approved February 28, 1854 (Gross' Statutes of Illinois, 1871, p. 537), entitled "An Act to enable railroad companies and plank road companies to consolidate their stock." And by articles of consolidation bearing date February 28, 1871, and filed in the office of the Secretary of State of Illinois on April 11, 1871, and in the office of the Secretary of State of Indiana April 15, 1871, the St. Louis & Southeastern Railroad Company and the Evansville, Carmi & Paducah Railroad Company were consolidated under the name of the St. Louis & Southeastern Railway Company (Deed A 6), and this last-named company built and operated the railway from St. Louis, Missouri, to Evansville, Indiana.

By an agreement of consolidation bearing date July 29, 1872, and providing that it should take effect October

1, 1872, which was filed in the office of the Secretary of State of Tennessee on October 17, 1872, and in the office of the Secretary of State of Illinois on October 18, 1872, and in the office of the Secretary of State of Indiana on the same day, the St. Louis & Southeastern Railway Company was consolidated with the Evansville, Henderson & Nashville Railroad Company, incorporated by act of the Kentucky Legislature approved January 29, 1867 (1 Acts 1867, p. 146), the St. Louis & Southeastern Railway Company (Kentucky Division), incorporated by acts of the Kentucky Legislature approved February 18, 1870 (1 Acts 1869-70, p. 342), and March 26, 1872 (2 Acts 1871-2, p. 250), and the Nashville, Chicago & St. Louis Railroad Company, a corporation originally chartered as the Edgefield & Kentucky Railroad Company by act of the legislature of Tennessee passed February 13, 1852, the name being subsequently changed to the Nashville, Chicago & St. Louis Railroad Company by an amendment to the charter procured from the Chancery Court at Nashville on April 18, 1872 (Minute Book V, pp. 106, 107). The name of the corporation created by this consolidation was the St. Louis & Southeastern Railway Company (Consolidated). This consolidation was confirmed by an act of the Kentucky Legislature approved and in force February 3, 1874 (Acts 1873-4, p. 211), by which all the rights, powers, and privileges of the Kentucky corporations which formed part of the consolidated company were conferred upon that company.

Three deeds of trust were executed by the St. Louis & Southeastern Railway Company, in each of which Philo C. Calhoun and George Opdyke were named as trustees. The first of these deeds was executed October 1, 1869, by

the original St. Louis & Southeastern Railway Company, chartered by act approved March 10, 1869, and was executed to secure bonds aggregating \$2,250,000 due October 31, 1894. This deed was a first lien on all the property of the St. Louis & Southeastern Railway Company from East St. Louis, via McLeansboro, to Shawneetown. The other two deeds were executed by the St. Louis & Southeastern Railway Company, the corporation created by the consolidation of the St. Louis & Southeastern Railroad Company and the Evansville, Carmi & Paducah Railroad Company, one of them bearing date March 1, 1871, and the other August 1, 1872. The first was executed to secure bonds aggregating \$1,000,000 due October 31, 1894, and was a first lien on all that part of the line of railroad from McLeansboro to Evansville. The second was executed to secure bonds aggregating \$150,000 due October 31, 1894, and was a first lien on that part of the road from Belleville to O'Fallon, St. Clair County, Illinois. Default being made in the payment of interest on these bonds, due in March, 1874, a bill was filed by Frederick William Oewel and others against the St. Louis & Southeastern Railway Company (Consolidated) and others, in the United States Circuit Court for the Southern District of Illinois, for sale of the property, rights, and franchises of the St. Louis & Southeastern Railway Company (Consolidated) and the several constituent companies, and suit was also brought by the same complainants in the United States Circuit Court for the District of Indiana for sale of the same property, rights, and franchises. In these proceedings J. F. Alexander was appointed receiver October 1, 1874, and General James H. Wilson, his successor, was appointed September

2, 1876. A decree was rendered August 30, 1880, by the United States Circuit Court for the Southern District of Illinois, for sale of the property, rights, and franchises of the St. Louis & Southeastern Railway Company (Consolidated) and the several constituent companies, and a like decree was rendered September 27, 1880, by the United States Circuit Court for the District of Indiana.

Sale was made under both decrees November 16, 1880, and the property and franchises purchased by Henry W. Smithers, William F. Whitehouse, and Charles W. Opdyke. Henry W. Smithers assigned his bid to the other purchasers, and January 25, 1881, John A. Jones, Master in Chancery of United States Circuit Court for Southern District of Illinois, and William P. Fishback, Master in Chancery of United States Circuit Court for District of Indiana, conveyed to Whitehouse and Opdyke all the line or lines of railway of the St. Louis & Southeastern Railway Company (Consolidated) lying in the counties of St. Clair, Clinton, Washington, Jefferson, Hamilton, Saline, Gallatin, and White, in the State of Illinois, and in the counties of Posey and Vanderburg, in the State of Indiana, more particularly described as follows:

“A line of railway beginning at East St. Louis at a point upon the Mississippi River, and running thence easterly, by the way of Belleville, Mascoutah, Nashville, Ashley, and Mount Vernon to McLeansboro; and thence one line of said railway running southeasterly, by the way of Equality, to a point upon the Ohio River at Shawneetown; and another line running easterly from McLeansboro aforesaid, by the way of Carmi, to a point upon the Wabash River, and thence over a bridge erected by the said railway company over the Wabash River, by the way

of Mt. Vernon, to a point upon the Ohio River at the city of Evansville; and also a branch railway running northerly from Belleville aforesaid to O'Fallon, in the county of St. Clair, in the State of Illinois, and certain other branches within the said county of St. Clair in the State of Illinois; the said lines of railway with their sidings embracing a total length of 235 miles, more or less."

The deed also conveyed "all franchises connected with or relating to the said railway at any time owned, possessed, or acquired by the said St. Louis & Southeastern Railway Company (Consolidated), and also all the franchises and property of the corporations united in the consolidation of the last-named railway company."

On January 27, 1881, William F. Whitehouse and wife and Charles W. Opdyke and wife conveyed the same property to the Southeast & St. Louis Railway Company, and on the same day that company leased to the Louisville & Nashville Railroad Company all of said property, rights, and franchises for the term of forty-nine years from January 27, 1881. And the lessor thereby agreed to take all necessary and legal means to have its charter extended in accordance with the laws of the State of Illinois, and upon obtaining such extension to make a further lease to the lessee for a further period of fifty years, with covenant of renewal. (Deed A 3.)

The SOUTHEAST & St. LOUIS RAILWAY COMPANY was incorporated by articles of incorporation filed in the office of the Secretary of State of Illinois November 12, 1880, under an act of the General Assembly of Illinois approved March 1, 1872, and the first election of directors took place November 13, 1880. The corporation, as stated in the articles, was organized for the purpose of

purchasing, owning, operating, and maintaining the line of railroad then operated by the St. Louis & Southeastern Railway Company (Consolidated). Authorized capital stock \$1,000,000, in shares of \$100 each. Full amount issued, and all owned by the Louisville & Nashville Railroad Company except eight shares; 9,800 shares being deposited with the Central Trust Company of New York as trustee under the Unified Mortgage.

Bonded debt, \$6,500,000, secured by mortgage of date January 27, 1881, executed by the Southeast & St. Louis Railway Company to Henry W. Smithers, William F. Whitehouse, and Noble C. Butler, as trustees. Of these bonds \$3,500,000, bearing 6 per cent interest, mature March 1, 1920, and are first mortgage bonds, and \$3,000,000, bearing 3 per cent interest, mature March 1, 1980, and are second mortgage bonds. All of the 6 per cent bonds are outstanding in the hands of the public. Of the 3 per cent bonds all are outstanding in the hands of the public except one bond of \$1,000, which is owned by the Louisville & Nashville Railroad Company.

SOUTHERN ALABAMA DIVISION.

Escambia Junction to Selma, Alabama.....	111.09 miles.
Camden Branch—Camden Junction, Alabama, to Camden, Alabama.....	16.61 miles.

The SELMA & GULF RAILROAD COMPANY, under whose charter the oldest part of this road was constructed, was incorporated by Alabama act of January 30, 1858 (Acts 1857-8, p. 171), and authorized to construct and operate a railroad "from the city of Selma to a point on the line of the Alabama & Florida Railroad, and also to connect

with the Mobile & Great Northern Railroad, or with the Girard & Mobile Railroad, or with the Montgomery & Pensacola Railroad, or any other railroad on the south and east side of the Alabama River, on such route or routes as may be deemed most expedient."

Authorized capital stock \$1,000,000, with power to increase it to any sum not exceeding the cost of the road and its equipment.

By act approved February 8, 1860 (Acts 1859-60, p. 306), the charter was so amended as to authorize the company to guarantee and secure the payment of "the bond or bonds of any other corporation which may belong to said company, or which it may have the right to use for its legitimate purposes," and to create and dispose of preferred stock.

The time for completion of road was extended by act of December 6, 1862 (2 Acts 1862, p. 143), and by act of February 13, 1866 (Acts 1865-6, p. 255), it was provided that the charter powers of the company should not be affected by its omission to prosecute its business during the war, and that it might perform the acts authorized by its charter at any time within the next three years. The time for completion of road was further extended by act of March 9, 1871 (Acts 1870-1, p. 61); and by another act of March 9, 1871 (Acts 1870-1, p. 237), the charter was amended so as to authorize the construction and operation of a railroad

"With one or more lines of tracks southward from the corporate limits of the city of Selma, in this State (Alabama), commencing at or near the margin of the Alabama River, to the line of the State of Florida, or to such point as the said company may determine for a connection with

the railroad extending from the city of Pensacola in the direction of said city of Selma, called the Pensacola & Louisville Railroad; and also to such point on the Mobile & Montgomery Railroad as said company may select and determine for a connection with the last named road, or other railroad leading from or towards the city or bay of Mobile, with a view of forming a connection with the city or bay of Mobile, as well as with the city or bay of Pensacola."

This amendment further provided that

"The said Selma & Gulf Railroad Company shall be and is hereby authorized and empowered to extend its railroad northward across the Alabama River, into and through the city of Selma, or a suitable portion thereof, to connect with the railroads on the north side of said river; and said company shall have power to construct and extend its railroad, from said city of Selma, in a northerly direction, upon and over such route as the company shall select and determine, into and through the coal fields and other mineral regions of this State, or such portions thereof as said company may determine; with the view of developing or aiding in development of the coal and other mineral and industrial interests and resources of the country through which said railroad may be constructed."

In a proceeding in Dallas County, Alabama, in the Middle Chancery Division of the Fifth Chancery District, styled John W. Lapsley, trustee, etc., v. Selma & Gulf Railroad Company and others, under a decree rendered at the extra January term, 1877, on February 8, 1877, to satisfy certain bonds of the Selma & Gulf Railroad Company secured by mortgage of April 20, 1870, the property, rights, and franchises of the Selma & Gulf Railroad Company were sold by B. H. Craig, Register, and purchased by Daniel F. Sullivan. At the October term, 1879, of the

said Chancery Court, the sale was confirmed, and by decree rendered October 9, 1879, B. H. Craig, Register, was ordered to convey to the purchaser, which he did by deed of January 9, 1880, conveying the property, rights, and franchises of the Selma & Gulf Railroad Company, the road conveyed being described as

“The railroad of said Selma & Gulf Railroad Company as heretofore laid out, constructed, and completed, commencing on or near the southeastern margin of the Alabama River, formerly within the limits of the city of Selma, in said State, and so commencing and continuing and to continue in the general direction of the city or bay of Pensacola, to the southern boundary of the State of Alabama, or to such point as may be required to connect with the railroad known as the Pensacola & Southern Railroad.” (See Deed 2828, Part 1.)

Thereafter, on February 28, 1880, Daniel F. Sullivan, as owner of the Selma & Gulf Railroad Company and all the franchises thereof, entered into a contract with the Louisville & Nashville Railroad Company by which he agreed to sell to that Company all his right, title, and interest in and to said Selma & Gulf Railroad, and all the property, rights, and franchises appertaining thereto, and to consummate said sale by a transfer of all the stock to a corporation to be organized to receive a conveyance of all the property and franchises of said Selma & Gulf Railroad. By that contract the Louisville & Nashville Railroad Company assumed all the contracts of Daniel F. Sullivan for the survey and construction of the unfinished portion of the Selma & Gulf Railroad from Pine Apple to the Florida line, and contracted “to build and run” the Selma & Gulf Railroad for thirty (30) miles

north of Whiting as soon as practicable under an existing contract for its construction. Daniel F. Sullivan further agreed to hold the Louisville & Nashville Railroad Company harmless and indemnified for and against any damages incurred in the operation of the Selma & Gulf Railroad up to the first day of March, 1880. (See Part 1 of Contract No. 192.) Thereafter, on October 22, 1880, Daniel F. Sullivan and wife conveyed the property, rights, and franchises of the Selma & Gulf Railroad Company to the Pensacola & Selma Railroad Company. (See Deed 2109.) Thereafter, on November 23, 1880, the Pensacola & Selma Railroad Company conveyed to the Louisville & Nashville Railroad Company the property described and all "alienable franchises (except the franchise to be and exist as a corporation)" belonging or pertaining to said company. (See "Chain of Title" in Secretary's office. Also Contract 193, Part 11, and Deed 2110.)

The PENSACOLA & SELMA RAILROAD COMPANY was incorporated March 18, 1880, by declaration of incorporation filed in the office of the Secretary of State of Alabama. The terminal points named in the declaration are the same as those mentioned in the charter of the Selma & Gulf Railroad Company as amended. The directors were given power to acquire by purchase or otherwise from Daniel F. Sullivan the property conveyed to him under decree of the Chancery Court of Dallas. Authorized capital stock \$25,000. (Part 11 of Contract 193.)

By deed of December 1, 1899 (Deed 4214, Part I), the Louisville & Nashville Railroad Company conveyed to the Southern Alabama Railroad Company the upper and lower divisions of the Pensacola & Selma Railroad, the road conveyed being described as

“Being in two pieces and being parcels of the railroad formerly known as the Selma & Gulf Railroad, but now known as the Pensacola & Selma Division of the Louisville & Nashville Railroad, the first piece commencing on or near the southern or southeastern margin of the Alabama River within the limits of the city of Selma, in said State, to be extended into said city across said river on the construction of the necessary bridge, and also commencing and extending in a southerly direction through the county of Dallas into the county of Wilcox, State of Alabama, to the town of Pine Apple, to a connection with the Southern Alabama Railroad, a distance of thirty-five and sixty-one hundredths (35.61) miles; the second piece beginning at the town of Repton, county of Conecuh, State of Alabama, at a connection with the Southern Alabama Railroad, and extending in a southerly direction through the said county of Conecuh and into the county of Escambia, State of Alabama, to a connection with the Mobile & Montgomery Division of the Louisville & Nashville Railroad near the town of Flomaton, and to a connection with the Pensacola Division of said railroad, formerly known as the Pensacola & Louisville Railroad, at Flomaton (formerly Whiting), a distance of twenty-nine and four tenths (29.4) miles.”

The SOUTHERN ALABAMA RAILROAD COMPANY, which was organized by representatives of the Louisville & Nashville Railroad Company to build line from Pine Apple to Repton, and to acquire the property and franchises of the Pensacola & Selma Railroad Company, was incorporated under the general laws of Alabama. Declaration of incorporation filed with the Secretary of State of Alabama January 25, 1899. Certificate granted March 21, 1899. Terminal points stated in declaration: Commencing at or near Pine Apple Station in Wilcox County, Alabama, and run-

ning thence in a southern direction through Monroe County, Alabama, to Repton, in Conecuh County, Alabama. On December 11, 1899, the Southern Alabama Railroad Company (by Deed 4214, Part 2) conveyed all its property, rights, and franchises to the Louisville & Nashville Railroad Company, the road conveyed being described as extending from the city of Selma

“ In a southerly direction through the counties of Dallas, Wilcox, Monroe, Conecuh, and Escambia in the general southern direction of the city or bay of Pensacola to the southern boundary of the State of Alabama, or to such point or points as may be required to connect with the railroad formerly known as the Pensacola & Louisville Railroad (from the city of Pensacola in the general direction of said city of Selma), but now known as the Pensacola Division of the Louisville & Nashville Railroad, a distance of about 110.01 miles, and also to a connection with the Mobile & Montgomery Division of said Louisville & Nashville Railroad.”

This deed again vested in the Louisville & Nashville Railroad Company title to the two divisions of the Pensacola & Selma Railroad, and in addition thereto conveyed the gap of 45 miles from Pine Apple to Repton, constructed by the Southern Alabama Railroad Company, thus making a continuous line from Selma to Flomaton. By deed of May 4, 1900, to the Central Trust Company of New York, the property thus acquired was placed under the Unified Mortgage of June 2, 1890. (Deed 4214, Part 3.)

The gap from Pine Apple to Repton, 46.36 miles, was constructed in 1899, and the entire line from Escambia Junction to Gulf Junction, 109.29 miles in length, was

put in operation as the Southern Alabama Railroad January 1, 1900. In 1903 the Louisville & Nashville Railroad Company constructed the Selma-Sardis line, 7.88 miles in length, and abandoned and took up 6.08 miles of track between Selma Junction and Gulf Junction, making the effective length of the Southern Alabama Railroad, Escambia Junction to connection with the Western Railway of Alabama in Selma, as at present operated, 111.09 miles. The Selma-Sardis line was put in operation June 14, 1903.

The entire capital stock of \$50,000 was owned by the Louisville & Nashville Railroad Company at the time it acquired the road.

CAMDEN BRANCH.—The company which began the construction of this branch was incorporated under the name of the "MONTGOMERY, HAYNEVILLE AND CAMDEN RAILROAD" by act of the Alabama Legislature approved December 11, 1890 (Acts 1890-1, p. 222), with power "to survey, locate, and construct and thereafter maintain and operate a railway with one or more tracks of rails from the city of Montgomery, Alabama, by way of Hayneville to Camden, through the counties of Montgomery, Lowndes, and Wilcox, or such route or routes as may be found best," and for the purpose of constructing said railroad, to "lay out the same not exceeding one hundred feet wide." It is further provided by the charter "that said company may, for the purpose of making through lines, make common stock, or other lawful contract whereby it may sell or lease to any other company any or all of its said railway, or the franchises thereof."

By act approved February 18, 1893 (Acts 1892-3, p. 705), the charter was amended so as to empower the

company "to survey, locate, and construct, and thereafter maintain and operate a railroad with one or more tracks of rails, from the city of Montgomery, Alabama, by way of Hayneville; to Camden, and through the counties of Montgomery, Lowndes, Wilcox, Marengo, Clarke, Choctaw, and Washington, to the line of the State of Mississippi, thence to New Orleans, Louisiana, and to extend such lines in other directions in the State of Alabama as may be found best."

By deed of date June 7, 1900 (Deed 4742, Part I), the "Montgomery, Hayneville & Camden Railroad Company" conveyed to the Louisville & Nashville Railroad Company

"Certain rights of way belonging to said Montgomery, Hayneville & Camden Railroad Company, being a right of way one hundred feet wide, measuring fifty feet on each side of the center line of a partially constructed road-bed thereon, as now located and constructed, together with all rights, privileges, and franchises pertaining thereto. Said rights of way and partially constructed road-bed commencing at or near Camden, Wilcox County, Alabama, and extending in a southeasterly direction to a point on the plantation of W. C. Jones, a distance of about $7\frac{1}{2}$ miles."

The Louisville & Nashville Railroad Company completed the partially constructed road-bed thus acquired, and extended it to Camden Junction, thus forming the Camden Branch as it now exists, which was completed and put in operation on February 15, 1901.

BIRMINGHAM, SELMA & NEW ORLEANS DIVISION.

Selma, Alabama, to Myrtlewood, Alabama, 60.25 miles.

∕ The NEW ORLEANS & SELMA RAILROAD COMPANY was incorporated by an act of the Alabama Legislature approved February 23, 1866 (Acts 1865-6, p. 236), to construct and maintain "a railroad from New Orleans to Selma, Alabama, by the most practicable route, or to connect with the Alabama & Mississippi road, as the company may elect; provided the connection with such road shall only be made by and with the consent of the Selma & Meridian Railroad Company." Authorized capital stock \$1,000,000.

By act approved December 22, 1868 (Acts 1868, p. 424), the name of the corporation was changed to the "New Orleans & Selma Railroad Company and Immigration Association," and the president and directors were authorized to add to the capital stock from time to time until it should amount to the sum of \$10,000,000.

By an act approved February 21, 1870 (Acts 1869-70, p. 149), the State of Alabama was required to indorse the bonds of any railroad company upon the completion of twenty continuous miles of the railroad to the amount of \$16,000 per mile, and to the same amount for each additional section of five miles as completed.

On February 22, 1870, the New Orleans & Selma Railroad Company and Immigration Association made a contract with T. H. Dupuy by which he undertook to build the entire road, and on July 16, 1870, the company executed to the Union Trust Company of New York as trustee a mortgage or deed of trust on its property and franchises

to secure bonds which it proposed to issue to raise money to complete the road, the bonds to be indorsed by the State of Alabama as provided by act of February 21, 1870, mortgage recorded in Book KK, pp. 1-21, of Probate Records of Dallas County, Alabama. Bonds to the amount of \$320,000 were issued and delivered to T. H. Dupuy, and in June, 1871, the first twenty miles of the road having been completed, he delivered them to the company in order that the State's indorsement might be procured, and the indorsement having been made the bonds were again delivered to T. H. Dupuy and were transferred by him to others.

On October 10, 1877, Richard M. Robertson filed a bill to enforce two judgments obtained by him against the corporation, one for \$12,176 and the other for \$17,478.20, the bondholders and the trustee in the mortgage being made defendants. This case was twice in the Supreme Court upon questions of priority as between the bondholders (*Gilman Sons & Co. v. New Orleans & Selma R. Co., etc.*, 72 Ala. 566; *Morton & Bliss v. New Orleans & Selma R'y Co., etc.*, 79 Ala. 590), and further proceedings were had in the City Court of Selma until a final decree was had authorizing the Clerk and Register of the City Court of Selma to sell the railroad, its property, franchises, etc., in front of the court-house in the city of Selma, and at the sale made under the decree, October 4, 1886, A. W. Jones and associates became the purchasers, the property being subsequently conveyed to them by James L. Evans, Clerk and Register of the City Court of Selma, by a deed of date October 29, 1886, recorded in the office of the Judge of Probate of Dallas County in Book 102, p. 506. Thereafter, on November 16, 1886, the purchasers, by a declara-

tion of incorporation, were created a corporation under the laws of the State of Alabama under the corporate name of the Birmingham, Selma & New Orleans Railway Company, with a capital stock of \$200,000, divided into 2,000 shares of \$100 each, with the privilege of increasing it to \$1,000,000.

By an act of the Alabama Legislature approved February 12, 1887 (Acts 1886-7, p. 306), to amend the charter, the corporation was empowered

“To construct, build, maintain, and operate a railroad, with single or double track, from Birmingham, in the county of Jefferson, to Selma, in Dallas County, and thence in the direction of New Orleans to the line in the State of Mississippi, and from Selma in a southwestwardly direction to a place on the Gulf of Mexico, or a bay thereof, to be selected by said company, and by such route as said company may select; to mine coal and iron and other minerals; to manufacture the same; to buy and hold the right of way for its said railroad, or to acquire, pay for, and hold the right of way for its said railroads by condemnation proceedings under the general laws of this State; to purchase and hold such other property, real and personal, as may be deemed necessary or proper to carry on its business; to consolidate its property and franchises with the property and franchises of any other railroad company, on such terms as may be agreed on by the contracting parties, and to sell and convey its property and franchises to any other corporation; to borrow money and mortgage its property and franchises to secure the same, or to secure any other debt of said company.” (Alabama Acts of 1886-7, p. 306. For charter and amendments see also Contract 6472.)

On September 10, 1900, the Louisville & Nashville Railroad Company acquired control by purchase of a majority

of the capital stock, and the road was operated by the Louisville & Nashville Railroad Company under separate organization of the Birmingham, Selma & New Orleans Railway Company from July 1, 1901. Thereafter the Louisville & Nashville Railroad Company purchased the remainder of the stock, the total issue being 2,000 shares, but the certificates for three of the shares purchased have never been delivered. By deed of April 21, 1902 (No. 5316), the Birmingham, Selma & New Orleans Railway Company conveyed to the Louisville & Nashville Railroad Company all its property, the road conveyed being described as

“The line of railway known as the Birmingham, Selma & New Orleans Railway, beginning at the city of Selma, in the county of Dallas, State of Alabama, and extending in a general westerly direction through the counties of Dallas, Marengo, and Wilcox to Myrtlewood, in the county of Marengo, State of Alabama, a distance of about sixty and three tenths (60.3) miles.”

And by agreement of date April 22, 1902, between the Louisville & Nashville Railroad Company and Central Trust Company of New York the property was placed under the Unified Mortgage of June 2, 1890. (Deed 5316.)

PENSACOLA DIVISION.

Flomaton, Alabama, to Pensacola, Florida.....44.64 miles.

∩ This road was built under an act of the Florida Legislature to incorporate the ALABAMA & FLORIDA RAILROAD COMPANY, approved January 8, 1853, known as Chapter 483 and found on page 38 of the Acts of the Legislature of

Florida of 1852-3, which empowered that company to construct a railroad to "extend from some point or points on the bay of Pensacola to some point on the boundary line between the States of Florida and Alabama, in the county of Conecuh, lying north of Pensacola Bay, and at which point said road may meet and connect with a railroad leading thence to the city of Montgomery." The company was also given power to unite with the Alabama & Florida Railroad Company, incorporated by Alabama act approved February 11, 1850. Authorized capital stock \$1,500,000, with privilege of increasing to \$2,500,000.

The greater part of the lands and some of the bonds of the Alabama & Florida Railroad Company were acquired by the Pensacola & Louisville Railroad Company under a suit for foreclosure of mortgage in the Circuit Court of Escambia County, Florida, instituted May 24, 1871, by Ezekiel E. Simpson and Benjamin D. Wright as executors of the last will and testament of Joseph Forsyth, deceased, against the Alabama & Florida Railroad Company, and the Pensacola & Mobile Railroad & Manufacturing Company and A. C. Blount as trustee, and William Wallace, A. E. Maxwell, and Edwin Hoyt, Nehemiah Knight, Frederic Ayer, and William F. Teat, Holden Evans, and Samuel G. Jones, composing the firm of W. F. Teat & Co., and R. A. Stearns and others. Judgment of foreclosure and sale, with directions to referee, appointed to make the sale, to execute deeds to purchasers, was rendered March 28, 1872. Sale was made May 6, 7, 8, and 9, 1872, by referee, to Pensacola & Louisville Railroad Company, and deed executed May 9, 1872, and recorded in the office of the Clerk of the Circuit Court of Escambia County,

Florida, in Deed Book T, beginning at page 131. No confirmation of sale made.

The roadway, stations, depots, locomotives, cars, etc., rights, privileges, easements, and franchises, and some lands of the Alabama & Florida Railroad Company, were acquired by the Pensacola & Louisville Railroad Company, under proceedings originally begun by bill in equity for the foreclosure of mortgage in the Circuit Court of Escambia County, Florida, on June 15, 1867, by J. C. Bancroft Davis and Peyton Jaudon, trustees of and for the first mortgage bondholders of the Alabama & Florida Railroad Company of Florida, against the Alabama & Florida Railroad Company of Florida, William E. Anderson and William F. Lee, trustees of the second mortgage bondholders, Edward Broughton, John T. Milner as administrator of estate of W. J. Milner, deceased, and others. Judgment of foreclosure and sale was rendered May 31, 1872. Sale was made August 5, 1872, by referee, to A. E. Maxwell as trustee for Pensacola & Louisville Railroad Company and Messrs. Quilter Bell & Co. and others, and deed was executed August 7, 1872, and recorded in the office of the Clerk of Circuit Court of Escambia County, Florida, in Deed Book T, beginning at page 332. The sale and deed were confirmed August 16, 1875. Deed was made December 10, 1872, by A. E. Maxwell as trustee to Pensacola & Louisville Railroad Company, and recorded in Deed Book T on page 364, in the office of the Clerk of the Circuit Court of Escambia County, Florida.

The PENSACOLA & LOUISVILLE RAILROAD COMPANY was incorporated by Florida act approved July 16, 1868 (Laws of Florida, 1868, p. 133), to construct a railroad "extending from the city of Pensacola, or any other point

on the waters of Pensacola Bay, to the north line of the State of Florida, at any point west of the easterly line of Walton County, and connecting with any railroad or railroads within the State of Alabama." Capital stock \$300,000, with privilege of increasing to \$700,000.

By amendment approved February 4, 1872 (Laws of Florida, 1872, p. 81), it was provided that the Pensacola & Louisville Railroad Company, having become the assignee of the Alabama & Florida Railroad Company of Florida and the franchises of said corporation, "and being in possession of and operating said line of railroad, which corporation was exempt from taxation for a limited period, the said Pensacola & Louisville Railroad Company and its property, now owned or hereafter to be acquired, shall also be exempt during the remainder of said period."

In the case of *Gonzales v. Sullivan*, 16 Fla. 791, the Supreme Court of Florida held that the Pensacola & Louisville Railroad Company, as the purchaser of the property and franchises of the Alabama & Florida Railroad Company, was entitled to the exemptions from taxation to which that company was entitled under the Internal Improvement Act of January 6, 1855. (Laws of Florida, 1854-5, p. 9.)

In *Palmes v. L. & N. R. Co.*, 19 Fla. 231-274, the Supreme Court of Florida decided that the Louisville & Nashville Railroad Company was not entitled to this immunity, and this decision was affirmed by the Supreme Court of the United States in *L. & N. R. Co. v. Palmes*, 109 U. S. 244.

The PENSACOLA RAILROAD COMPANY was incorporated by Florida act approved February 27, 1877 (known as Chapter 3069, and found on page 130 of the Laws of Florida of

1877), and authorized to acquire all the property, rights, and franchises of the Pensacola & Louisville Railroad Company. Authorized capital stock \$300,000, which may be increased to \$600,000.

In a proceeding instituted by Augustus E. Maxwell and Thomas L. Barret, as trustees, against the Pensacola & Louisville Railroad Company in the Circuit Court of the Second Judicial Circuit of the State of Florida, sitting for the county of Leon, a decree in chancery was rendered for a sale of the Pensacola & Louisville Railroad from its junction with the Mobile & Montgomery Railway to its terminus in Pensacola Bay, together with all property employed in the operation of said road, and all franchises, rights, privileges, easements, and immunities of the said Pensacola & Louisville Railroad Company, whether derived or acquired from the State of Florida or the State of Alabama, being the property embraced in a deed of trust executed by the Pensacola & Louisville Railroad Company to the said trustees on December 10, 1872, and at a sale under that decree on May 6, 1878, the property described was purchased by the Pensacola Railroad Company, and on the same day a deed conveying the property to that company was executed by the trustees and by the Pensacola & Louisville Railroad Company. (Contract 193, Part 6.)

On February 27, 1880, Daniel F. Sullivan, as the owner of all the stock of the Pensacola Railroad Company (3,000 shares of \$100 each), entered into a contract with the Louisville & Nashville Railroad Company by which he contracted to sell to that Company the Pensacola Railroad and all property belonging to it except the timber lands in Escambia County, Florida, together with all the

rights and franchises of the Pensacola Railroad Company, and to consummate said sale by a transfer to the Louisville & Nashville Railroad Company of all the stock of the Pensacola Railroad Company. And he agreed to hold the Louisville & Nashville Railroad Company harmless against any damages incurred in the operation of the Pensacola Railroad up to March 1, 1880. (See Contract 192, Part I.)

On October 22, 1880, the Pensacola Railroad Company conveyed to the Louisville & Nashville Railroad Company all its property and franchises except the franchise to be and exist as a corporation, and except the sections of land granted by the United States or the State of Florida to the Alabama & Florida Railroad Company, of which said Pensacola Railroad is the mediate assignee. (Deed 2537.)

Two thousand eight hundred and fifty (2,850) shares of the capital stock of the Pensacola Railroad Company, being all the stock except 150 shares, were deposited with the trustee under the Unified Mortgage of June 2, 1890, but as all the property and franchises of the corporation had previously been conveyed to the Louisville & Nashville Railroad Company, it seems that the stock then had and now has no value.

The bonded debt bears 6 per cent interest, matures March 1, 1920, and is secured by mortgage of date March 1, 1880, executed by the Louisville & Nashville Railroad Company to Martin H. Sullivan, Henry F. Vail, and H. Victor Newcomb as trustees. By a decree rendered by the Escambia County Circuit Court, Florida, May 23, 1905, F. C. Brent and E. O. Saltmarsh were appointed trustees to fill vacancies caused by the death of Henry F. Vail and the resignation of H. Victor Newcomb.

Bonds issued, \$600,000; redeemed under Sinking Fund provision, \$20,000; owned by the Louisville & Nashville Railroad Company, \$41,000; outstanding in the hands of the public June 30, 1904, \$539,000.

PENSACOLA & ATLANTIC DIVISION.

Pensacola to River Junction, Florida.....160.47 miles.

The PENSACOLA & ATLANTIC RAILROAD COMPANY was incorporated by Florida act of March 4, 1881 (Chapter 3335, p. 148, Acts of Florida of 1881).

Section 2 of the charter provides:

“That said railroad shall commence at some convenient point on the Apalachicola River at or near the terminus of the Jacksonville, Pensacola & Mobile Railroad, for the purpose of connecting with the same, and extend westward to the waters of the Escambia Bay, at the city of Pensacola, thence to the Alabama line by the most direct route.”

Section 8 provides that the company shall have power to construct and operate “a railroad and telegraph line from Pensacola, Florida, to the Apalachicola River, and beyond to a junction with the Jacksonville, Pensacola & Mobile Railroad.”

By Sections 13, 16, and 17 of the charter, the State granted to the company a certain part or quantity of the public lands granted to the State by the United States by Acts of Congress of September 28, 1850, and May 17, 1856.

The first election of directors took place April 11, 1881. The construction of the road was begun in 1881, and it was put into operation April 1, 1883// By contract

of May 9, 1881 (No. 213), the Pensacola & Atlantic Railroad Company sold to the Louisville & Nashville Railroad Company 15,550 shares of its capital stock, being a majority of same. This stock was taken on the books of the Louisville & Nashville Railroad Company June 4, 1881. On the first day of August, 1881, the Pensacola & Atlantic Railroad Company executed a mortgage or deed of trust upon the property, rights, and franchises of the company described therein to secure bonds amounting to \$3,000,000, known as "First Mortgage, Gold, 6 Per Cent Bonds." Date of maturity, August 1, 1921. Edmund D. Randolph was originally named as sole trustee, but John L. Cadwalader was added as trustee on April 16, 1884. (Contract 5927, Part 7.)

Of the bonds of this issue, the amount owned by this Company June 30, 1904, was \$931,000, and the amount outstanding \$1,523,000, \$546,000 having been redeemed under Sinking Fund provision of mortgage. These bonds were indorsed by the Louisville & Nashville Railroad Company. On April 1, 1884, the company executed another mortgage or deed of trust, known as the Land Grant Mortgage. This mortgage covered the lands of the company described therein, and Edmund D. Randolph and John L. Cadwalader were named as trustees. The bonds to be secured amounted to \$1,000,000, and the entire amount was issued. All of the bonds of this issue have been paid.

On the first day of February, 1888, the Pensacola & Atlantic Railroad Company executed another deed of trust or mortgage to Edmund D. Randolph as trustee upon the property, rights, and franchises of the company, including the lands covered by the Land Grant Mortgage,

subject, however, to that mortgage and to the first mortgage of August 1, 1881. The bonds secured by this mortgage amounted to \$500,000. Date of maturity, February 1, 1928. Default being made in the payment of interest on these bonds, the trustee filed a bill in the United States Circuit Court for the Northern District of Florida on or about May 13, 1890, to foreclose the mortgage, and on May 4, 1891, the property, rights, and franchises of the company were sold under decree rendered February 3, 1891, subject to the mortgage of August 1, 1881, and to the Land Grant Mortgage of April 1, 1884. At that sale Edmund D. Randolph, as trustee, became the purchaser, but he afterward assigned his bid to the Louisville & Nashville Railroad Company, and thereafter, on June 12, 1891, the property was conveyed by Edward T. Hunt, Master Commissioner, to the Louisville & Nashville Railroad Company. (Deed 3182, Part 4.) The deed recites that it is subject to the first mortgage of August 1, 1881, and also to the Land Grant Mortgage of April 1, 1884. The property conveyed is described as follows:

“The railroad of the Pensacola & Atlantic Railroad Company, located and constructed from Pensacola, in the State of Florida, to a junction with the railroad formerly known as the Jacksonville, Pensacola & Mobile Railroad in said State, and upon all the other property of the company used in connection therewith, as a part thereof, and all and singular its rights, franchises, exemptions, and privileges pertaining to said line of railroad, and the road-bed, tracks, right of way, culverts, bridges, trestles, fences, depots, station-houses, machine shops, and other buildings, and the several lots, pieces and parcels of ground on which the same are erected, forming part of said railroad, and also all engines, locomotives,

and tenders, passenger, baggage, freight, and other cars, and all other rolling stock, machinery, tools, fuel, and material now used or acquired in the constructing, operating, repairing, or replacing of said railroad, or any part thereof; and also all other lands of the Pensacola & Atlantic Railroad Company, to wit: All the lands donated or granted to the company under and by virtue of certain acts of the Congress of the United States of America and of the legislature of the State of Florida, amounting to about four million acres or thereabouts, including the lands that have been located, and titles to which have been secured and that are now unsold, lying in the counties of Escambia, Santa Rosa, Walton, Holmes, Washington, Jackson, Calhoun, Liberty, Gadsden, Leon, Wakula, Jefferson, Madison, Taylor, Lafayette, and Hamilton or elsewhere, amounting in the aggregate to about one million eight hundred and sixty thousand, more or less, and also all the remaining lands to which the company is entitled or may hereafter secure under said acts of Congress, and of said legislature of Florida, the title to which is not formally secured, but is in process of adjustment, being the remainder of the said four million acres and amounting to about two million acres or thereabouts, be the same more or less." (Deed 3182.)

Capital stock authorized and issued \$3,000,000, in shares of \$100 each.

CINCINNATI DIVISION AND LEXINGTON BRANCH.

	MILES	
Louisville, Kentucky, to Cincinnati, Ohio.....	110.44	
Louisville Railway Transfer—East Louisville to South Louisville, Kentucky.....	4.13	
Lexington Branch—Lagrange to Lexington, Ken- tucky	67.00	
Shelbyville to Christiansburg, Kentucky.....	8.51	
	190.08	

— The LEXINGTON & OHIO RAILROAD COMPANY was incorporated by act of January 27, 1830 (Acts 1829-30, p. 126, Chap. 293), with all the rights and powers necessary for the construction and repair of a railroad from the town of Lexington to some one or more suitable points on the Ohio River to be determined by the president and directors, the road not to be exceeding sixty-six (66) feet wide, with as many sets of tracks as the president and directors might deem necessary. //

By act of February 2, 1833 (Acts 1832-3, p. 246), entitled "An Act to provide for the location of the Lexington & Ohio Railroad through the city of Louisville and for other purposes," the president, directors, and company were given the power to pass through the limits of the city of Louisville to the Ohio River at such point as they might deem eligible on the Ohio, below the falls of the river, certain commissioners being named with power to designate the location of the road through the city in the event the mayor and council of the city and the president and directors of the railroad company should be unable to agree upon a location. And similar provision was made as to the location of the road through any other towns in which difficulties should arise between the trustees of the town and the railroad company as to the location of the road.

As authorized by an act approved February 2, 1833 (Acts 1832-3, p. 263), the company borrowed \$150,000 on its bonds guaranteed by the State, executing a mortgage to the State on all its property, rights, and privileges, with power to sell the same in default of payment of either principal or interest. The company having made default, the Auditor in January, 1842, sold such portions of the road as had been completed and everything belonging to the company, and the State became the purchaser at a price sufficient to pay the \$150,000 and the interest thereon, and in the month of June in the same year the Auditor made a conveyance thereof to the State.

Under the authority of an act approved March 9, 1843 (Acts 1842-3, p. 50), the Board of Internal Improvements leased to Philip Swigert and William R. McKee, for a period of seven years from March 13, 1843, that part of the road between Lexington and Frankfort. But by act of February 29, 1848 (Acts 1847-8, p. 368), the representatives of William R. McKee, who was then dead, were released from all obligations growing out of that lease for the last two years of the term, and the State of Kentucky was substituted for William R. McKee for the remaining two years.

—By act of March 1, 1847 (Acts 1846-7, p. 41), the LOUISVILLE & FRANKFORT RAILROAD COMPANY was incorporated, with all the powers necessary for the construction and repair of a railroad from St. Clair Street, in the city of Frankfort, to some one or more suitable points on the Ohio River to be determined by the president and directors, the road not to be exceeding sixty-six (66) feet wide and to have as many sets of tracks as the president and directors might deem necessary. And power was further

given to construct branch roads and to run lines to points within the Commonwealth, the power being further specifically given to extend the road from Lexington through Winchester and Mt. Sterling to the State line on the route to meet the Baltimore & Ohio Railroad or the Virginia Railroad, and from Louisville to the Tennessee State line upon such route as might be adopted for the purpose of meeting and connecting with any railroad which might be constructed through that State. The act further provided for the appointment of Commissioners to value the improvements made by the Lexington & Ohio Railroad Company between Frankfort and Louisville and for the execution of bond by the Louisville & Frankfort Railroad Company to the State for the payment of interest on such valuation, the act providing that all property, immunities, and privileges of the State of Kentucky in said road from Frankfort to Louisville "shall be and are hereby released" to the Louisville & Frankfort Railroad Company, upon the execution of said bond, which was executed as provided by the act. The corporation was organized by the election of directors August 14, 1847.

By act of February 29, 1848 (Acts 1847-8, p. 53), to amend the charter of the "Frankfort & Louisville" Railroad Company, all the rights, privileges, and restrictions of the Lexington & Ohio Railroad Company as they existed under the charter of that company, from St. Clair Street in the town of Frankfort to the city of Louisville, except so far as they conflict with the charter of the "Frankfort & Louisville" Railroad Company, were revived and continued in full force, and transferred and conveyed, together with all the fee and right of way acquired by

that company, to the president and directors of the "Frankfort & Louisville" Railroad Company, with a proviso, however, that this transfer was not to interfere with the right of the State or her lessees to extend the road then in use, or any other she might construct, from Lexington to Frankfort through Broadway Street in the town of Frankfort to the Kentucky River, or in any manner interfere with the rights and privileges of the lessees of the Lexington & Ohio Railroad Company.

By act of February 27, 1849 (Acts 1848-9, p. 38), to amend the charter of the Louisville & Frankfort Railroad Company, it was provided that there should be but one terminus on the Ohio River, which was to be within "the present" corporate limits of the city of Louisville, to be designated by the president and directors with the concurrence of a majority of the mayor and council of said city, who were given power to change the terminus from time to time, with a proviso that the road should not be connected with any other railroad terminating on the Ohio River below Louisville.

—By act of February 28, 1848 (Acts 1847-8, p. 34), the
—LEXINGTON & FRANKFORT RAILROAD COMPANY was incor-
—porated with all rights and powers necessary for the
—construction and repair of a railroad, not exceeding
—sixty-six (66) feet wide, with as many sets of tracks as the
—board might deem necessary, from the city of Lexington
—to one or more suitable points (to be determined by the
—directors) on the Kentucky River in or near the town of
—Frankfort, and to St. Clair Street in said town. And the
—directors were further authorized to contract with the
—Louisville & Frankfort Railroad Company for a junction
—at that point of the Lexington & Frankfort Railroad,

and for the use of a common track or tracks to the bank of the Kentucky River in the town of Frankfort, on such terms as shall be agreed on; and to construct such lateral or side tracks common to both companies, to terminate on the bank of said river, as they may choose.

Pursuant to authority granted by the charter, the State, by a subscription made June 5, 1848, became a stockholder in the corporation to the amount of \$150,000, payable by a surrender to the company, on the part of the State, of all its property, rights, and privileges in that part of the road between Lexington and Frankfort, saving, however, all the rights of the then lessees of the road, and to the State all the rents and issues to accrue under the lease.

It was further provided that the "Frankfort & Louisville Railroad Company and the Lexington & Frankfort Railroad Company," when said roads should be completed, should "be run and used as a continuous road" from Lexington to Louisville and from Louisville to Lexington, the net profits, after completion, to be divided between the two companies upon the basis of the actual cost of each of the roads, and each company to retain its own charter and organization and to govern and direct its portion of the continuous road. This provision was declared to be an amendment to the charter of the Louisville & Frankfort Railroad Company.

By act of March 22, 1851 (Acts 1850-1, p. 496), it was provided that if this amendment to the charter of the Louisville & Frankfort Railroad Company should not be finally accepted by said company at or before the annual meeting of the stockholders thereof, it should stand repealed. At a meeting of the stockholders held

June 2, 1851, the amendment was rejected. By act of — March 3, 1856 (Acts 1855-6, p. 384), the president and — directors of the Lexington & Frankfort Railroad Company and the president and directors of the Louisville & Frankfort Railroad Company were authorized to contract with — each other in behalf of their respective companies for a lease by the one company to the other of its road, or for — a consolidation of the two roads into one, and an agreement for the joint operation of the two roads, to take effect January 1, 1857, was ratified by the stockholders of the Lexington & Frankfort Railroad Company November 15, 1856, and by the stockholders of the Louisville & Frankfort Railroad Company November 17, 1856. By act of February 16, 1858 (2 Acts 1857-8, p. 233), provision was made for the holding of the annual meetings of the stockholders of the two companies on the same day, the reason recited in the act being that the two companies had entered into an arrangement to transact their business jointly under one management. By — “Amended Articles of Agreement,” adopted at the annual meeting of stockholders July 30, 1859, which were to take effect as of July 1, 1859, it was provided that the whole line of road from Lexington to Louisville should be run as one road under the control of an executive committee of six members, the receipts and expenditures to be apportioned between the two companies in ratio of the length of their respective roads.

By act approved February 19, 1864 (Acts 1863-4, p. 85), to amend the charters of the Louisville & Frankfort and Lexington & Frankfort railroad companies, those companies were authorized to build, equip, and operate a railroad from any point on the line of their

roads to the city of Covington or Newport, the operation of such road to be governed in every respect by the terms of the charter of the Lexington & Frankfort Railroad Company.

By act approved February 2, 1866 (Acts 1865-6, p. 259), to amend the same charters, the companies were authorized to build, equip, and operate a branch railroad and telegraph line from any point on the line of their roads above Lagrange to the Ohio River, or to a point near thereto, at or near the cities of Covington or Newport, and also a telegraph line along their existing roads, with a proviso that in the construction and operation of any road so built said railroads should have all the rights, powers, and privileges conferred by the charter of the Louisville & Frankfort Railroad Company and the various amendments thereto. It was further provided that the companies might straighten any part of their road between the city of Louisville and the point where the branch road authorized by that act should leave the Louisville & Frankfort Railroad, and extend the road through the city of Louisville, the mayor and council consenting thereto, or around the city of Louisville, to make connection with the Louisville & Nashville Railroad Company. The act also provided that as between themselves the Louisville & Frankfort and Lexington & Frankfort railroad companies should be deemed the joint owners of the road authorized to be built, in the proportion fixed by the agreement under which the joint roads were then operated, each company to be required to contribute its proper proportion to the expense of construction, and to be entitled to receive the same proportion of profits.

By an amendment of the charters of the two companies approved January 19, 1867 (2 Acts 1867, p. 631), it was provided

"That the Louisville & Frankfort and Lexington & Frankfort railroad companies, in their united capacity, shall be known as the LOUISVILLE, CINCINNATI & LEXINGTON RAILROADS, and by that name may sue and be sued, answer and defend, contract and be contracted with, touching all their joint business and undertakings; said united companies may have and use a common seal, with which, attested by the signatures of the Chairman and Secretary of their Executive Committee, may be authenticated all instruments executed by them in their joint capacity."

By an ordinance of the city of Newport passed May 12, 1868, the Louisville, Cincinnati & Lexington Railroads were granted a right of way through the city along certain streets named therein, and that ordinance was amended October 9, 1868, so as to enlarge the power of the company in the selection of streets. By a contract entered into between the city and the railroads these two ordinances were adopted as a binding agreement between the parties.

By an act approved March 2, 1869 (1 Acts 1869, p. 52), it was provided that the Executive Committee should have authority to extend their road into either or both of the cities of Covington and Newport on such rates as they might agree upon with the authorities of these cities, and that the companies might contract with each other for the consolidation of their stock into one common stock.

In an act approved February 8, 1870 (1 Acts 1869-70, p. 243), entitled "An Act in relation to the LOUISVILLE, CIN-

CINNATI & LEXINGTON RAILROAD COMPANY," it was recited that the stockholders of the two companies had agreed to consolidate their stock pursuant to the authority granted by the act of March 2, 1869, and the terms of that agreement as set forth in the preamble were approved, ratified, and confirmed, and the Louisville, Cincinnati & Lexington Railroad Company was declared to be a corporation succeeding to all the rights and assuming all the obligations of the preceding companies of which it was composed.

By contract of June 3, 1870, between the city of Louisville, the Louisville, Cincinnati & Lexington Railroad Company, and the Louisville & Nashville Railroad Company, the city consented that the Louisville, Cincinnati & Lexington Railroad Company might extend its road through the city and operate it by steam locomotive power upon the routes, terms, and conditions set out in the contract, and by the same writing the two railroad companies named as parties to the contract entered into certain agreements as to the connection of their tracks, the transfer of cars, and the exchange of freight and passengers.

The Louisville & Frankfort Railroad Company and the Lexington & Frankfort Railroad Company, on January 1, 1867, pursuant to authority granted by act of February 2, 1866 (Acts 1865-6, p. 259), executed a deed of trust to Norvin Green to secure the payment of bonds issued by those companies, amounting in the aggregate to \$3,000,000. And on April 1, 1870, after the two companies were consolidated into one under the name of the Louisville, Cincinnati & Lexington Railroad Company, that corporation, pursuant to authority granted by act

of February 8, 1870 (1 Acts 1869-70, p. 243), and by act of March 3, 1870 (2 Acts 1869-70, p. 73), executed to George L. Douglass a deed of trust to secure the payment of bonds amounting in the aggregate to \$1,000,000.

The company having made default in the payment of interest on these bonds, Douglass, on July 28, 1874, instituted his action in equity in the Louisville Chancery Court for the appointment of a receiver and for the sale of the mortgaged property to pay the principal and accrued interest of all the bonds issued under the mortgage to him. Green, the senior mortgagee, who was made a party to this action, filed an answer, which was made a cross-petition against the railroad company, and joined with Douglass in the prayer for a sale of the property and the appointment of a receiver. On September 19, 1874, the court made an order appointing John MacLeod receiver, and on September 21, 1874, he qualified as such. On April 28, 1877, the court rendered a decree for the sale of the mortgaged property to satisfy the mortgage bonds and various other claims, and on October 1, 1877, the property was sold under that decree, the Louisville, Cincinnati & Lexington Railway Company becoming the purchaser. On November 9, 1877, Robert Cochran, Commissioner, executed a deed to the Louisville, Cincinnati & Lexington Railway Company conveying to that company all the property and franchises of the Louisville, Cincinnati & Lexington Railroad Company. (Recorded in Clerk's office of Jefferson County Court, Deed Book No. 213, p. 301.)

The LOUISVILLE, CINCINNATI & LEXINGTON RAILWAY COMPANY is a corporation created by the filing of articles of incorporation in the Clerk's office of the Jefferson County

Court and also in the Clerk's office of the Fayette County Court, on October 11, 1877, pursuant to an act of the Kentucky Legislature approved March 1, 1876, entitled "An Act to incorporate the purchasers of railroads." (Gen. Stats., Ed. 1888, p. 767.) These articles declare that the general nature of the business to be transacted by the corporation shall be the ownership, management, operation, use, and enjoyment of all the property, rights, and franchises of the Louisville, Cincinnati & Lexington Railroad Company as provided in the charter of that company and the amendments thereto, and the use and enjoyment of such other rights and franchises as may from time to time be lawful under the laws of the State of Kentucky. The directors named in the articles of incorporation took the oath of office at a meeting held October 12, 1877, and accepted the articles of incorporation. Its capital stock was first fixed at \$2,100,000, in shares of \$100 each. Fifteen thousand of those shares were to be preferred stock, and 6,000 shares common stock. The common stock was afterward increased to 10,000 shares, thus making the preferred stock \$1,500,000 and the common stock \$1,000,000, and the whole \$2,500,000, all owned by the Louisville & Nashville Railroad Company, a large majority of it being acquired July 13, 1881. Of the preferred stock 15,000 shares, and of the common stock 9,850 shares, are deposited with the Central Trust Company of New York, trustee, under the Unified Mortgage of June 2, 1890.

By contract of date July 16, 1879, to take effect as of August 1, 1879, the Shelby Railroad Company leased to the Louisville, Cincinnati & Lexington Railway Company for the term of thirty years its road "extending

from its terminus in Shelbyville, Kentucky, to the junction with the second party's line of railroad, about one half mile eastwardly of its depot at Anchorage." (See copy of lease attached to volume entitled "Charter and Reports, L., C. & L. R. R. Co.")

By act approved April 1, 1880, entitled "An Act to amend the charter of the Louisville, Cincinnati & Lexington Railway Company," that contract was "declared legal and valid as if the said parties had been specially authorized to make the same." (2 Acts 1879, p. 3.)

By that act it was also provided that it should be lawful for the Louisville, Cincinnati & Lexington Railway Company to contract with the city of Louisville for the removal of the company's track and depot on Jefferson Street, in the city of Louisville, to the fill and depot grounds north of Main Street and near to and along the old bed of Beargrass Creek as far as Second Street, on such terms as might be agreed on.

By act approved April 28, 1880, to amend that act (2 Acts 1879, p. 767), it was provided that no contract made under authority of the act of April 1, 1880, should take effect until the same should have been approved by a majority of all the stockholders of the Railway Company, and until the stockholders should authorize and require the president of the company, by proper deed, to convey and put in lien all property, rights, and franchises which might be acquired under such contract in lieu of the lien which then existed upon the Jefferson Street property, rights, and franchises.

At a meeting of the stockholders held June 16, 1880, the act of April 1, 1880, and the act of April 28, 1880, and also the contracts made thereunder, were ratified and approved.

The ordinance of the city of Louisville granting right of way pursuant to the act of April 1, 1880, was passed April 24, 1880, and trains first arrived and departed from station on river front Sunday, May 8, 1881.

By conveyance and mortgage of date November 1, 1881, the Louisville, Cincinnati & Lexington Railway Company conveyed to the Louisville & Nashville Railroad Company all its property, rights, and franchises, described as follows:

“The railroad of the party of the first part, extending from Second Street, in the city of Louisville, Kentucky, to and into Lexington, Kentucky, about 94 miles long, and the railroad of the party of the first part, extending from the junction with the first named railroad in or near the town of Lagrange, in Oldham County, Kentucky, to and through the city of Newport, Kentucky, to the Newport and Cincinnati bridge, about 82.1 miles long, both being about 176.1 miles in length, including the land now owned and used for the purposes of said railroads respectively, all buildings or erections thereon, all rails, rolling stock, equipments, tools, and machinery used on said railroads, all the appurtenances of said railroads and every part thereof now on hand, and generally the property, rights, and franchises of the party of the first part, including the old depot building and the lot of land on which it stands, bounded by Brook, Green, Floyd, and Jefferson streets, in the city of Louisville, and the stock owned by the railway company in the Louisville, Harrod’s Creek & Westport Railroad Company, and the stock and rights of the railway company in the Louisville Railway Transfer Company, and the leases of the Shelby Railroad and of the Northern Division of the Cumberland & Ohio Railroad.” (Deed 5891.)

The Cincinnati Division from Louisville, Ky., to Newport, Ky., a distance of 109.70 miles, and the Lexington

Branch from Lagrange, Ky., to Lexington, Ky., a distance of 67 miles, are covered by the following mortgages in the order of their dates:

Mortgage of date October 1, 1877, known as the Louisville, Cincinnati & Lexington Second Mortgage, executed by the Louisville, Cincinnati & Lexington Railway Company to Joshua F. Speed as trustee, maturing October 1, 1907, \$1,000,000, bearing 7 per cent interest. Outstanding in hands of public June 30, 1904, \$892,000.

Mortgage of date November 1, 1881, known as the Louisville, Cincinnati & Lexington General Mortgage, executed by the Louisville, Cincinnati & Lexington Railway Company and the Louisville & Nashville Railroad Company to The Merchants Trust Company, maturing November 1, 1931, authorized, \$7,000,000; issued \$3,258,000. All outstanding June 30, 1904. These bonds originally bore 6 per cent interest, but by contract of date December 1, 1896, the interest was reduced to 4½ per cent. (Contract 4213.)

Unified Mortgage of date June 2, 1890, executed by the Louisville & Nashville Railroad Company to Central Trust Company of New York as trustee, to secure an issue of 4 per cent bonds, not to exceed in the aggregate \$75,000,000. That part of the Cincinnati Division from Newport, Ky., to Latonia, Ky., a distance of 3.58 miles, is covered by the Atlanta, Knoxville & Cincinnati Division Mortgage of date April 1, 1905. (Contract 7679.)

The following laws relate to the Lexington & Ohio Railroad Company:

- Act January 27, 1830 (Acts 1829-30, p. 126).
- Act December 22, 1831 (Acts 1831, p. 149).
- Act February 2, 1833 (Acts 1832-3, p. 246).

Act February 2, 1833 (Acts 1832-3, p. 263).
Act February 22, 1834 (Acts 1833-4, p. 643).
Act February 28, 1835 (Acts 1834-5, p. 398).
Act February 17, 1836 (Acts 1835-6, p. 197).
Act February 20, 1836 (Acts 1835-6, p. 235).
Act December 8, 1837 (Acts 1837-8, p. 9).
Act February 15, 1838 (Acts 1837-8, p. 237).
Act February 16, 1838 (Acts 1837-8, p. 263).
Act February 23, 1839 (Acts 1838-9, p. 359).
Act February 17, 1840 (Acts 1839-40, p. 208).
Act February 21, 1840 (Acts 1839-40, p. 278).
Act February 18, 1841 (Acts 1840-41, p. 74).
Act March 9, 1843 (Acts 1842-3, p. 50).
Act February 7, 1845 (Acts 1845, p. 38).
Act January 29, 1848 (Acts 1847-8, p. 481).
Act February 29, 1848 (Acts 1847-8, p. 368).

The following laws relate to the Louisville & Frankfort Railroad Company:

Act March 1, 1847 (Acts 1846-7, p. 41).
Act February 29, 1848 (Acts 1847-8, p. 53).
Act February 23, 1849 (Acts 1848-9, p. 18).
Act February 27, 1849 (Acts 1848-9, p. 38).
Act March 4, 1850 (Acts 1849-50, p. 398).
Act December 21, 1850 (2 Acts 1850-1, p. 106).
Act March 24, 1851 (2 Acts 1850-1, p. 517).
Act March 24, 1851 (2 Acts 1850-1, p. 642).
Act January 9, 1852 (Acts 1851-2, p. 706).
Act February 4, 1854 (1 Acts 1853-4, p. 299).
Act March 10, 1854 (2 Acts 1853-4, p. 434).
Act February 23, 1856 (1 Acts 1855-6, p. 314).
Act March 10, 1856 (2 Acts 1855-6, p. 401).
Act February 3, 1860 (1 Acts 1859-60, p. 314).
Act February 5, 1861 (Acts 1861, p. 21).
Act September 30, 1861 (Acts 1861-2-3, p. 37).
Act February 10, 1864 (Acts 1863-4, p. 54).
Act March 2, 1865 (2 Acts 1865, p. 158).
Act March 9, 1867 (1 Acts 1867, p. 98).

The following laws relate to the Lexington & Frankfort Railroad Company:

- Act February 28, 1848 (Acts 1847-8, p. 34).
- Act February 23, 1849 (Acts 1848-9, p. 237).
- Act February 26, 1849 (Acts 1848-9, p. 23).
- Act December 21, 1850 (2 Acts 1850-1, p. 106).
- Act February 4, 1854 (1 Acts 1853-4, p. 299).
- Act February 11, 1854 (Acts 1853-4, p. 368).
- Act March 3, 1856 (Acts 1855-6, p. 384).
- Act March 10, 1856 (2 Acts 1855-6, p. 451).
- Act September 30, 1861 (Acts 1861-2-3, p. 37).
- Act February 2, 1864 (Acts 1863-4, p. 40).
- Act February 10, 1864 (Acts 1863-4, p. 54).
- Act February 14, 1865 (1 Acts 1865, p. 38).
- Act March 2, 1865 (2 Acts 1865, p. 158).
- Act March 9, 1867 (1 Acts 1867, p. 98).

The following laws relate to the joint operation of the Louisville & Frankfort and Lexington & Frankfort Railroad Companies:

- Act February 28, 1848 (Acts 1847-8, p. 34).
- Act March 22, 1851 (Acts 1850-1, p. 496).
- Act March 3, 1856 (Acts 1855-6, p. 384).
- Act February 16, 1858 (Acts 1857-8, p. 233).
- Act February 19, 1864 (Acts 1863-4, p. 85).
- Act February 2, 1866 (Acts 1865-6, p. 259).
- Act January 19, 1867 (2 Acts 1867, p. 631).
- Act January 29, 1867 (1 Acts 1867, p. 170).
- Act March 5, 1867 (2 Acts 1867, p. 270).
- Act March 2, 1869 (Acts 1869, p. 52).

Ordinance of city of Newport, granting right of way, passed May 12, 1868.

The following laws relate to the Louisville, Cincinnati & Lexington Railroad Company:

- Act February 8, 1870 (1 Acts 1869-70, p. 243).
- Act March 3, 1870 (2 Acts 1869-70, p. 73).

Act March 21, 1870 (2 Acts 1869-70, p. 722).

Act March 10, 1871 (1 Acts 1871, p. 395).

Act March 27, 1872 (2 Acts 1871-2, p. 276).

The following laws relate to the Louisville, Cincinnati & Lexington *Railway* Company:

Act April 1, 1880 (2 Acts 1879, p. 3).

Act April 28, 1880 (2 Acts 1879, p. 767).

LOUISVILLE RAILWAY TRANSFER.—The Louisville Railway Transfer Company was incorporated by act of the Kentucky Legislature approved March 10, 1871 (1 Acts 1871, p. 395), with power

“To contract with the Louisville, Cincinnati & Lexington Railroad Company and the Louisville & Nashville Railroad Company, and other parties interested, for the right of way, road-bed, and other properties pertaining to the same, and to build, or complete building, equip, and operate a railroad through the city of Louisville, with a single or a double track, on and along the route granted to said railroad companies by the city of Louisville, connecting the Louisville, Cincinnati & Lexington Railroad with the Louisville & Nashville Railroad.”

By the same act the Louisville, Cincinnati & Lexington Railroad Company and the Louisville & Nashville Railroad Company were authorized to sell and convey to the Louisville Railway Transfer Company their respective rights and interests in said connecting line of railroad, then partially constructed.

The capital stock was fixed at \$100,000, in shares of \$100 each, the whole of which was taken by the Louisville, Cincinnati & Lexington Railroad Company and the Louisville & Nashville Railroad Company, each of those companies subscribing for one half the amount. The

act provided that said railroad companies should not sell and transfer said stock to any other person or corporation without the consent of the city, evidenced by resolution of the general council. It was further provided that the capital stock might be increased, from time to time, by stock dividends, or by further subscriptions thereto, provided that the Louisville, Cincinnati & Lexington Railroad Company and the Louisville & Nashville Railroad Company should each be entitled to take one equal half of such increase.

The Louisville Railway Transfer Company was further empowered to construct and operate any branch roads connecting with other railroads terminating at Louisville, or connecting therewith by bridge, ferry, extensions, and switches, to their said connecting railroad, for the accommodation of the commercial and manufacturing business of the city of Louisville, said city consenting thereto. It was further provided

“That all shippers over or along the line of the connecting roads shall be entitled to side tracks and switches, and said Transfer Company shall furnish to all shippers by the car load empty cars at either end of said road, or at any switch or side track thereon, and to deliver loaded cars at either end of the road, or at any switch or side track, at one dollar per loaded car, and empty cars free of charge, in accordance with the contract with the city of Louisville.”

The company was authorized to issue its mortgage bonds in sums of \$1,000 or less to an extent not exceeding \$300,000, and the Louisville, Cincinnati & Lexington Railroad Company and the Louisville & Nashville Railroad Company were authorized, jointly or severally, to

indorse or guarantee the payment of any or all of said bonds, or to purchase, hold, or sell the bonds and stock of the Louisville Railway Transfer Company.

By act approved March 8, 1878 (1 Acts 1878, p. 418), the charter of the Louisville Railway Transfer Company was so amended as to authorize the Louisville & Nashville Railroad Company to sell and transfer to the Louisville, Cincinnati & Lexington Railway Company any part or all of its shares of stock in the Louisville Railway Transfer Company.

The corporation was organized by the election of directors on March 23, 1871, and by deed of April 29, 1871, the Louisville & Nashville Railroad Company and the Louisville, Cincinnati & Lexington Railroad Company conveyed to the Louisville Railway Transfer Company all their interest in the connecting track from the House of Refuge to the head of Jefferson Street. Thereafter, on May 2, 1871, the Louisville Railway Transfer Company leased to the Louisville, Cincinnati & Lexington Railroad Company for a term of thirty years from that date its line of railway, described as "beginning at a point in Jefferson County, Kentucky, on the line of the Louisville & Nashville Railroad, south of the House of Refuge, and running north and eastwardly through said city of Louisville, to or near the head of Jefferson Street in said city to a point where said railway intersects with that of the second party," together with all its rights, property, and franchises.

On November 1, 1881, the Louisville, Cincinnati & Lexington Railway Company conveyed to the Louisville & Nashville Railroad Company all its property and franchises, including the stock which it owned in the Louis-

ville Railway Transfer Company. The Louisville & Nashville Railroad Company having thus become the owner of all the stock of the Louisville Railway Transfer Company, the latter company in November, 1893, conveyed to the Louisville & Nashville Railroad Company all its property and franchises. (Deed 3165.) At the time of the execution of the Unified Mortgage of June 2, 1890, the Louisville & Nashville Railroad Company deposited with the Central Trust Company of New York, as trustee thereunder, 1,000 shares of the stock of the Louisville Railway Transfer Company, being the entire capital stock, and these shares are still held by the Central Trust Company of New York.

“A STREET” CONNECTION TRACK.—Only freight trains are operated over the larger part of the tracks acquired from the Louisville Railway Transfer Company. The passenger trains of the Cincinnati Division are operated over the north end of those tracks, and then over what is called the A Street connection track, which begins at a point of connection with the Louisville Railway Transfer Company tracks just east of Floyd Street and extends to and along A Street in a westerly direction to a point of connection with the Main Stem just west of Sixth Street, a distance of .76 of a mile, which forms a part of the Main Line of the Cincinnati Division. This track was constructed under an ordinance of the city of Louisville approved June 22, 1882, granting to the Chesapeake, Ohio & Southwestern Railroad Company the right to construct and operate a railroad, with single or double track, along and over A Street (Burnett's City Code, p. 563), and also under a contract between that company and the Louisville & Nashville Railroad Company of date

January 5, 1884. (Contract 191.) The rights granted to the Chesapeake, Ohio & Southwestern Railroad Company by the ordinance referred to were granted subject to the rights of other railroad companies desiring to cross through the southern portion of the city to use the A Street tracks upon the terms and conditions prescribed in said ordinance, and by the contract of January 5, 1884, the Louisville & Nashville Railroad Company undertook to construct those tracks for the Chesapeake, Ohio & Southwestern Railroad Company. Title to that part of the A Street right of way between Second Street and the city limits was acquired by deed of date June 21, 1889, from George P. Smith and wife to the Chesapeake, Ohio & Southwestern "Railway" Company (Deed 2664, Part 1), and other parts of the right of way were acquired by deed of date June 25, 1885, from W. C. Hall and wife to the Louisville & Nashville Railroad Company (Deed 2018, Part 2), and by deed of date May 17, 1889, from Bennett H. Young and wife to Louisville Railway Transfer Company. (Deed 2592.)

SHELBY CUT-OFF.—On July 17, 1895, the Louisville & Nashville Railroad Company began the construction of what is known as the "Shelby Cut-off," from Shelbyville to Christiansburg, Kentucky, a distance of 8.31 miles, and it was completed and open for business April 1, 1896. The distance between Louisville and Lexington, via Lagrange, is 94.1 miles, and the distance between the same points, via the cut-off, is 83.95 miles. By contract of date March 23, 1895 (No. 3785), between the Louisville & Nashville Railroad Company of one part and the Elizabethtown, Lexington & Big Sandy Railroad Company and the Chesapeake & Ohio Railway Company of

the other part, the Louisville & Nashville Railroad Company granted to the other two companies the right to use in common with it that part of its road from Louisville to Lexington, Kentucky, as it would be when the cut-off referred to should be completed, the Louisville & Nashville Railroad Company further agreeing to construct the cut-off by January 1, 1896, the contract to take effect on that date and continue in effect for one hundred years. By a supplemental contract entered into in December, 1895, it was agreed that the contract should not take effect until April 1, 1896, and should continue in effect for one hundred years from that time. As affecting the liability of the contracting parties for damages arising from the joint use under this contract of the road from Louisville to Lexington, Kentucky, the contract was construed in the case of *L. & N. R. Co. v. Chesapeake & Ohio R. Co.*, 107 Ky. 191 (21 Ky. Law Rep. 875), and again in *L. & N. R. Co. v. Breeden's Admr.*, 111 Ky. 729 (23 Ky. Law Rep. 1763). The "Shelby Cut-off" is covered by the Unified Mortgage of date June 2, 1890, unified bonds for the cost thereof having been received May 20, 1896.

NEWPORT & CINCINNATI BRIDGE AND CINCINNATI TERMINALS.—The **NEWPORT & CINCINNATI BRIDGE COMPANY** was incorporated in Kentucky by act of the legislature approved February 5, 1868 (1 Acts 1867-8, p. 436), "for the purpose of constructing a bridge from some convenient point within the corporate limits of the city of Newport across the Ohio River to Cincinnati, in the State of Ohio." The authorized capital stock was \$600,000, divided into shares of \$100 each, with power to increase the stock to any

sum not exceeding \$1,200,000, divided into like shares. By act to amend the charter approved February 26, 1868 (2 Acts 1867-8, p. 30), the corporation was empowered to borrow money not exceeding its authorized capital stock at a rate of interest not exceeding 7 per cent, and to execute bonds and secure them by pledge or mortgage. The act also provided that it should be lawful for the Bridge Company to become merged into a new corporation with any bridge company organized under the laws of the State of Ohio to build a bridge across the Ohio River in the manner prescribed by the act. By act approved March 22, 1873 (2 Acts 1873, p. 6), to further amend the charter, the company was authorized to borrow additional sums of money and issue bonds therefor secured by an additional mortgage or mortgages, and also to increase its capital stock, provided the same should be consented to by stockholders owning two thirds in amount of the capital stock. This act was accepted by stockholders January 17, 1874.

The NEWPORT & CINCINNATI BRIDGE COMPANY was incorporated in Ohio by certificate of incorporation filed in the office of the Secretary of State of Ohio April 3, 1868, under an act of the Ohio Legislature passed on the same date, providing for the incorporation of bridge companies. This act provided that any company organized thereunder should have the right to consolidate its capital stock with the capital stock of any bridge company of an adjoining State authorized to construct a bridge across the Ohio River, in the manner prescribed for the consolidation of railroad companies by an act passed April 10, 1856. The act of April 3, 1868, also empowered any such company to borrow money not exceeding its author-

ized capital stock at any rate of interest not exceeding 7 per cent, to execute bonds therefor and secure the same by pledge or mortgage. By an act supplementary thereto, passed April 12, 1873, any corporation organized under the act of April 3, 1868, was authorized to borrow additional sums of money for the purpose of liquidating its indebtedness or for the purpose of making repairs or improvements, and issue bonds therefor and secure them by an additional mortgage or mortgages, and also to increase its capital stock.

The Kentucky corporation and the Ohio corporation were consolidated by an agreement of consolidation entered into April 16, 1868, which was filed June 3, 1868, in the office of the Secretary of State of Ohio and also in the office of the Secretary of State of Kentucky. This agreement provided that the capital stock of the new corporation should be \$1,200,000, divided into shares of \$100 each.

By joint resolution approved March 3, 1869, the Congress of the United States gave its consent to the erection of a bridge by the Newport & Cincinnati Bridge Company, provided the bridge should be built as specified therein, the bridge when completed to be a post-road for the transmission of the mails of the United States. By act of Congress approved March 3, 1871, it was provided that it should be unlawful for the Newport & Cincinnati Bridge Company to proceed in the erection of the bridge it was then constructing unless the bridge should be constructed as prescribed in that act, the plans for changes of the bridge made necessary by the act to be submitted to the Secretary of War for his approval. The bridge was changed as required, and after its completion suit was

filed against the United States to recover the cost of making the required changes, but a recovery was denied. (Bridge Co. v. United States, 105 U. S. 470.) Trains first crossed over the bridge on or about April 1, 1872. On March 6, 1893, and again on May 21, 1895, the Secretary of War approved plans for rebuilding and widening the bridge.

June 5, 1895, the board of directors resolved that the capital stock of the company, then consisting of \$1,196,900 of common stock and \$927,600 of preferred stock, a total of \$2,124,500 of stock, should be reduced so that the same should not exceed the amount of \$1,500,000, the whole to be common stock, and also resolved that the company create a new mortgage indebtedness of \$1,500,000. This action of the directors was approved by the stockholders July 11, 1895, and a certificate of the action of the directors and stockholders was filed in the office of the Secretary of State of Ohio August 10, 1895, and in the office of the Secretary of State of Kentucky August 13, 1895. Pursuant to this action, the bridge company executed to the Farmers Loan & Trust Company of New York a mortgage of date July 1, 1895, securing bonds amounting to \$1,500,000, of \$1,000 each, payable July 1, 1945, bearing $4\frac{1}{2}$ per cent interest, of which bonds amounting to \$1,400,000 have been issued, all outstanding in the hands of the public.

By ordinances of the city of Newport, Kentucky, passed or approved May 12, 1868, January 26, 1882, December 31, 1886, February 2, 1888, and August 12, 1895, respectively, certain rights were granted to the bridge company in the streets of the city of Newport, and by ordinances of the city of Cincinnati, Ohio, passed

December 1, 1871, and June 14, 1895, respectively, parts of certain streets of Cincinnati were vacated upon petition of the bridge company. The charters, ordinances, etc., referred to appear in full in a pamphlet in the Secretary's office entitled "Corporate History and By-laws."

The Pennsylvania Company having acquired 13,400 shares of the stock of the Newport & Cincinnati Bridge Company out of a total issue of 15,000 shares, entered into an agreement with the Louisville & Nashville Railroad Company on March 10, 1904, by which it agreed to exchange on April 2, 1904, its stock, par for par, for 1,340 of the unified 4 per cent bonds of the Louisville & Nashville Railroad Company, and to furnish the Louisville & Nashville Railroad Company with the written resignation of all the officers of the Board of Directors, and cause to be turned over to the Louisville & Nashville Railroad Company all books, papers, and property belonging to the bridge company, the Louisville & Nashville Railroad Company agreeing to deliver the unified bonds in exchange for the stock, and to purchase for cash at any time within sixty days from April 2, 1904, from each minority stockholder of the bridge company, his stock at par. (Contract 7067.) Thereafter, within the time specified, the Louisville & Nashville Railroad Company acquired all the stock of the minority stockholders, and by deed of date June 16, 1904, the Newport & Cincinnati Bridge Company conveyed to the Louisville & Nashville Railroad Company all its property, rights, and franchises, and by deed of date June 17, 1904, the Louisville & Nashville Railroad Company conveyed the property, rights, and franchises thus acquired to the Central Trust Company of New York as trustee under the Unified Mortgage

of June 2, 1890 (Deed 5798), subject to a mortgage of date July 1, 1895, executed by the Newport & Cincinnati Bridge Company to the Farmers Loan & Trust Company as trustee to secure bonds amounting to \$1,500,000, payable July 1, 1945, and bearing $4\frac{1}{2}$ per cent interest, of which only \$1,400,000 have been issued. The bridge and terminals are also covered by the Atlanta, Knoxville & Cincinnati Division Mortgage of date April 1, 1905, executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York as trustee to secure an issue of bonds not to exceed in the aggregate \$50,000,000, payable May 1, 1955, and bearing 4 per cent interest. Of these bonds \$20,000,000 are set apart for immediate issue, the remaining bonds being reserved for the purpose of taking up certain underlying mortgage indebtedness and for the acquisition of additional lines of railway which shall become subject to the lien of the mortgage. The mortgage covers the continuous line of railway extending from Cincinnati, Ohio, by way of Knoxville, Tennessee, to Atlanta, Georgia. (Contract 7679.)

PAN-HANDLE DEPOT.—By agreement of date April 2, 1904, the Pittsburgh, Cincinnati, Chicago & St. Louis Railway Company, lessee of the Little Miami Railroad, leased to the Louisville & Nashville Railroad Company the right to use jointly with it and others the passenger station, tracks, and appurtenances of the Little Miami Railroad in the city of Cincinnati; also the right to the exclusive use of all the ground bounded by the waterworks, the river, the Newport & Cincinnati Bridge, and Front Street, with the available improvements thereon, the use of the station and appur-

tenances to continue as long as the same are used by the Pittsburgh, Cincinnati, Chicago & St. Louis Railway Company as its principal passenger station for the arrival and departure of its Main Line through trains. The agreement to continue for sixty-four years from date of execution. (Contract 1457, Part 3.)

SHELBY BRANCH.

Anchorage to Shelbyville, Kentucky.....19.10 miles.

// The SHELBY RAILROAD COMPANY was incorporated by act of the General Assembly of Kentucky approved March 15, 1851. (2 Acts 1850-1, p. 364.) //

The president and directors were "invested with all the rights and powers necessary for the construction and repair of a railway with such appendages as may be deemed necessary for the convenient use of the same, commencing at some eligible point in the town of Shelbyville; thence by such route as they may select to intersect with the Louisville & Frankfort Railroad, and at such point therein, diverging therefrom at an angle of twenty degrees or more, as may be agreed on by the president and directors of the Shelby road, or a majority of them, not to exceed sixty-six feet wide, with as many sets of tracks as the said president and directors, or a majority of them, may deem necessary." The company was further authorized to branch its road, and to run lines to any point or points in the counties of Shelby, Spencer, Anderson, Franklin, Henry, Oldham, or Jefferson, on the terms mentioned in the act, and especially in the direction of the town of Danville, in Boyle County: "Provided the

same diverges twenty degrees or more in the junctions thereof with the Louisville & Frankfort Railroad." The act provided that it should be null and void if the company should not commence its road leading from Shelbyville to some point of junction with the Louisville & Frankfort Railroad within three years from May 1, 1851, and should not cause same to be finished within ten years from the commencement thereof.

The capital stock was fixed at \$600,000, in shares of \$50 each, with a provision that if it should be insufficient it might be increased by the president and directors by as many shares as they might deem necessary, not to exceed the further sum of \$400,000.

By act to amend the charter, approved March 10, 1854 (2 Acts 1853-4, p. 453), the president and directors were empowered to form by contract a union with any other railroad company, or to sell and transfer all the assets, rights, and privileges of the company upon such terms as might be approved by the stockholders owning a majority of the stock, the act further providing that "said sale and conveyance when made shall divest the said Shelby Railroad Company of all chartered rights, and it shall cease to exist as a company."

By act approved February 15, 1858 (2 Acts of 1857-8, p. 158), the company was given the further time of ten years to complete its road.

By act approved February 3, 1869 (Acts 1869, p. 260), to amend the charter, the company was authorized to extend its road through the counties of Anderson and Mercer to or near Danville, thence along the most practicable route to the Virginia or Tennessee line, running through or near Lawrenceburg and through or near Harrodsburg;

and the further time of five years from "the day of May, 1871," was given the company to construct its road to Danville.

By contract of date July 16, 1879, to take effect as of August 1, 1879, the Shelby Railroad Company leased its road to the Louisville, Cincinnati & Lexington Railway Company for the term of thirty years, and by act approved April 1, 1880, entitled "An Act to amend the charter of the Louisville, Cincinnati & Lexington Railway Company," that contract was "declared legal and valid as if the said companies had been specially authorized to make the same." (2 Acts 1879, p. 3.) By deed of date November 1, 1881, from the Louisville, Cincinnati & Lexington Railroad Company to the Louisville & Nashville Railroad Company, that lease passed to the Louisville & Nashville Railroad Company. (Contract 4213.)
 — By deed of May 3, 1902, the Shelby Railroad Company conveyed to the Louisville & Nashville Railroad Company

"The line of railroad beginning at a point on the Cincinnati Division of the Louisville & Nashville Railroad in the town of Anchorage, county of Jefferson, and State of Kentucky, about 2,390 feet east of mile post No. 12 of said Cincinnati Division, from Louisville, and thence extending in a general easterly direction through Jefferson and Shelby counties to the town of Shelbyville, in the county of Shelby and State of Kentucky, a distance of 18.76 miles; and also the road-bed, tracks, rights of way, culverts, bridges, trestles, fences, depots, station-houses, machine shops, and other buildings, and several lots, pieces and parcels of land on which the same are or may be erected, forming part of said railroad, or in any manner appurtenant thereto."

The deed also conveyed various parcels of land in the city of Louisville, together "with all other property, claims, and choses in action of every kind and nature, real, personal, and mixed, pertaining to said line of railroad, or belonging to the said party of the first part."

Habendum: "To have and to hold the said railroad and all other property, rights, privileges, easement and franchise of said first party, its successors and assigns forever." (Deed 5326.)

A suit brought by J. G. Jarvis and others, minority stockholders, to set aside that deed, is pending in the Court of Appeals of Kentucky on appeal from a decree of the Jefferson Circuit Court, Chancery Branch, First Division, granting the relief sought.*

Stock issued, \$600,829. Owned by the Louisville & Nashville Railroad Company at time it purchased property and franchises, \$593,225, being 11,864½ shares. A majority of the stock was acquired by the Louisville & Nashville Railroad Company July 24, 1895. Of this stock 11,785⁶/₈ shares are deposited with the Central Trust Company of New York under the Unified Mortgage.

BLOOMFIELD BRANCH.

Shelbyville to Bloomfield, Kentucky.....26.72 miles.

The CUMBERLAND & OHIO RAILROAD COMPANY was incorporated by an act of the General Assembly of Kentucky, approved February 24, 1869 (1 Acts 1869, p. 463),

"With all the powers and rights necessary to the construction of a railroad from the Ohio River through

* Reversed May 26, 1905.

Henry County, Shelby County, Washington County, Nelson County, Marion County, Taylor County, Green County, Barren County, and Allen County to a point on the boundary line between the States of Kentucky and Tennessee, to be selected by the president and directors, about due north from the town of Murfreesboro, Tennessee, with a view of connecting with the southern system of railways converging at Nashville, Tennessee,"

and the company was further given power to "connect with the Ohio River by intersecting the Covington extension of the Louisville, Lexington & Cincinnati Railroad Company." The company was also authorized to purchase or lease any road or roads connecting with its road and to unite its road, branch or branches, which it was authorized to construct and operate, with any other road or roads, and to acquire interest in other roads or parts of roads and use the same as parts of their Main Line branch or branches. The capital stock was fixed at five million (\$5,000,000) dollars, in shares of \$100 each, with a provision that if it should be deemed insufficient for the purposes of the act it should be lawful for the president and directors to increase the same as much as they might deem necessary, not exceeding the sum of eight million (\$8,000,000) dollars. The company was authorized to borrow not exceeding four million (\$4,000,000) dollars and secure the same by mortgage bonds.

By the first section of an amendment of March 18, 1878, to the charter (1 Acts 1878, p. 549), it was provided

"That it shall be lawful, and said company may divide its road into two sections, the one commencing at the terminus of said road in Henry County, and extending through the counties of Henry, Shelby, Spencer, and Nelson to Bloomfield, in Nelson County, and which shall be known and

designated as the Northern Division of the Cumberland & Ohio Railroad Company, the other commencing at Lebanon, in Marion County, and extending through Marion, Taylor, and Green counties to Greensburg, in Green County, and which shall be known and designated as the Southern Division of the Cumberland & Ohio Railroad Company."

By the sixth section of the same amendment it was provided

"That the Cumberland & Ohio Railroad Company may be divided into two distinct corporations, with the approval of a majority of the stockholders voting at a regular or called meeting of the company. The one corporation to own the section of said road situate between Campbellsburg, in Henry County, and Bloomfield, in Nelson County, and to be composed of the stockholders north of Washington County, and to be known by the corporate name of the Northern Division of the Cumberland & Ohio Railroad Company; and the other to own the section of said road situate between Lebanon, in Marion County, and Greensburg, in Green County, and to be known by the corporate name of the Southern Division of the Cumberland & Ohio Railroad Company, and to be composed of the stockholders south of Washington County, and each to have the right to sue and be sued and the powers conferred by this act upon the Cumberland & Ohio Railroad Company, so far as applicable to their respective sections."

By Section 8 of the same act the Cumberland & Ohio Railroad Company, or the Northern Division thereof, was authorized

"To contract with the Shelby Railroad Company, or the Louisville, Cincinnati & Lexington Railway Company, or both of them, to guarantee and secure

the bonds issued by the Cumberland & Ohio Railroad Company, or the Northern Division thereof, upon the part of its road situate in the counties of Henry, Shelby, Spencer, and Nelson, or any part thereof, or to secure any of said bonds by pledging or assigning the gross earnings or net earnings, or any part thereof, made, received, or earned by either of said companies from the business coming to them and over their roads from said Cumberland & Ohio Railroad Company."

Pursuant to the authority granted by this amendment to the charter, the stockholders of the Cumberland & Ohio Railroad Company, at a meeting held June 5, 1878, provided for the division of the company into two distinct corporations, to be known as the Northern Division of the Cumberland & Ohio Railroad Company and the Southern Division of the Cumberland & Ohio Railroad Company, respectively.

By act of March 29, 1880 (1 Acts 1879-80, p. 649), the separation of the Cumberland & Ohio Railroad Company into the Northern and Southern Divisions, the organization of the two companies by and among the stockholders thereof, and the organization of that corporation commonly called the Northern Division of the Cumberland & Ohio Railroad Company, were declared legal and valid for all purposes.

By a contract dated July 28, 1879 (Contract 1353), between the Northern Division of the Cumberland & Ohio Railroad Company and the Louisville, Cincinnati & Lexington Railway Company, the former leased to the latter its unfinished road-bed, right of way and improvements pertaining to the lessor's line of railway from Eminence to Bloomfield, for the period of thirty years. The contract

provided for a mortgage by the lessor upon the property described to secure mortgage bonds amounting to \$350,000, the proceeds of which were to be used by the lessee in the construction of the lessor's line of railway.

By a further contract entered into between the same parties in January, 1880, the lease of July 26, 1879, was modified so as to provide for the immediate construction of the road from Shelbyville to Bloomfield. It was further provided that not more than \$250,000 of the face value of the bonds provided for should be used in and about the construction of that part of the road from Shelbyville to Bloomfield, and that the remaining \$100,000 of the bonds should be set apart for the ultimate construction of the road between Eminence and Shelbyville. It was also provided that all moneys paid for the lessor by the lessee should be treated as interest-bearing debts, interest at the same rate with said mortgage bonds, payable half yearly, and to run from date of such payments; and it was declared that a lien to secure said indebtedness "is hereby created" on the property of the lessor, to stand next in priority to said mortgage and bonds.

On July 2, 1879, the Northern Division of the Cumberland & Ohio Railroad Company executed a mortgage to Joshua F. Speed, as trustee, to secure mortgage bonds to the extent of \$350,000, and on July 28, 1879, the Louisville, Cincinnati & Lexington Railroad Company executed to Joshua F. Speed, as trustee, a mortgage of its net earnings accruing to it by reason of business coming to it from or over the lines of the Northern Division of the Cumberland & Ohio Railroad Company. Subsequently, Joshua F. Speed having died, Adolph L. Schmidt was appointed by the Shelby Circuit Court as trustee in each of said mort-

gages in his stead. The latter mortgage was construed by the Court of Appeals of Kentucky in *Schmidt, trustee, v. L. & N. R. Co.*, 95 Ky. 289, and the liability of the Louisville & Nashville Railroad Company for the amount of a judgment against the Louisville, Cincinnati & Lexington Railway Company thereunder was determined in the case of *Schmidt, etc., v. Louisville, Cincinnati & Lexington R'y Co., etc.*, 99 Ky. 143 (18 Ky. Law Rep. 65), and in case of same style reported in 19 Ky. Law Rep. 1625.

In August, 1892, the Louisville & Nashville Railroad Company, as the purchaser of the property and franchises of the Louisville, Cincinnati & Lexington Railway Company, instituted suit against the Northern Division of the Cumberland & Ohio Railroad Company to recover judgment against that company for moneys paid on its account, and to enforce a lien therefor under the provisions of the lease. On January 31, 1895, a judgment was rendered in that suit in plaintiff's favor against defendant for \$419,803, and for a sale of the property and franchises of defendant to satisfy said judgment. Several efforts were made to sell the property and franchises under that decree, but there being no bidders the Louisville & Nashville Railroad Company in November, 1895, gave notice to the Northern Division of the Cumberland & Ohio Railroad Company that it would, on December 31, 1895, cease to operate the road under the lease, and on December 18, 1895, the Northern Division of the Cumberland & Ohio Railroad Company and A. L. Schmidt, trustee, brought suit in the Shelby Circuit Court for a mandatory injunction to compel the Louisville & Nashville Railroad Company to continue to operate the road under the lease.

The relief asked was denied by the Circuit Court, but upon appeal to the Court of Appeals of Kentucky that judgment was reversed on June 15, 1897, with directions to the lower court to grant the mandatory injunction for which plaintiff prayed. (Schmidt, etc., v. L. & N. R. Co., 101 Ky. 441; same case reported also in 19 Ky. Law Reporter, 666.) In January, 1896, pending the suit for mandatory injunction, John A. Middleton was appointed receiver in a suit brought by John S. Howard and another against the Northern Division of the Cumberland & Ohio Railroad Company, and from January 25, 1896, until December 31, 1897, the Louisville & Nashville Railroad Company operated the road as the agent of the receiver. On December 17, 1897, the property and franchises of the company were sold under the decree of January 31, 1895, Samuel Spencer becoming the purchaser, and that sale was confirmed January 25, 1898. After that date the Louisville & Nashville Railroad Company operated the road for account of the purchaser until February 5, 1898, after which it was operated by the purchaser himself until it was sold to satisfy the mortgage lien.

By a judgment of the Shelby Circuit Court, rendered on September 26, 1898, in the suit in equity of the Germania Safety Vault & Trust Company and the Louisville & Nashville Railroad Company against A. L. Schmidt, trustee, and others to enforce the lien created by the mortgage of July 2, 1879, it was decreed that all the property, rights, and franchises of the Northern Division of the Cumberland & Ohio Railroad Company, including the right, title, and interest of said company to its line of railroad from Shelbyville, in Shelby County, Kentucky, to Bloomfield, in Nelson County, Kentucky, together

with all of its improvements and appurtenances, should be sold, and at a sale made under that decree on March 2, 1900, P. Booker Reed, for himself and certain bondholders, became the purchaser of said property and franchises, and on June 2, 1900, that sale was confirmed. Thereafter the SHELBYVILLE, BLOOMFIELD & OHIO RAILROAD COMPANY was created by articles of incorporation filed in the Clerk's office of the Jefferson County Court on June 25, 1900, and in the office of Secretary of State and of the Railroad Commission June 26, 1900. (Contract 5791.) The corporation was organized by election of directors July 27, 1900.

The articles of incorporation recited the sale of the property, rights, and franchises of the Northern Division of the Cumberland & Ohio Railroad Company, and their purchase by P. Booker Reed for himself and certain bondholders, and declared that P. Booker Reed and certain other persons named had associated themselves together to form a corporation for the purpose of purchasing, owning, operating, and maintaining the road sold in the proceedings referred to, describing it as extending "from Shelbyville through the county of Shelby to Taylorsville, in the county of Spencer; and thence through the county of Spencer to Bloomfield, in the county of Nelson," with the statement that "its length as near as may be is 27 miles." Authorized capital stock \$10,000, in shares of \$50 each. Only 178 shares (\$8,900) issued, and the entire issue was acquired by the Louisville & Nashville Railroad Company, August 19, 1901.

On September 28, 1901, the Shelbyville, Bloomfield & Ohio Railroad Company conveyed to the Louisville & Nashville Railroad Company its entire line of railroad, //

“Beginning at a point on the Shelby Railroad 3,055 feet south of mile post 30 from Louisville, Ky., in the county of Shelby, State of Kentucky, thence in a general southern direction through the counties of Shelby and Spencer, and into the county of Nelson to the town of Bloomfield, a distance of 26.72 miles, and all property of every kind pertaining to said line of railroad or belonging to the Shelbyville, Bloomfield & Ohio Railroad Company.” *Habendum*: “To have and to hold the said railroad and all other property, rights, and franchises of the said party of the first part to the said party of the second part, its successors and assigns forever.” (Deed 5214.)

And by deed of date September 30, 1901, the Louisville & Nashville Railroad Company conveyed the property and franchises thus acquired to the Central Trust Company of New York as trustee under the Unified Mortgage of June 2, 1890. (Deed 5214, Part 2.)

LOUISVILLE, HARROD'S CREEK & WESTPORT BRANCH.

Louisville to Prospect, Kentucky 11.16 miles.
That part now owned and operated by Louisville & Nashville Railroad Company extends from Louisville to Pipe Line Avenue, Kentucky 3.46 miles.

✓ The LOUISVILLE, HARROD'S CREEK & WESTPORT RAILWAY COMPANY was incorporated by act of the Kentucky Legislature approved March 19, 1870 (2 Acts 1869-70, p. 526), with power to build and equip a railway

“To be worked and operated by steam power, commencing at or near what is known as the ‘cut-off,’ in the city of Louisville, Ky.; thence by such route as they may select as the most desirable, through the counties of Jefferson and Oldham to the foot of the highlands, at or near to

Harmony Landing, on the Ohio River, or by such route as they may deem most advisable through said counties to Westport, in Oldham County."

Capital stock \$150,000, with power to directors to increase to \$500,000.

The corporation was organized September 1, 1871, by the election of directors.

Act of December 20, 1871, to amend charter (1 Acts 1871-2, p. 143), authorized the company among other things to adopt either steam or horse power as propelling power.

Act of February 26, 1873 (1 Acts 1873, p. 319), provided for subscription to capital stock in behalf of Harrod's Creek precinct and for levy of tax to pay bonds; and also provided that the company should construct and extend the line of railway beyond Harrod's Creek and to the Oldham County line.

Act of March 3, 1876, authorized consolidation with the Westport, Carrollton & Covington Railway Company under corporate name of "Louisville & Covington Narrow Gauge Railway Company." (1 Acts of 1876, p. 485.)

Amendment of March 20, 1876, gave authority to borrow money and execute mortgages, or issue and sell mortgage bonds, and also provided for a tax to pay principal and interest of precinct bonds issued by the County Court of Jefferson County for and on behalf of Harrod's Creek precinct for and on account of subscription of capital stock made by said precinct. (2 Acts of 1876, p. 709.)

By act of April 8, 1878, entitled "An Act to amend an Act entitled 'An Act to incorporate the Louisville, Harrod's Creek & Westport Narrow Gauge Railway

Company," that company was given "*the right to sell, lease, or make running arrangements with any railroad company with whom they may connect.*" (2 Acts of 1878, p. 385.)

Pursuant to legislative authority, the Louisville, Harrod's Creek & Westport Railway Company issued its bonds secured by mortgage covering all its property, and this mortgage was foreclosed by suit in the Louisville Chancery Court instituted on February 24, 1879. (McFerran v. L., H. C. & W. P. R'y, No. 33,733, Jefferson Chancery Court.) A decree for the sale of the property was rendered May 23, 1879, and at the sale made under that decree on June 29, 1879, the Louisville, Harrod's Creek & Westport Railroad Company became the purchaser, and the property was conveyed to it by Robert Cochran, Commissioner, by deed of July 11, 1879.

The LOUISVILLE, HARROD'S CREEK & WESTPORT RAILROAD COMPANY was incorporated under the act of March 1, 1876, authorizing the incorporation of purchasers of railroads sold under decree of foreclosure. (Gen. Stats., Ed. 1888, p. 767.) The articles of incorporation, which were filed in the Clerk's office of the Jefferson County Court July 9, 1879 (Contract 7068), provide that the general nature of the business shall be the ownership, management and operation, use and enjoyment of the property, rights, and franchises acquired by it, and the general use and enjoyment of all the rights and franchises of the Louisville, Harrod's Creek & Westport Railway Company, and such others as may from time to time be lawful under the laws of the State of Kentucky and not inconsistent with the articles of incorporation. The articles also provide that:

“This company shall have the right to borrow money and secure the same by mortgage upon all or any portion of its rights, franchises, or property, to lease for a term of years or sell the whole or any part of said property, rights, and franchises.”

Capital stock \$60,000, in shares of \$100 each.

The road as constructed extends from Louisville to Prospect, a distance of 11.16 miles, and was incorporated into the Louisville & Nashville system in 1881, the Louisville & Nashville Railroad Company having acquired the capital stock from the Louisville, Cincinnati & Lexington Railway Company November 1, 1881, when it acquired the property and franchises of that company. During the fiscal year 1887-8 the road was changed from narrow gauge to standard gauge, thus making the entire system standard gauge.

By contract of date April 22, 1904 (No. 7065), the Louisville, Harrod's Creek & Westport Railroad Company agreed to sell to the Louisville Railway Company 7.7 miles of its road, beginning at a point eight hundred and forty-one feet eastwardly from the eastern line of what is known as Pipe Line Avenue and extending thence to the terminus of the road at Prospect, the consideration recited being the payment by the Louisville Railway Company of the sum of \$77,000 and the undertaking on its part to provide certain facilities for the movement of car load traffic, that company agreeing to that end to maintain a track at its present gauge, and the Louisville, Harrod's Creek & Westport Railroad Company making certain agreements as to the handling of such traffic. The Louisville & Nashville Railroad Company, being the owner of all the stock of the Louisville, Harrod's Creek &

Westport Railroad Company, became a party to that contract, and guaranteed its performance on the part of the Louisville, Harrod's Creek & Westport Railroad Company. For the purpose of carrying into effect that agreement the Louisville, Harrod's Creek & Westport Railroad Company, by deed of same date, conveyed to the Louisville & Interurban Railroad Company, at the request of the Louisville Railway Company, which owns all the stock of the Louisville & Interurban Railroad Company, that part of the road described in the agreement, the Louisville Railway Company being a party to the deed. (Contract 7065.) Thereafter, by deed of date May 19, 1904 (No. 5771), the Louisville, Harrod's Creek & Westport Railroad Company conveyed to the Louisville & Nashville Railroad Company that part of its road not theretofore conveyed to the Louisville & Interurban Railroad Company, together with all its rights, franchises, and privileges and by deed of date May 20, 1904, the Louisville & Nashville Railroad Company conveyed said property and franchises to the Central Trust Company of New York as trustee under the Unified Mortgage of June 2, 1890. (No. 5771, Part II.)

That part of the road now owned and operated by the Louisville & Nashville Railroad Company extends from Louisville, Kentucky, to Pipe Line Avenue, Kentucky, a distance of 3.46 miles, the company having also a limited trackage right over that part of the road conveyed to the Louisville & Interurban Railroad Company extending from Pipe Line Avenue to Prospect, Kentucky, a distance of 7.70 miles.

KENTUCKY CENTRAL DIVISION.

	MILES	
Covington to Sinks, Kentucky.....	149.88	
Maysville & Lexington Railroad—		
North Division—Maysville to Paris, Kentucky..	49.48	
Southern Division—Paris to Lexington, Kentucky	17.86	
Richmond Branch—Fort Estill Junction, Kentucky, to Rowland, Kentucky.....	30.43	
Brush Creek Branch—Brush Creek, Kentucky, to Johnetta, Kentucky.....	4.85	
	<hr/>	252.50

THE LICKING & LEXINGTON RAILROAD COMPANY was incorporated by act of March 1, 1847 (Acts 1846-7, p. 41), with power to construct and maintain a railway, with a double or single track, with such appendages as may be deemed necessary for the convenient use of the same, commencing at any eligible point in or near the town of Newport, in Campbell County, or Covington, in Kenton County; thence by the most practicable route through or near Falmouth, Cynthiana, and Paris to the city of Lexington, and such point therein as may be agreed on by the directors of said road and the City Council of Lexington. And the corporation was further empowered to locate and construct branch roads from the main route to any other towns or places in the several counties through or near which said road may pass.

By act of February 27, 1849 (Acts 1848-9, p. 382), to amend the charter of the Licking & Lexington Railroad Company, the name of the corporation was changed to the COVINGTON & LEXINGTON RAILROAD COMPANY.

By act of January 7, 1852 (Acts 1851-2, p. 632), to amend the charter of the Covington & Lexington Railroad Company, that company was empowered to construct a

branch through the town of Georgetown, Scott County, to intersect and connect with the Lexington & Frankfort Railroad at such point as might be thought most advisable, and counties through which the branch was to run were authorized to subscribe and hold stock in the company.

By act of March 10, 1856 (2 Acts 1855-6, p. 475), to amend the charters of the Covington & Lexington and Lexington & Danville railroad companies, those companies were authorized to adopt as the name of the entire roads of the two companies, extending from Covington to the northern line of the State of Tennessee, the *Kentucky Central Railroad*, such name not to affect the separate corporate name of each company, or the rights, contracts, or responsibilities of either of them. The Covington & Lexington Railroad was designated as the first division, and from Lexington to the Tennessee line was designated as the second division.

The following acts, relating principally to subscriptions by counties to the capital stock of the Covington & Lexington Railroad Company and the issuing of bonds and levying of taxes therefor, are amendments to the charter of that company:

- Act March 4, 1850 (Acts 1849-50, p. 378).
- Act March 6, 1850 (Acts 1849-50, p. 580).
- Act March 3, 1851 (Acts 1850-1, p. 268).
- Act March 20, 1851 (2 Acts 1850-1, p. 411).
- Act November 24, 1851 (Acts 1851-2, p. 381.)
- Act January 3, 1852 (Acts 1851-2, p. 571).
- Act January 7, 1852 (Acts 1851-2, p. 632).
- Act February 6, 1854 (1 Acts 1853-4, p. 325).
- Act March 10, 1856 (2 Acts 1855-6, p. 451).
- Act March 2, 1865 (2 Acts 1865, p. 158).

Other acts relating to same matters, but which are not in terms amendments to the charter of the Covington & Lexington Railroad Company, are the following:

Act January 21, 1851 (2 Acts 1850-1, p. 126).

Act January 25, 1851 (2 Acts 1850-1, p. 132).

Act March 24, 1851 (2 Acts 1850-1, p. 592).

Act November 25, 1851 (Acts 1851-2, p. 393).

Act February 6, 1854 (1 Acts 1853-4, p. 324).

On September 1, 1858, the company made default in the payment of interest due on certain of its bonds, and on the twenty-eighth of November thereafter James Winslow, trustee in a deed of trust executed April 8, 1853, to secure the principal and interest of these bonds, instituted a suit in equity in the Fayette Circuit Court asking the court to place him in possession and control of the property, rights, and privileges of the company for the purpose of paying interest in arrear, costs of suit, etc. On the twenty-seventh of December thereafter he amended his petition and prayed an absolute sale of the property, rights, and franchises of the company. A judgment was rendered directing the sale as prayed for, and on October 5, 1859, all the property, rights, and franchises of the company were sold under that judgment. At that sale William H. Gedge became the ostensible purchaser, but R. B. Bowler, a director, was the actual purchaser, and the sale was subsequently confirmed. On January 1, 1861, Bowler and certain other persons formed a joint stock association for the purpose of acquiring, holding, and operating the road. Afterward, on January 1, 1863, other persons became interested in this association, and the title was vested in Q. A. Keith and William Ernst, who were to hold as trustees for the parties beneficially

interested for the uses set out in a deed executed to them by Bowler and wife January 30, 1863. On September 30, 1865, the Covington & Lexington Railroad Company instituted an action in the Kenton Circuit Court against the trustees, Ernst and Keith, and the persons for whom they held, including the representatives of Bowler, who was then dead, seeking, among other things, to have the court adjudge that the defendants held the road in trust for the benefit of the company. The trial court dismissed the petition, but upon appeal by plaintiff that judgment was reversed by the Court of Appeals of Kentucky in an opinion rendered April 25, 1872. (Covington & Lexington R. Co. v. Bowler's Heirs, 9 Bush, 468.)

On May 6, 1875, after the return of the case to the Kenton Circuit Court, a contract of compromise was entered into between the Covington & Lexington Railroad Company and G. H. Pendleton and others by which it was agreed that the suit should be dismissed and that within thirty days after such dismissal the said George H. Pendleton and others should organize the Kentucky Central Railroad Company as a corporation under an act approved February 22, 1871 (1 Acts 1871, p. 284), entitled "An Act to incorporate the Kentucky Central Railroad Company," and fix the capital stock of said company at \$5,000,000, \$500,000 of which was to be preferred stock and the remaining \$4,500,000 of which was to be common stock. George H. Pendleton and others further agreed that within ten days after the organization of the Kentucky Central Railroad Company they would cause the railroad from Covington to Lexington, and all property, privileges, etc., pertaining thereto, to be conveyed to such new company.

By act of February 22, 1871, to incorporate the KENTUCKY CENTRAL RAILROAD COMPANY (1 Acts 1871, p. 284), it is declared that the incorporators are created a body corporate

“for the purpose of operating the Covington & Lexington Railroad, of which they are the owners by purchase under judgment and order of sale of the Fayette Circuit Court; and shall have, and are hereby invested with, all the powers, privileges, rights, immunities, and franchises, subject to the restrictions and limitations contained in the original charter of incorporation authorizing the construction of said railroad, and the various acts amendatory thereof.”

By amendment of March 20, 1871 (2 Acts 1871, p. 258), the company was authorized to extend its road and build and maintain one or more branch roads and lines of telegraph from any point on the line of its main road to the southern boundary line of the State of Kentucky, or to any intermediate point. And by the same amendment it was further provided that the company might consolidate its main line with any other railroad connecting therewith. And by act of March 18, 1872 (2 Acts 1871-2, p. 50), the Kentucky Central Railroad Company and the Elizabethtown, Lexington & Big Sandy Railroad were authorized to connect their tracks at Lexington, Kentucky, upon such terms as might be agreed upon between them and the corporate authorities of the city of Lexington.

By two separate acts approved March 20, 1876, to amend the charter of the Kentucky Central Railroad Company, the company was authorized, by the vote of the holders of three fourths of the capital stock, to purchase any railroad chartered by the General Assembly of

the Commonwealth of Kentucky connecting with said Kentucky Central Railroad, or to subscribe to or for the capital stock in whole or in part of said railroad. And the company, in the event of such purchase, was further authorized, with the consent of the holders of three fourths of the capital stock, to increase its capital stock, or to issue bonds in amount sufficient to pay for the stock purchased. (2 Acts 1876, pp. 744, 762.)

On January 28, 1886, George T. Bliss and Isaac E. Gates filed their bill in the Circuit Court of the United States for the District of Kentucky to foreclose a mortgage executed to them by the Kentucky Central Railroad Company on May 1, 1881, and on April 23, 1887, all the property of the Kentucky Central Railroad Company was sold by H. E. Huntington, Special Master Commissioner, under a decree rendered in that suit, and at that sale George Bliss, Collis P. Huntington and Eli C. Baldwin became the purchasers for certain bondholders. On or about May 12, 1887, that sale was confirmed, subject to the lien of a mortgage made by the Covington & Lexington Railroad Company securing bonds outstanding to the amount of \$221,000 and with interest from January 1, 1887. And on May 14, 1887, the property was conveyed by H. E. Huntington, Special Master Commissioner, to George Bliss, Collis P. Huntington, and Eli C. Baldwin, subject to the mortgage named. And thereafter, on June 7, 1887, the same property was conveyed by Collis P. Huntington, George Bliss, and Eli C. Baldwin to the Kentucky Central *Railway* Company. Thereafter, on December 27, 1890, the Louisville & Nashville Railroad Company entered into an agreement with George Bliss and Collis P. Huntington by which they agreed to sell

to it all of the stock of the Kentucky Central Railway Company owned or controlled by them, and which it was agreed should amount to at least two thirds of the stock outstanding. (Contract 2655, Part 2.) Under this contract the Louisville & Nashville Railroad Company acquired a majority of the stock January 2, 1891, and subsequently, by deed of September 22, 1891, the Louisville & Nashville Railroad Company having in the meantime acquired all the stock, the Kentucky Central Railway Company conveyed to that Company all its property and franchises except the franchise to be a corporation. That deed describes the property conveyed as follows:

“All of the railroad of the said railway company now owned by it, commencing at the city of Covington, in Kenton County, Kentucky, and extending thence southwardly through the counties of Kenton, Pendleton, Harrison, Bourbon, Clark, Madison, and Rockcastle to the point at which it connects with the Louisville & Nashville Railroad, at the Sinks of Roundstone, in Rockcastle County, a distance of one hundred and fifty and sixty-seven one hundredths (150.67) miles, with all rolling stock and personal property appurtenant thereto or used in connection therewith; and also all of the other property, rights, and franchises of said railway company, except the franchise to be a corporation, of whatsoever character, including especially all the interest of the said railway company in the line of railroad leading from the city of Paris, in Bourbon County, to the city of Lexington, in Fayette County, in said State, a distance of nineteen (19) miles, being known as the Maysville & Lexington Railroad, Southern Division, with all real or personal property of whatever character appurtenant thereto, or used in connection therewith, said nineteen miles of railroad belonging to the Maysville & Lexington Railroad Company, Southern Division, of which said company the railway

company is the owner of all of the capital stock, which is transferred hereby; and especially including also all the interest of the said railway company in the Maysville & Lexington Railroad, Northern Division, with all real and personal property of whatever character appurtenant thereto or used in connection therewith, said railroad extending from the city of Paris, in Bourbon County, through the counties of Bourbon, Nicholas, Fleming, and Mason, a distance of forty-nine (49) miles, said line of railroad belonging to the Maysville & Lexington Railroad Company, Northern Division, but of which the said railway company is the owner of all of the capital stock, which capital stock is also transferred hereby; and also the perpetual leasehold estate held by said railway company from said railroad company in and to a line of railroad from Richmond, in the county of Madison, through the counties of Madison, Garrard, and Lincoln to Rowland, in the county of Lincoln, a distance of thirty-three and sixty-four one hundredths (33.64) miles, and all and singular the entire interest therein, or in any property connected therewith." (Deed 3043.)

✓ The KENTUCKY CENTRAL RAILWAY COMPANY was incorporated by the filing of articles of incorporation in the office of the Kenton County Court on May 25, 1887, the articles being recorded in the office of the Secretary of State on June 6, 1887. (Contract K. C. No. 8.) The articles recite the sale of the property and franchises of the Kentucky Central Railroad Company under the decree of the United States Circuit Court for the District of Kentucky, and its purchase by the incorporators, and declare that "the general nature of the business proposed to be transacted by said company shall be the acquisition, operation, maintenance, and completion of the said railroad," and that the company

“Shall be entitled to exercise all the franchises, powers, rights, and privileges, and shall be subject to all the limitations, restrictions, and liabilities contained in the charter of said Kentucky Central Railroad Company, and in the charters granted by the General Assembly of the Commonwealth of Kentucky under which said railroad was constructed and operated, as they existed at the time of said sale, subject, however, to the provisions of said act entitled ‘An Act to incorporate the purchasers of railroads.’”

The act referred to is an act approved March 1, 1876. (Gen. Stats., Ed. 1888, p. 767.)

Authorized capital stock \$7,000,000. Issued, \$6,908,806.60. All acquired by the Louisville & Nashville Railroad Company by contract of December 27, 1890. (Contract 2655.)

Bonded debt \$6,742,000, maturing July 1, 1987, bearing 4 per cent interest, secured by mortgage of date July 1, 1887, executed by the Kentucky Central Railway Company to the Metropolitan Trust Company of the city of New York. Bonds authorized \$7,000,000. Of the \$6,742,000 issued, \$42,000 are owned by the Louisville & Nashville Railroad Company and the other \$6,700,000 are outstanding in the hands of the public. The mileage on which this mortgage is a lien is shown by statement of “Security for Bonded Debt,” which appears in the Appendix. That part of the division from Covington to Sinks, Kentucky, is also covered by the Atlanta, Knoxville & Cincinnati Division Mortgage of date April 1, 1905, executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York as trustee to secure an issue of bonds, not to exceed in the aggregate \$50,000,000. (Contract 7679.) The mortgage

just referred to is subject to the Kentucky Central Railway Company's first mortgage of date July 1, 1887; and as to that part of the road from Richmond, Kentucky, to Fort Estill, Kentucky, is also subject to the Louisville & Nashville Railroad Company's General Mortgage of date June 1, 1880, to the Central Trust Company of New York as trustee to secure \$20,000,000 of 6 per cent bonds, maturing June 1, 1930, of which \$8,239,000 are outstanding.

COVINGTON & CINCINNATI ELEVATED RAILROAD AND TRANSFER AND BRIDGE COMPANY, AND CINCINNATI TERMINALS.—The COVINGTON & CINCINNATI PIER BRIDGE COMPANY was incorporated by act of the Kentucky Legislature which became a law March 20, 1854, for the purpose of erecting, maintaining, and operating a pier bridge between the cities of Covington, Kentucky, and Cincinnati, Ohio. By an amendment to that act approved February 9, 1886, the name of the corporation was changed to the COVINGTON & CINCINNATI ELEVATED RAILROAD AND TRANSFER AND BRIDGE COMPANY, and the corporation was empowered, among other things, to contract with any railroad company or companies for the use of the bridge, the railway tracks thereon, and the connecting railway tracks, turnouts, and sidings leading thereto. The corporation was also empowered to consolidate with any company incorporated under the laws of the State of Ohio having for its object the construction of a bridge between Covington and Cincinnati, and was required to construct and maintain tracks connecting its bridge with the Kentucky Central Railroad in such manner as to enable other railroads to connect their lines of railway with said tracks approaching said bridge.

The OHIO & KENTUCKY BRIDGE COMPANY was incorporated by the filing of articles of incorporation in the office of the Secretary of State of Ohio February 8, 1886, for the purpose of constructing and maintaining a bridge across the Ohio River between Cincinnati and Covington. By articles of consolidation of date February 12, 1886, the Covington & Cincinnati Elevated Railroad and Transfer and Bridge Company and the Ohio & Kentucky Bridge Company were consolidated under the name of the COVINGTON & CINCINNATI ELEVATED RAILROAD AND TRANSFER AND BRIDGE COMPANY, with a capital stock of \$1,000,000 in shares of \$100 each, with power to increase the stock to \$1,500,000. These articles of consolidation, which were adopted by the stockholders of the two companies February 13, 1886, were filed in the office of the Secretary of State of Kentucky July 28, 1886, and in the office of the Secretary of State of Ohio August 2, 1886. Prior to that time, however, the directors of the Covington & Cincinnati Elevated Railroad and Transfer and Bridge Company, at a meeting held July 7, 1886, had attempted to withdraw the consent of that company to the articles of consolidation, but the action of that meeting was rescinded at a meeting held September 8, 1886, and on April 1, 1887, a copy of the articles was again filed in the office of the Secretary of State of Ohio, and April 2, 1887, another copy was filed in the office of the Secretary of State of Kentucky.

By act of Congress approved May 20, 1886, the Covington & Cincinnati Elevated Railroad and Transfer and Bridge Company was authorized to construct a bridge across the Ohio River between Covington, Kentucky, and Cincinnati, Ohio, subject to the limitations and restric-

tions of the general law regulating the construction of bridges over the Ohio River.

By contract of date December 17, 1887, between the Kentucky Central Railway Company and the Covington & Cincinnati Elevated Railroad and Transfer and Bridge Company, the railway company assigned to the bridge company all the rights, privileges, and franchises which it had acquired under an ordinance of the city of Covington passed October 22, 1895, entitled "An ordinance to grant the right of way, etc., to the Kentucky Central Railroad from its present terminus to a point on or near the Ohio River," and under any and all amendments and supplements thereto. (Deed K. C. 509.)

On February 7, 1888, the bridge company entered into a contract with the Contracting & Building Company for the construction of the bridge, and by agreement of same date, between the Kentucky Central Railway Company and the bridge company (Contract K. C. No. 151), the bridge company agreed to haul passenger and freight trains of the railway company between the connection of the tracks of the two companies in the city of Covington, across its bridge and approaches thereto, and into the depot of the bridge company in the city of Cincinnati, giving such trains equal dispatch and facilities with its own trains, and to render such switching services as might be requisite and convenient for the Kentucky Central Railway Company in the yards of the bridge company in the city of Cincinnati. This contract provides that it is to run for ninety-nine years and to be renewable in perpetuity; and it also provides that the bridge company shall be entitled for itself and for the Maysville & Big Sandy Railroad Company to the like

privileges from the Kentucky Central Railway Company in Covington to those granted to the Kentucky Central Railway Company in Cincinnati, upon like terms. The rights of the railway company under this contract, and under supplemental contract of April 23, 1904, are covered by the Kentucky Central Railway Company's first mortgage of date July 1, 1887, and also by the Atlanta, Knoxville & Cincinnati Division Mortgage of the Louisville & Nashville Railroad Company of date April 1, 1905. (Contract 7679.)

By lease of date April 29, 1889 (Contract K. C. No. 53), the Kentucky Central Railway Company, named as party of the first part, leased to the Covington & Cincinnati Elevated Railroad and Transfer and Bridge Company, named as party of the second part, various lots in the city of Covington, Kentucky, for the term of ninety-nine years, renewable in perpetuity, with this proviso:

"Provided further, however, and these presents are subject to the express provision, covenant, and condition that the passenger and freight trains of the party of the first part shall be hauled into any depot or depots of the party of the second part upon the premises hereinbefore described, and such switching services as may be requisite or convenient shall be rendered for the party of the first part upon such premises, and freight shall be handled in depots and yards upon said premises into or from cars and in depots for the party of the first part as may be requested by it, upon the like terms and conditions as are prescribed in respect to the enjoyment by the party of the first part of like privileges in the depots and yards of the party of the second part in Cincinnati under the agreement made between the parties hereto, dated February 7, 1888; and this provision, covenant, and condition shall run with the land and be effectual and operative

in respect to the use of the premises hereinbefore described by whomsoever said premises may be owned and into whosoever hands the same may come."

THE CINCINNATI INTER-TERMINAL RAILROAD COMPANY was created by the filing of articles of incorporation in the office of the Secretary of State of Ohio December 20, 1902. The purpose for which the corporation was formed is stated in the articles as follows:

"Said corporation is formed for the purpose of constructing or acquiring, maintaining, operating, and owning a single or double track railroad, with necessary branches and sidings, within the corporate limits of the city of Cincinnati, Hamilton County, Ohio, for the transportation of freight and passenger cars, and as a common carrier of freights of all kinds, by means of the transfer of cars between all the various lines of railroad now or hereafter entering and doing business in the city of Cincinnati aforesaid, as well as in connection with the Ohio River freight traffic at such points on said river, within the limits of Cincinnati, as may be accessible for the interchange with said railroads; and also for the purpose of receiving from, delivering to, and forwarding over said various lines of railroad and said Ohio River, shipments of freight for the public in general. The said railroad shall be constructed and operated between the points, to wit: Commencing in the western part of the said city of Cincinnati, at or near the intersection of McLean Avenue and Hopkins Street, and extending in a southerly and easterly direction throughout such streets, highways, and private lands, in the southern portion of said city of Cincinnati, as may be the most eligible and suitable for a proper and convenient connection between the various railroads now or hereafter entering and doing business in the said city of Cincinnati, and with said Ohio River traffic, having reference to grades, the public use of streets and the location of the shippers patronizing

said railroads and this corporation, to a point in the eastern part of said city of Cincinnati at or near the intersection of Third Street and Eggleston Avenue."

The articles of incorporation authorized \$1,000,000 of preferred stock and \$10,000 of common stock, but the stockholders originally authorized the issual of only the common stock. Subsequently, however, at a meeting held August 17, 1903, the stockholders authorized that \$400,000 of guaranteed preferred stock be issued, but none of this stock was in fact issued. At a meeting held January 5, 1905, the stockholders resolved that the capital stock be reduced from \$410,000 to \$10,000, the amount of the common stock. Later, on the same day, the stockholders held another meeting, and increased the capital stock to \$1,010,000, making provision for \$1,000,000 of guaranteed preferred stock.

By contract of date July 11, 1903, between the Cincinnati Inter-terminal Railroad Company and the Louisville & Nashville Railroad Company, the former agreed to acquire, and then to lease to the latter in perpetuity, certain property, rights, privileges, and franchises, the Louisville & Nashville Railroad Company agreeing to pay as rent \$16,000 per annum, \$8,000 payable on the first of each January and the same amount payable on the first of each July, payment to be made through the Union Trust Company of Cincinnati, Ohio, as trustee. The Louisville & Nashville Railroad Company also agreed to pay all taxes and assessments on the property, rights, privileges and franchises described, the Inter-terminal Company reserving to itself all property or rights and franchises which it might own not situated between the terminal points set forth in the contract. It was further

provided that if a formal lease should not be executed the contract itself should be regarded as a perpetual lease. (Contract 6600, Part 1, in Secretary's office, recorded in Deed Book 876, p. 439, office of County Recorder of Hamilton County, Ohio.)

By contract of date August 17, 1903, the Louisville & Nashville Railroad Company subscribed for \$15,000 of the preferred stock of the Inter-terminal Company (Contract 6600, Part 2), and by contract of date November 4, 1903, between the same parties and J. H. Woodard, the Inter-terminal Company agreed to issue to the Louisville & Nashville Railroad Company the remaining \$385,000 of preferred stock, J. H. Woodard agreeing also to transfer and assign to the Louisville & Nashville Railroad Company the \$10,000 of common stock owned by himself and associates. (Contract 6600, Part 3.) But, as already stated, the preferred stock referred to in this contract was never issued.

By Ordinance 114 of the City Council of Cincinnati, passed August 24, 1903, the Inter-terminal Company was authorized to construct, maintain, and operate its track or tracks and other facilities.

By contract of date April 23, 1904, between the Louisville & Nashville Railroad Company and the Kentucky Central Railway Company of one part, and the Covington & Cincinnati Elevated Railroad and Transfer and Bridge Company of the other part, the Louisville & Nashville Railroad Company transferred to the bridge company the common stock of the Inter-terminal Railroad Company (\$10,000) in consideration of the use by the Louisville & Nashville Railroad Company of the tracks and facilities of the Inter-terminal Railroad Company which

the contract recited were to be sold and assigned to the bridge company. It was further agreed that the rights, privileges, and franchises to be thus acquired by the bridge company should be held subject to all the terms and conditions of the contract of February 7, 1888, between the Kentucky Central Railway Company and the bridge company, except that the part of the payment to be made by the Louisville & Nashville Railroad Company as successor of the Kentucky Central Railway Company on account of the additional property to be used under the contract should "be computed upon the interest at four (4) per cent on the amount actually paid by the bridge company to said terminal company for the property, rights, privileges and franchises of the Cincinnati Inter-terminal Railroad Company as aforesaid." (Contract 7075.)

By contract of date 5th day of January, 1905, between the Cincinnati Inter-terminal Railroad Company, referred to in the contract as the Terminal Company, and the Covington & Cincinnati Elevated Railroad and Transfer and Bridge Company, referred to in the contract as the Bridge Company, the Bridge Company agreed to advance to the Terminal Company a sufficient sum to repay all moneys theretofore advanced by other persons to the Terminal Company, and also to advance such sums as might be needed to complete the construction of the Terminal Company's tracks and other facilities, the Terminal Company agreeing to issue its preferred stock to the Bridge Company, or to any person or company designated by that company, as money might be advanced, not to exceed its authorized issue of \$1,000,000 of preferred stock, the same to have a guaranteed dividend of 4 per cent. The Ter-

minal Company also agreed to lease its tracks and facilities to the Bridge Company in perpetuity, and the Bridge Company agreed to pay, or cause the Terminal Company to pay, to the holders of the preferred stock an annual 4 per cent dividend thereon, and to pay all taxes and assessments upon the property and facilities of the Terminal Company and to pay the cost of maintaining and operating said property and facilities.

By contract of same date between the Bridge Company, the Chesapeake & Ohio Railway Company, and the Louisville & Nashville Railroad Company, the Railway Company and the Railroad Company agreed to furnish the money necessary to enable the Bridge Company to carry out its contract with the Terminal Company, and to reimburse those companies the Bridge Company agreed to cause the Terminal Company to issue to them jointly the first preferred stock of the Terminal Company equal in amount at its par value to the amount of money furnished by them. (Contract 7075, Part 3.)

MAYSVILLE & LEXINGTON RAILROAD—NORTH DIVISION AND SOUTHERN DIVISION.—By act approved March 4, 1850 (Acts 1849-50, p. 296), the Maysville & Lexington Railroad Company was incorporated, with power to construct and maintain a railway with a double or single track, with such appendages as may be deemed necessary for the convenient use of the same, commencing at any eligible point in or near the city of Maysville, in Mason County, thence by the most practicable route to or near the city of Lexington, and such point therein as may be fixed by said company with the consent of the City Council of Lexington.

By an amendment to that act approved February 17, 1851 (2 Acts 1850-1, p. 194), the various counties and cities subscribing stock in the Maysville & Lexington Railroad Company were authorized to execute bonds for the amounts subscribed and to levy a tax to pay the interest thereon, and also to levy a tax to pay such subscription in any case in which the county court or city council might decide to pay the subscription or any part thereof in money.

By act of February 4, 1854 (1 Acts 1853-4, p. 299), entitled "An Act to amend and consolidate the several acts concerning the Maysville & Lexington Railroad Company," it was provided that

"All persons, corporations, and counties which have become stockholders under the original act of incorporation, approved March 4, 1850, and the amendatory act, approved February 17, 1851, and who may become stockholders pursuant to this act, in the company incorporated by said act of March 4, 1850, shall be and continue a body corporate, under the name and style of the 'Maysville & Lexington Railroad Company,' with perpetual succession, may have a common seal, and have power to contract and be contracted with; may sue and be sued, plead and be impleaded in any court of law or equity; and shall have power to construct and maintain a railway, with single or double track, and such structures and appendages as may be deemed proper for its use, commencing at any eligible point in the city of Maysville, thence by any practicable route to the city of Lexington, in the State of Kentucky, and terminating at such point as has been or may be agreed by said company and the City Council of Lexington."

And the acts of March 4, 1850, and February 17, 1851, were repealed.

By act approved March 8, 1856 (Acts 1855-6, p. 101), entitled "An Act for the benefit of those who may become purchasers of the Maysville & Lexington Railroad," it was provided that the person or persons who may become the owner or owners of the Maysville & Lexington Railroad and its corporate privileges and franchises, under any judgment for the sale thereof by any of the courts of this Commonwealth, shall be invested with all the powers, rights, and immunities conferred upon the Maysville & Lexington Railroad Company by the provisions of an act entitled "An Act to amend and consolidate the several acts concerning the Maysville & Lexington Railroad Company," approved February 4, 1854.

On September 8, 1852, prior to the reorganization of the company under the act of February 4, 1854, the company had executed its mortgage to James Punnett and others, trustees, to secure an issue of \$500,000 of its bonds (recorded in Deed Book 61, p. 530, Clerk's office of Mason County Court), and on August 1, 1853, a mortgage was executed to secure another issue of bonds subject to the mortgage of September 8, 1852. (Recorded in Deed Book 62, p. 81, of the Clerk's office of the Mason County Court.) In a suit by the trustees in the Fayette Circuit Court the mortgage of September 8, 1852, was foreclosed and the property was sold on April 23, 1856, under a decree of that court, and bought by a committee of the bondholders, who reorganized November 1, 1856, under the provisions of the act of March 8, 1856, above referred to.

By act of February 16, 1858 (2 Acts 1857-8, p. 268), entitled "An Act for the benefit of the Maysville & Lexington Railroad Company, and for other purposes," it

was provided that it shall be lawful for any number of the citizens of this State, by themselves or in conjunction with citizens of other States, to associate themselves together for the purpose of completing and equipping that part of the Maysville & Lexington Railroad lying between the city of Maysville and the town of Paris. The company was further empowered to obtain by purchase or otherwise from the Maysville & Lexington Railroad Company, or from the owners of said road, all the charter rights, privileges, franchises, and immunities held by said company or owners of, in, to, and over all that part of said road lying between the points aforesaid, and to receive a proper conveyance for the same.

By act of January 21, 1868 (1 Acts 1867-8, p. 248), entitled "An Act for the benefit of the Maysville & Lexington Railroad Company," it was provided that Hiram T. Pearce and other persons named

"And all other persons who have subscribed or may hereafter subscribe stock to complete the railroad from Maysville to Paris, and the County Court of Mason County, be and they are hereby created a body corporate, under the name and style of the Maysville & Lexington Railroad Company, Northern Division, and are hereby authorized to take, receive, collect, and hold all the subscriptions of stock referred to in the preamble to this act, and to take, receive, and hold all the corporate rights, powers, immunities, privileges, and property, including the road-bed and right of way, in and to that part of the Maysville & Lexington Railroad now held and owned by the Maysville & Lexington Railroad Company, lying within the city of Maysville, and from that place to the junction of the said railroad with the Covington & Lexington Railroad in the city of Paris; and the said Maysville & Lexington Railroad Company,

Northern Division, are hereby vested with all the corporate powers, privileges, immunities, and rights in and to that part of the said railroad, with its appurtenances lying within the city of Maysville, and from that place to its junction of the Covington & Lexington Railroad, in the city of Paris, which are granted to the Maysville & Lexington Railroad Company by the charter enacted on February 4, 1854, and the act of the legislature approved March 8, 1856."

And it was further provided that the Maysville & Lexington Railroad Company

"Shall retain and hold to the stockholders thereof all the corporate rights, powers, immunities, privileges, and property in and to so much of the said railroad and its appurtenances as lie within the city of Paris, and from that place to its terminus in the city of Lexington, and not transferred by this act to the Maysville & Lexington Railroad Company, Northern Division; and also, all the personal property, assets, and credits as well as the liabilities of the company at the time of the transfer, and shall hereafter have and be known by the corporate name of the Maysville & Lexington Railroad Company, Southern Division, and be vested with all the corporate rights, powers, privileges, and immunities in and to so much of said railroad as lies within the city of Paris, and from that place to its terminus in the city of Lexington, as are granted by the charter of the Maysville & Lexington Railroad Company, enacted February 4, 1854, and the act of the legislature March 8, 1856; and the title of the said Maysville & Lexington Railroad Company, acquired by the purchase under the decree of the Fayette Circuit Court, when said railroad was sold, is hereby confirmed and made valid to them and their assigns, the said Maysville & Lexington Railroad Company, Northern Division, and the said Maysville & Lexington Railroad Company, Southern Division."

Other acts relating to or affecting the Maysville & Lexington Railroad Company, Northern Division, are the following:

- Act February 28, 1867 (2 Acts 1867, p. 152).
- Act March 2, 1867 (2 Acts 1867, p. 180).
- Act February 1, 1868 (1 Acts 1867-8, p. 400)
- Act February 25, 1869 (1 Acts 1869, p. 514).
- Act March 1, 1869 (1 Acts 1869, p. 556).
- Act March 11, 1869 (2 Acts 1869, p. 157).
- Act March 12, 1869 (2 Acts 1869, p. 241).
- Act March 13, 1869 (2 Acts 1869, p. 305).
- Act March 21, 1870 (2 Acts 1869-70, p. 687).
- Act January 20, 1871 (1 Acts 1871, p. 30).
- Act February 17, 1871 (1 Acts 1871, p. 232).
- Act March 21, 1871 (2 Acts 1871, p. 333).
- Act February 26, 1873 (1 Acts 1873, p. 296).

The Maysville & Lexington Railroad Company, Northern Division, having made default in the payment of interest on five hundred of its first mortgage bonds of \$1,000 each, Junius B. Alexander and other bondholders filed their bill (Case 548) in the United States Circuit Court, District of Kentucky, at Covington, for the foreclosure of the mortgage and the sale of the road. On July 7, 1875, a decree of sale was entered, and on August 31, 1875, the Marshal sold the road and all the property, rights, and franchises of the Maysville & Lexington Railroad Company, Northern Division, Henry Bell, for and on behalf of the bondholders, becoming the purchaser. Thereafter the bondholders for whose benefit the purchase was made appointed Henry Bell, Junius B. Alexander, and Robert M. McLane trustees of said purchase and property, for their benefit, and an order was entered

directing deed to be executed to them as trustees, which was done on December 11, 1875.

On December 21, 1875, the trustees executed a deed conveying to J. B. Anderson the property, rights, and franchises thus conveyed to them upon the condition that the grantee would convey to a corporation to be organized for the purpose of owning and operating the road.

On May 10, 1876, by articles of incorporation filed in the Clerk's office of the Mason County Court under act of March 1, 1876, providing for the incorporation of purchasers of railroads (Gen. Stats., Ed. 1888, p. 767), a corporation was organized for the purpose of operating, managing, and controlling the Maysville & Lexington Railroad, Northern Division, and all of the property pertaining thereto, and of exercising all the franchises, rights, and privileges of the Maysville & Lexington Railroad, Northern Division, under its charter, the corporate name of the company thus created being the MAYSVILLE & LEXINGTON RAILROAD COMPANY, NORTH DIVISION. And on the same day (May 10, 1876) John Byers Anderson and Cecilia G. Anderson, his wife, executed a deed conveying to that corporation all the property, rights, and franchises conveyed to the grantor, J. B. Anderson, by deed of date December 21, 1875, the road conveyed being described as the railroad "constructed in and from the city of Maysville, in the State of Kentucky, and through the counties of Mason, Fleming, Nicholas, and Bourbon to and into the city of Paris, Bourbon County, Kentucky." (Deed K. C. 506.)

In November, 1876, the entire capital stock of the Maysville & Lexington Railroad Company, North Division,

\$200,000, was purchased by the Maysville & Lexington Railroad Company, Southern Division. (Contract K. C. 50, Secretary's office.)

In February, 1881, the Maysville & Lexington Railroad Company, Southern Division, and the Maysville & Lexington Railroad Company, North Division, entered into an agreement with the Kentucky Central Railroad Company whereby that company undertook to operate both of these roads, and thereafter that company purchased the entire capital stock of both of these companies with the exception of one hundred and forty (140) shares of the Southern Division. By the conveyance of May 14, 1887, to George T. Bliss and others, and the conveyance of June 7, 1887, from them to the Kentucky Central Railway Company, by which that company acquired title to the railroad which had been owned and operated by the Kentucky Central Railroad Company, the Kentucky Central Railway Company also acquired all the interest of the Kentucky Central Railroad Company in the Maysville & Lexington Railroad Company, Southern Division, and in the Maysville & Lexington Railroad Company, North Division, the deed reciting the fact that the Kentucky Central Railroad Company was the owner of all of the capital stock of those companies. And subsequently, by the deed of September 22, 1891, from the Kentucky Central Railway Company to the Louisville & Nashville Railroad Company, the Louisville & Nashville Railroad Company acquired all the property and franchises of the Kentucky Central Railway Company, except the franchise to be a corporation, including especially all the interest of the Kentucky Central Railway Company in the Maysville & Lexington Railroad Company, Southern

Division, and the Maysville & Lexington Railroad Company, North Division, and in the capital stock of these two corporations. (Deed 3043.)

Capital stock, North Division, authorized and issued, \$200,000, all owned by the Louisville & Nashville Railroad Company. Capital stock, Southern Division, authorized and issued, \$575,000; owned by the Louisville & Nashville Railroad Company, \$568,000. Both the North Division and the Southern Division are covered by the Kentucky Central Railway Company's first mortgage, of date July 1, 1887, executed by that company to the Metropolitan Trust Company of the city of New York to secure \$7,000,000 of 4 per cent bonds, of which \$6,742,000 have been issued, that mortgage being a first lien on the Southern Division and a second lien on the North Division. The first lien on the North Division is a mortgage of date May 10, 1876, executed by the Maysville & Lexington Railroad Company, North Division, to James Barbour, trustee, to secure \$400,000 of 7 per cent bonds, maturing January 1, 1906.

Both the North Division and the Southern Division are also covered by the Atlanta, Knoxville & Cincinnati Division mortgage of date April 1, 1905, executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York, to secure an issue of bonds not to exceed in the aggregate \$50,000,000. (Contract 7679.)

THE RICHMOND BRANCH, which was built by the Louisville & Nashville Railroad Company under its own charter, extends from Richmond, in the county of Madison, Kentucky, through the counties of Madison, Garrard, and Lincoln to Rowland, in the county of Lincoln, a distance

of 33.04 miles. The preliminary surveys were begun May 15, 1867, and the road was opened to Richmond November 8, 1868. By contract of June 1, 1882 (Contract 259), this branch was leased to the Kentucky Central Railroad Company in perpetuity, and that perpetual leasehold having passed to the Kentucky Central Railway Company with the other property of the Kentucky Central Railroad Company by deed of June 7, 1887, was conveyed to the Louisville & Nashville Railroad Company by the Kentucky Central Railway Company by deed of September 22, 1891. (Deed 3043.) That part of this branch from Richmond to Fort Estill Junction is included in the mileage of the Main Line of the Kentucky Central Division from Covington, Kentucky, to Sinks, Kentucky, the branch being reported as extending from Fort Estill Junction, Kentucky, to Rowland, Kentucky, a distance of 30.43 miles.

This branch is covered by the General Mortgage of date June 1, 1880, executed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York, trustee, to secure \$20,000,000 of 6 per cent bonds, maturing June 1, 1930, of which \$8,239,000 are outstanding. Subject to the General Mortgage, this branch is also covered by the Unified Mortgage of June 2, 1890. The perpetual leasehold from the Louisville & Nashville Railroad Company to the Kentucky Central Railroad Company is included in the Kentucky Central Railway Company's first mortgage of date July 1, 1887, executed by that company to the Metropolitan Trust Company of the city of New York to secure \$7,000,000 of 4 per cent bonds, of which \$6,742,000 have been issued.

PART II.

LINES OPERATED BUT NOT OWNED.

(a) OPERATED FOR ACCOUNT OF OWNERS.

SOUTH & NORTH ALABAMA RAILROAD.

	MILES	
Decatur, Alabama, to Montgomery, Alabama.....	182.67	
Elmore, Alabama, to Wetumpka, Alabama.....	6.30	
Fedora, Alabama, to Indio, Alabama.....	2.95	
Hogeland Junction, Alabama, to El Vista, Alabama.	.65	
	—————	192.57

The SOUTH & NORTH ALABAMA RAILROAD COMPANY was incorporated by Alabama act approved February 17, 1854 (Acts 1853-4, p. 318), with power to construct "a single, double, or treble railroad or way from the city of Montgomery through Wetumpka to or near Guntersville, on the Tennessee River, or to some convenient point on the Alabama and Tennessee Rivers Railroad." The act provided that the road or branch must be commenced in two years by putting under contract the grading of not less than thirty miles of said road, and that each must be completed in fifteen years. And certain sections of the act incorporating the Russell Railroad Company (Acts 1851-2, p. 167) were made part of the charter. By one of these sections the president and directors were empowered to borrow money to carry into effect the objects of the act, to issue certificates or other evidences of such loan, and to pledge the property of the company for the payment of same with interest.

By act approved February 15, 1856 (Acts 1855-6, p. 322), the charter was amended by extending to five years the time for commencing the road.

By act approved February 23, 1860 (Acts 1859-60, p. 313), the company was empowered to construct branch roads, and to make such contracts or connections as it might deem necessary with other companies or roads.

By act approved August 5, 1868 (Acts 1868, p. 82), the time for completing the road was extended to thirty years.

By act approved December 30, 1868 (Acts 1868, p. 494), to amend the act of February 23, 1860, the company was authorized to extend its road

“From the Lime Station, in Shelby County, to Decatur, in Morgan County, Alabama, with the right to use, occupy, and enjoy all the rights, privileges, franchises, and immunities heretofore granted to the Nashville & Decatur Railroad Company, for the purpose of building a railroad from Decatur to some point on the Alabama & Tennessee Rivers Railroad, at or near Montevallo, and to make such contract or connections as it may deem necessary with other companies or with other roads: Provided, That not less than three of the directors of said railroad company shall hereafter be elected from the directors living at or near the north terminus of said railroad.”

And the company was also authorized to have and enjoy all the rights, privileges, and immunities possessed by the Mountain Railroad Contracting Company, incorporated February 23, 1860. (Acts 1859-60, p. 274.) But the consent of the directors of the Nashville & Decatur Railroad Company and of the Mountain Railroad Contracting Company were to be first had before this amendment should take effect. At a meeting held on May 1, 1869, the directors of the Mountain Railroad

Contracting Company consented to this amendment, and the directors of the Nashville & Decatur Railroad Company consented thereto at a meeting held on May 6, 1869.

By act of February 26, 1872 (Acts 1871-2, p. 325), to amend the original charter, it was provided, in lieu of the provisions of the original charter as to terminal points, that the company should have power to construct

“A single, double, or treble railroad or way from such point within the city of Montgomery as they may select, through Wetumpka to or near Guntersville, on the Tennessee River, or to some point on the Alabama & Tennessee Rivers Railroad; and also, in addition to the powers heretofore granted, they are hereby authorized to construct a branch railroad from said point on the said railroad north of the said company's bridge across the Alabama River, via Prattsville, to Selma, or such point within the State of Alabama as they may hereafter select for their western terminus.”

By act approved March 20, 1875 (Acts 1874-5, p. 446), to amend act approved August 5, 1868, the time within which the road was required to be completed was further changed from thirty years to twenty-five years.

The Mountain Railroad Contracting Company, the rights, privileges, and immunities of which were conferred upon the South & North Alabama Railroad Company by act of December 30, 1868, was incorporated by act approved February 23, 1860 (Acts 1859-60, p. 274), with power to contract with the Tennessee & Alabama Central Railroad Company

“For the location, construction, and completion of a single or double railroad or way, together with all the rolling stock or equipment thereof of that portion of the line of the said Tennessee & Alabama Central

Railroad extending from the town of Decatur, in Morgan County, Alabama, crossing the Northeastern & Southwest Railroad at or near Elyton, to that point where said line of railroad shall intersect or touch the Alabama & Tennessee Rivers Railroad at or near Montevallo, in the county of Shelby, State of Alabama."

By act approved December 30, 1868 (Acts 1868, p. 494), to amend the charter of the Mountain Railroad Contracting Company, that company was empowered and authorized to transfer to the South & North Alabama Railroad Company all the rights, privileges, and immunities which it had theretofore enjoyed, held, or possessed either by contract or otherwise.

By act approved February 18, 1860 (Acts 1859-60, p. 54), entitled "An Act to loan and appropriate the 3 per cent fund and its interest," certain rights, powers, privileges, and donations were conferred upon the Tennessee & Alabama Central Railroad Company upon certain conditions, and by an amendment to that act approved February 7, 1861 (Acts 1861, p. 17), the name of the Mountain Railroad Contracting Company was substituted for that of the Tennessee & Alabama Central Railroad Company, the Tennessee & Alabama Central Railroad Company having previously transferred to the Mountain Railroad Contracting Company all of its rights under that act.

By other acts approved February 20, 1866, July 30, 1868 (Acts 1868, p. 7), August 7, 1868 (Acts 1868, p. 88), and December 30, 1868 (Acts 1868, p. 487), respectively, the act in relation to the 3 per cent fund was still further amended in so far as it affected the Mountain Railroad Contracting Company.

The 3 per cent fund was originally created by an act of Congress approved March 12, 1819 (3 U. S. Statutes at Large, p. 489), entitled "An Act to enable the people of the Alabama territory to form a constitution and State government, and for the admission of said State into the Union on an equal footing with the original States," section 3 of that act providing as follows:

"That 5 per cent of the net proceeds of the lands lying within said territory, and which shall be sold by Congress from and after the first day of September, in the year 1819, after deducting all expenses incident to the same, shall be reserved for making public roads, canals, and improving the navigation of rivers, of which three fifths shall be applied to those objects within said State under the direction of the legislature thereof, and two fifths to the making of a road or roads leading to the said State under the direction of Congress."

A history of the 3 per cent fund appears in the report of the State Auditor of Alabama for the year ended September 30, 1869. For history of the Nashville & Decatur Railroad Company, the rights, privileges, franchises, and immunities of which were conferred upon the South & North Alabama Railroad Company by act approved December 30, 1868, see page 29 of this history.

By the original charter of the South & North Alabama Railroad Company the capital stock was fixed at "\$3,000,000, or more if required to complete and fully equip said road and branches, and to provide requisite shops and factories for the use of said company." Shares \$100 each.

By amendment of February 26, 1872 (Acts 1871-2, p. 225), it was provided that the sum of two millions of dollars might be issued as preferred stock. Stock issued:

Preferred, \$2,000,000, all owned by the Louisville & Nashville Railroad Company. Common, \$1,483,600, of which the Louisville & Nashville Railroad Company owns (June 30, 1904) \$1,262,500. The preferred stock was obtained under provisions of a contract for construction of the road between Sam Tate and associates and the South & North Alabama Railroad Company, which was assigned to the Louisville & Nashville Railroad Company. (Contracts Nos. 82, 83, 84, and 221.) This stock was credited to the South & North Alabama Railroad Company on the books of the Louisville & Nashville Railroad Company under date of June 29, 1872. A majority of the common stock was acquired by the Louisville & Nashville Railroad Company by purchase on and prior to December 14, 1889.

The contract with Sam Tate and associates for the construction of the road bore date April 12, 1869, and that contract, with several amendments thereto of subsequent dates, especially one of March 21, 1871, was assigned to the Louisville & Nashville Railroad Company by contract dated May 19, 1871. The contract of assignment contained the following exception:

“Except in so far as said contracts apply to the construction and equipment of that part of the South & North Alabama Railroad that lies between Montgomery and Elyton, Alabama, and except that portion of the road between Decatur and Elyton that has already been completed, and may be completed by the 31st day of May, 1871.”

With the aid of the Louisville & Nashville Railroad Company under these contracts the road was completed

and opened for business September 29, 1872, and has since been operated by the Louisville & Nashville Railroad Company.

Bonded debt:

Second mortgage 6 per cent bonds (now first mortgage), secured by mortgage of June 1, 1880, executed by the South & North Alabama Railroad Company to the Union Trust Company of New York, as trustee, maturing April 1, 1910, all owned by the Louisville & Nashville Railroad Company, \$2,000,000.

Consolidated mortgage 5 per cent bonds secured by mortgage of August 10, 1886, executed by the South & North Alabama Railroad Company to the Central Trust Company of New York as trustee, maturing August 1, 1936: Authorized, \$10,000,000; issued, \$8,000,000; owned by the Louisville & Nashville Railroad Company, \$4,753,000; outstanding in the hands of the public, \$3,247,000; reserved to retire bonds secured by mortgage of June 1, 1880, \$2,000,000.

Improvement mortgage 5 per cent bonds secured by mortgage of date November 26, 1904, executed by the South & North Alabama Railroad Company to the Manhattan Trust Company, maturing August 1, 1936, and bearing interest from August 1, 1904. Authorized, \$2,000,000; issued, \$1,500,000. All owned by the Louisville & Nashville Railroad Company.

GLASGOW RAILWAY.

Glasgow Junction, Glasgow, Kentucky..... 10.5 miles.

The **BARREN COUNTY RAILROAD COMPANY** was incorporated by act approved February 9, 1856 (1 Acts 1855-6, p. 282), and "invested with all the rights and powers necessary for the construction and maintenance of a railroad from Glasgow to some point on the Louisville & Nashville Railroad, to be by the president and directors determined, with as many sets of tracks as may be deemed necessary." Authorized capital stock \$300,000, in shares of \$25 each. The president and directors were given power and authority to make any arrangements and to enter into any articles of agreement with the Louisville & Nashville Railroad Company for the running of cars, engines, or trains over their respective roads, to agree upon the price of transportation of freight or passengers passing from one road to the other, and to make any and every such contract or agreement with said Company as may be deemed necessary for the successful and profitable management of said road. And the company was authorized as soon as five miles of the road should be completed to charge and receive for the transportation of passengers, goods, produce, merchandise, and property of every kind whatever transported over said road "such rates and prices of fare and freight as may be determined and agreed on by the president and directors."

By act of March 6, 1868 (2 Acts 1867-8, p. 309), the **GLASGOW RAILROAD COMPANY** was incorporated. Authorized capital stock \$500,000. The company was authorized to "buy from any other incorporated company any

railroad track or road-bed and its corporate franchises in Barren County, and have the same conveyed by deed or otherwise, and the title as fully vested in it as if it had been originally laid out, bought, and built by the company hereby incorporated." And it was further provided that "the company may proceed to build, construct, and complete a line of railroad, and use and work the same, as by the company may be deemed just and profitable."

By act to amend the charter, approved February 25, 1869 (1 Acts 1869, p. 502), it was provided:

"That the president and directors of said company are hereby vested with all the powers and rights necessary and needful for the construction and operating a railroad from Glasgow to some point on the Louisville & Nashville Railroad, and all the rights and powers heretofore conferred by the General Assembly of the Commonwealth of Kentucky upon the Barren County Railroad Company, for the purpose of building and operating a railroad from Glasgow to some point on the Louisville & Nashville Railroad, are hereby, and in as full and ample manner, conferred upon the Glasgow Railroad."

By this amendment the stockholders were also authorized to elect annually seven directors, and provision was made for a subscription by the town of Glasgow to the capital stock of the corporation upon the approval of a majority of the voters of the town at an election held for that purpose, and also for a like subscription on behalf of Precinct No. 1 of Barren County, commonly known as the Glasgow precinct, upon approval of a majority of the voters of the precinct at an election held for that purpose.

By amendment of February 8, 1870 (1 Acts 1869-70, p. 246), the president and directors were authorized to

borrow not exceeding \$50,000 at 8 per cent interest, and also to purchase materials and contract for the construction and equipment of the road upon the credit of the company, payable in the bonds of the company bearing interest at a rate of interest not exceeding 8 per cent per annum, with power to execute a mortgage on the property and franchises of the company to secure the payment of the bonds.

By the same act the General Assembly also reserved the right to regulate by general laws the rates of transportation of freight and passengers.

By act to amend the charter approved February 26, 1870 (1 Acts 1869-70, p. 455), power and authority were given the company to extend its road from the town of Glasgow to such point on the Tennessee State line as they might choose, and for that purpose to increase their capital stock to any amount not exceeding \$3,000,000. The company was also authorized to borrow money in any amount not exceeding \$1,000,000 for the extension of their road and secure the same by mortgage as they were authorized to do by existing laws; and in case the road should be extended as authorized in whole or in part, the company was vested with full power to sell or lease same, or to consolidate and unite their capital stock with the capital stock of any other railroad company, any such lease or contract to be subject to the approval of a majority of the stockholders.

By act of March 20, 1872 (2 Acts 1871-2, p. 118), to amend act of February 26, 1870, authority was given to issue and sell additional bonds not exceeding \$1,000,000, bearing interest at 8 per cent, to "defray cost of construction and extension of the Glasgow Railroad from Glasgow

to Tompkinsville, in Monroe County, and to intersect the Northwestern Railroad at the Tennessee line in the direction of Sparta."

By this amendment the president and directors were also authorized and empowered "to convey their road, road-bed, depot grounds, and appurtenances, with all their corporate privileges and franchises," for such price and upon such terms as they deemed proper, provided the price received should be applied first to the extinguishment of all liabilities of the company, and then divided pro rata among the stockholders of the company.

By act approved April 8, 1880 (2 Acts 1879, p. 250), to amend the charter, it was provided that at the annual election of directors of the company the judge of the Barren County Court and the two justices of the peace for the Glasgow precinct of said county should have authority, in conjunction, to appoint on behalf of said precinct five persons, and that the Glasgow City Council should have authority to appoint on behalf of said city two persons to act as directors for one year, and until their successors should be qualified. By this amendment the president and directors were also authorized and empowered to contract with any other incorporated company, or with individuals, for the sale of the road, and the rights, privileges, and franchises of the Glasgow Railroad Company, or to contract with another company or individuals for either leasing the road or uniting and consolidating with such other company upon such terms as might be agreed upon. It was further provided, however, that the president and directors should *by virtue of that act* have no authority to sell, lease for a longer time than six years, or consolidate and unite with another

company, until the question of accepting and confirming such sale, lease, or consolidation be first submitted to the vote of the qualified voters of said precinct, and a majority of voters of the precinct voting, and a majority of the voters of said city voting, should vote in favor thereof.

The Barren County Railroad Company began the construction of the road, and after the grading had been partially completed suspended operation. After the incorporation of the Glasgow Railroad Company, that company having acquired the property and franchises of the Barren County Railroad Company took up the work of construction and completed the road about September 1, 1870, and the road has been operated by the Louisville & Nashville Railroad Company under lease since its completion.

On May 16, 1899, H. C. Trigg and W. L. Porter purchased all the property, assets, and franchises of the Glasgow Railroad Company, and that sale was submitted to the voters of Precinct No. 1 of Barren County as the same existed in 1869, and to the voters of the city of Glasgow at an election held November 7, 1899, and ratified by a majority of each, and was also ratified by the stockholders at a meeting held on November 30, 1899, and confirmed by a decree of the Barren Circuit Court rendered at its November term, 1899, in a suit styled Glasgow Railroad Company, etc., v. City of Glasgow, etc. Under that decree Clarence Wood, as president of the Glasgow Railroad Company, united with G. M. Bohannon, a special commissioner appointed by the court, in a deed dated December 5, 1899, and conveyed the Glasgow Railroad, and all of its property, assets, and franchises of every character to H. C. Trigg, W. L. Porter,

and T. P. Dickinson; H. C. Trigg and W. L. Porter having transferred to T. P. Dickinson an undivided interest of one third in the railroad and its property, franchises, and assets.

The GLASGOW RAILWAY COMPANY was subsequently incorporated by articles filed in the Barren County Court on December 16, 1899, and in the office of the Secretary of State on December 18, 1899, the articles reciting that the purpose of the corporation is "to acquire title to the property and franchises of the Glasgow Railroad Company, a railroad extending from Glasgow to Glasgow Junction, in Barren County, Kentucky, and to operate the same, or to lease the same to other persons or corporations," and that the corporation is to commence on December 15, 1899, and to continue for fifty years from that date. By deed of date December 27, 1899, from H. C. Trigg, W. L. Porter, and T. P. Dickinson, the Glasgow Railway Company acquired all the property, rights, and franchises of the Glasgow Railroad Company, and the road is now being operated by the Louisville & Nashville Railroad Company under lease of date January 8, 1902, for a term of five years, executed by the Glasgow Railway Company. (Contract 2894.)

By mortgage of date January 1, 1900, the Glasgow Railway Company mortgaged its property and franchises to J. S. Leech, as trustee, to secure an indebtedness of \$60,000, evidenced by bonds maturing January 1, 1920, and bearing 4 per cent interest.

Authorized capital stock \$100,000, in shares of \$100 each.

ELKTON & GUTHRIE RAILROAD.

Elkton to Elkton Junction, Kentucky.....10.92 miles.

The ELKTON RAILROAD COMPANY was incorporated by act of February 10, 1871 (1 Acts 1871, p. 141), with all powers and rights necessary to the construction of a railroad from Elkton, in Todd County, Kentucky, not exceeding sixty-six (66) feet, or the width necessary, to any point in said county, intersecting either the Louisville & Memphis or the Evansville, Henderson & Nashville Railroad.

By an act to amend the charter of the Elkton Railroad Company, which became a law in April, 1884, without the approval of the Governor (1 Acts 1883-4, p. 1281), the company was invested with all the rights, powers, and privileges necessary to construct, complete, equip, and operate a railroad from the town of Elkton, in Todd County, to the town of Guthrie, in said county, or to any other point on the Louisville & Nashville Railroad in the direction of Hopkinsville from Guthrie, or in the direction of Russellville from Guthrie, which may be selected and agreed upon by a majority of the directors of said company. And by the same act the corporation was given the power to charge for carrying persons not exceeding five cents per mile for one person, and for carrying freight not exceeding fifteen cents per pound for its whole line. And by act approved May 3, 1884 (2 Acts 1883-4, p. 877), the name of the corporation was changed from the Elkton Railroad Company to the Elkton & Guthrie Railroad Company.

By an amendment to the charter, which became a law April 5, 1888 (2 Acts 1887-8, p. 729), without the

approval of the Governor, it was provided that through passengers who fail to purchase tickets from the ticket offices of said company shall be required to pay six cents per mile.

On August 30, 1884, the Louisville & Nashville Railroad Company and the Elkton & Guthrie Railroad Company entered into a contract (No. 355) by which the Elkton & Guthrie Railroad Company agreed to secure subscriptions to its capital stock sufficient to procure the rights of way, grade the road, purchase the ties, construct culverts, bridges, etc., of the Elkton & Guthrie Railroad from the town of Guthrie to the town of Elkton, and to prepare fully and thoroughly the road for track-laying. And the Louisville & Nashville Railroad Company agreed when that should have been done to furnish material to lay the track and complete the road, in payment for which the Louisville & Nashville Railroad Company was to receive twenty-five thousand (\$25,000) dollars in cash or in 7 per cent mortgage bonds of the Elkton & Guthrie Railroad Company at par. It was stipulated, however, that if the Elkton & Guthrie Railroad Company should conclude to issue 6 per cent bonds the Louisville & Nashville Railroad Company would receive them at ninety cents on the dollar.

And on the same day the Elkton & Guthrie Railroad Company executed to the Louisville & Nashville Railroad Company a lease of its proposed road for the term of twenty-five years. (Contract 355.)

By a mortgage of date December 1, 1884, the Elkton & Guthrie Railroad Company executed to Hazel G. Petrie, trustee, a mortgage on its property and franchises to secure the payment of fifty bonds of \$500 each, bearing

interest at the rate of 7 per cent per annum, and payable December 1, 1904, all of said bonds being delivered to the Louisville & Nashville Railroad Company pursuant to the contract of August 30, 1884. (Contract 7488, Part 1.) By agreement of date December 1, 1904, between the Elkton & Guthrie Railroad Company, Louisville & Nashville Railroad Company, and Seymour H. Perkins, successor of Hazel G. Petrie as trustee under the mortgage of December 1, 1884, twenty-five new bonds of \$1,000 each, bearing 5 per cent interest and maturing December 1, 1929, were substituted for the fifty bonds of \$500 each, and the property and franchises of the Elkton & Guthrie Railroad Company were mortgaged to Seymour H. Perkins, as trustee, to secure said new bonds, all of which are owned by the Louisville & Nashville Railroad Company. (Contract 7488.) By an agreement of same date the Elkton & Guthrie Railroad Company leased its property and franchises to the Louisville & Nashville Railroad Company for a term of twenty-five years from date, and the lease of August 30, 1884, was canceled.

Authorized capital stock \$300,000, in shares of \$25 each. Issued, \$47,372.25. Amount held by the Louisville & Nashville Railroad Company, \$17,275.

EASTERN RAILWAY OF ALABAMA.

Stockdale, Alabama, to Pyriton, Alabama 19.80 miles.

The EASTERN RAILWAY OF ALABAMA was incorporated by filing a declaration of incorporation in the office of the Secretary of State of Alabama bearing date April 25, 1901. The commission of the Secretary of State to the Board of Corporators was issued May 1, 1901, and the

corporation having been organized June 5, 1901, by the election of directors and officers, a certificate of incorporation was issued by the Secretary of State June 8, 1901. The declaration of incorporation names as the terminal points of the road the city of Talladega, in Talladega County, Alabama, and the town of Lineville, in Clay County, Alabama, and fixes the capital stock at \$250,000, divided into shares of \$100 each. (Contract 5901, Part 8.)

By a tripartite agreement of date March 14, 1902, between the Eastern Railway of Alabama, the Alabama Pyrites Company, and the Alabama Mineral Railroad Company (No. 5901, Part 4), the Alabama Mineral Railroad Company agreed to furnish the money to construct said railroad, the Eastern Railway of Alabama agreeing to execute to the Alabama Mineral Railroad Company its notes for the amount thus expended, secured by a mortgage on its entire property, and the Alabama Pyrites Company agreeing to execute an obligation guaranteeing the payment by the Eastern Railway of Alabama of the amount in which it might become indebted to the Alabama Mineral Railroad Company and to secure such obligation by mortgage on its entire property. The Eastern Railway of Alabama also agreed to lease its road to the Alabama Mineral Railroad Company for a term of ten (10) years from the date of completion, which was September 1, 1903, the lessee to pay to the lessor the net earnings, if any. The mortgages and lease provided for therein were executed, bearing the same date, the lease containing a covenant of renewal for another ten years at the option of the parties. (Contract 5901, Parts 2, 3, and 8.)

ALABAMA NORTHERN RAILWAY.

Pyriton to Ashland, Alabama.....7.5 miles

The ALABAMA NORTHERN RAILWAY COMPANY was incorporated under the act of the legislature of Alabama approved October 2, 1903, by the filing of a declaration of incorporation in the office of the Judge of Probate of Clay County, Alabama, on the 12th day of February, 1904. The objects for which the corporation was formed were declared to be "constructing, building and operating a railroad, the terminals of which shall be and are Ashland and Pyriton, each in Clay County, Alabama."

Authorized capital stock, \$35,000, in shares of \$100 each. (Contract 7594.)

By a contract of date December 5, 1904, the Louisville & Nashville Railroad Company agreed to sell and furnish to the Alabama Northern Railway Company the necessary material for the construction of a track from Pyriton, Clay County, Alabama, to Ashland, Clay County, Alabama, a distance of about seven and a half miles, the Louisville & Nashville Railroad Company to have a lien on the right of way and material to secure the notes to be executed by the Alabama Northern Railway Company for the price of the material. The Louisville & Nashville Railroad Company further agreed, upon the completion of the road, to operate it in connection with the Eastern Railway of Alabama for the term of five years, the Louisville & Nashville Railroad Company to receive the gross earnings and pay over to the Alabama Northern Railway Company the net earnings, if any, after paying the operating expenses, including all necessary repairs, or

credit the net earnings on the notes given by the Alabama Northern Railway Company for the price of the material. It was further agreed that after the expiration of the term of five years the Louisville & Nashville Railroad Company should continue to operate the road upon the same terms and conditions as theretofore, except that it should have the privilege of canceling the contract to operate after six months' notice to the Alabama Northern Railway Company of its intention to do so. (Contract 7596.) The grading of the road having been completed before this contract was made the construction was begun at once, and the road was completed and put in operation May 15, 1905.

(b) OPERATED UNDER TRACKAGE ARRANGEMENTS.

LOUISVILLE & NASHVILLE TERMINAL COMPANY.

Track in Nashville, Tennessee.....1.15 miles.

The LOUISVILLE & NASHVILLE TERMINAL COMPANY was incorporated under the general law of Tennessee by the filing of articles of incorporation in the office of the Register of Davidson County, Tennessee, March 21, 1893, and in the office of the Secretary of State of Tennessee March 22, 1893. By leases of date April 27, 1896, the Louisville & Nashville Railroad Company and the Nashville, Chattanooga & St. Louis Railway leased to the Louisville & Nashville Terminal Company for a term of nine hundred and ninety-nine years from May 1, 1896, various parcels of land in the city of Nashville, Tennessee. Thereafter, by lease of date June 15, 1896, the Louisville & Nashville Terminal Company leased to the Louisville &

Nashville Railroad Company and the Nashville, Chattanooga & St. Louis Railway, for the term of nine hundred and ninety-nine years from July 1, 1896, various parcels of land in the city of Nashville, Tennessee, specifically described, including the parcels of land described in the leases of April 27, 1896, from the Louisville & Nashville Railroad Company and the Nashville, Chattanooga & St. Louis Railway to the Louisville & Nashville Terminal Company, together with passenger and freight depot buildings and other facilities then located or thereafter to be constructed on the premises described. As rent for the premises and improvements described, the lessees agreed to pay

“A sum equal to interest at four per cent per annum upon the actual cost of all expenditures heretofore made, or to be hereafter made by said first party, its successors and assigns, from time to time, in the purchase or other acquisition of said premises or property, and in the erection and construction of said improvements, and of all additions thereto and extensions thereof, and to all taxes, rates, charges, and assessments that may be levied or imposed during the term or terms aforesaid, upon said premises or property, and said improvements, and all additions thereto, and extensions thereof, and to the cost of such insurance as may be necessary to keep said premises, or property, and said improvements and all additions thereto, and extensions thereof, insured to their full value during the term or terms aforesaid.”

By a contract between the same parties, of date August 15, 1900 (No. 5171), the total amount upon which the rent was to be estimated and the method of apportioning the rent between the parties were agreed.

upon, and by a contract of same date (No. 5172) between the Louisville & Nashville Railroad Company and the Nashville, Chattanooga & St. Louis Railway, provision was made for the maintenance and operation of the leased property, which it was agreed should be known as "Nashville Terminals."

By contract of date December 2, 1902, between the Louisville & Nashville Terminal Company and the Louisville & Nashville Railroad Company, the lease of April 27, 1896, from the Louisville & Nashville Railroad Company to the Louisville & Nashville Terminal Company was canceled (Contract No. 6539, Part 2), and by a like contract of same date between the Louisville & Nashville Terminal Company and the Nashville, Chattanooga & St. Louis Railway the lease of April 27, 1896, from the latter to the former company was canceled. By contract of date December 3, 1902, between the Louisville & Nashville Terminal Company, the Louisville & Nashville Railroad Company, and the Nashville, Chattanooga & St. Louis Railway (Contract No. 6539, Part 3), various provisions of the lease of June 15, 1896, were canceled and abrogated and other provisions were modified. The term was reduced from nine hundred and ninety-nine years to ninety-nine years from July 1, 1896, and the parcels of land embraced in the leases of April 27, 1896, from the Louisville & Nashville Railroad Company and the Nashville, Chattanooga & St. Louis Railway to the Terminal Company, and which leases were canceled by the contracts of December 2, 1902, were excluded. In lieu of the rent provided for by the original lease of June 15, 1896, the lessees agreed to pay as rent the principal and interest of the

bonds secured by the fifty year 4 per cent gold first mortgage for three million dollars (\$3,000,000) executed by the Louisville & Nashville Terminal Company to the Manhattan Trust Company of New York, as trustee, on December 1, 1902. And the lessees further agreed to pay all "taxes, rates, charges, and assessments" that may be levied or imposed during the term, and to keep the improvements in repair and fully insured. Of the bonds authorized by the mortgage referred to, bonds amounting to only \$2,535,000 have been issued, all owned by the Louisville & Nashville Railroad Company.

SOUTHERN RAILWAY.

	MILES	
Gurnee Junction to Blocton, Alabama.....	14.30	
Seymour to Piper, Alabama.....	2.24	
Ardela to Hansell, Alabama.....	2.90	
M. & C. Junction, Alabama, to Decatur, Alabama ..	1.56	
Furnace Junction, Alabama, to Sheffield Junction, Alabama.....	2.85	
	<hr style="width: 50px; margin-left: auto; margin-right: 0;"/>	23.85

The Brierfield, Blocton & Birmingham Mineral Railway Company was incorporated under the general laws of Alabama, the declaration of incorporation being filed with the Secretary of State May 16, 1889, and certificate of incorporation issued July 3, 1889. Under this charter the line was constructed from a point near Brierfield known as Birmingham Junction (now Wilton) to Blocton, where connection was made with the railroad of the Cahaba Coal Company (afterward the property of the Tennessee Coal, Iron & Railroad Company and of the Birmingham Southern Railroad Company) and thereby with the Alabama Great Southern Railroad at Woodstock.

Later the original Main Line was extended from Gurnee to a more northerly connection with the Alabama Great Southern at Mobile Junction. All this construction was completed in March, 1891, but at that time the property belonged to the East Tennessee, Virginia & Georgia Railroad Company, the Brierfield, Blocton & Birmingham Railway Company having conveyed to that company by deed dated September 9, 1889, its line of railroad, constructed and to be constructed. After its completion the line was operated as a part of the East Tennessee, Virginia & Georgia Railroad Company until August 1, 1894, when it passed to the Southern Railway under foreclosure proceedings.

On July 25, 1889, the Brierfield, Blocton & Birmingham Railway Company entered into a contract with the Birmingham Mineral Railroad Company by which it granted to that company the right to the joint use of the line which it was then constructing from a point of connection with the line of the Birmingham Mineral Railroad Company near Piney Woods Creek and Gurnee Junction, in Shelby County, Alabama, to Blocton, in Bibb County, Alabama, the contract also giving the right to the joint use of all extensions or branches thereof which might be constructed by mutual consent of the parties. The rights conferred were to continue for the period of ninety-nine years from the date of completion of the road. (Contract 2068, Part 1.) That part of the road from Gurnee Junction to Blocton was constructed under this contract, and put in operation by the Louisville & Nashville Railroad Company July 29, 1890. And under this contract and also under certain supplemental contracts entered into between the Southern Railway Company, the Birming-

ham Mineral Railroad Company, and the Louisville & Nashville Railroad Company, bearing date November 10, 1900, and March 29, 1902, respectively (Contract 2068, Parts 6 and 7), the branch from Ardela to Hansell and the branch from Seymour to Piper were constructed, the former being put in operation by the Louisville & Nashville Railroad Company December 1, 1900, and the latter July 8, 1901.

By deed of date January 11, 1904 (No. 5665), the Birmingham Mineral Railroad Company conveyed all its property and franchises to the Louisville & Nashville Railroad Company, and the benefit of the contracts referred to thus passed to that Company.

The right to the use of that part of the Southern Railway from Memphis & Charleston Junction, Alabama, to Decatur, Alabama, which covers the road and bridge of that company at Decatur, Alabama, was originally acquired by the Nashville & Decatur Railroad Company by contract with the Memphis & Charleston Railroad Company of date April 26, 1871 (Contract 212, Part 2), but that contract was abrogated by a new contract entered into October 1, 1880 (Contract 212, Part 1), which provides that after six years from date it may be terminated by either party by giving two (2) years' notice to the other party.

Trackage rights over that part of the Southern Railway from Furnace Junction, Alabama, to Sheffield Junction, Alabama, including the bridge over the Tennessee River from Florence to Sheffield, were acquired by the Nashville, Florence & Sheffield Railway Company by contract of date July 12, 1892, with the Memphis & Charleston Railroad Company (Contract 3055), con-

tract for use of old bridge having been entered into between same companies August 17, 1887. (Contract 2347.) The existing contract provides that it shall remain in force for ten years from date and that after that term either party may terminate the agreement at any time by giving two years' notice to the other party.

ATLANTA & BIRMINGHAM AIR LINE RAILWAY.

Wellington Alabama, to Cartersville, Georgia (formerly
Duke, Alabama, to Cartersville, Georgia, 80 miles) 77 miles.

By contract of date March 23, 1903, between the Seaboard Air Line Railway, as the owner of all the capital stock of the East & West Railroad, and the Louisville & Nashville Railroad Company, the latter acquired the right to use in common with the East & West Railroad that part of its railway extending from Duke, Alabama, to Cartersville, Georgia. (Contract 6588.) The contract took effect July 1, 1903, and is to continue in effect until December 27, 1919. By agreement of consolidation filed with the Secretary of State of Alabama May 20, 1903, the East & West Railroad Company and the Chattahoochee Terminal Railway were consolidated under the name of the Atlanta & Birmingham Air Line Railway. The Birmingham & Atlanta Air Line Railway having been conveyed to the East & West Railroad Company by an indenture of date April 28, 1903, the Atlanta & Birmingham Air Line Railway is composed of the Birmingham & Atlanta Air Line Railway, the Chattahoochee Terminal Railway, and the East & West Railroad Company. On account of a change of line made by the Atlanta & Birm-

ingham Air Line Railway since June 30, 1904, the connection of the Louisville & Nashville Railroad Company with that line is now at Wellington instead of Duke.

NORFOLK & WESTERN RAILWAY.

Track at Norton, Virginia..... .77 miles.

By contract of date October 5, 1904, the Norfolk & Western Railway Company granted to the Louisville & Nashville Railroad Company the right to use jointly with it its track, yard, and terminal facilities at Norton, in Wise County, Virginia, the contract reciting that a similar parol contract had existed for many years. The contract provides that it "shall remain in force until rescinded by a six months' written notice by either party to the other, and if six months' notice is given at any time the contract shall stand rescinded at the end of six months from the giving of the notice." (Contract 7400.)

VIRGINIA & SOUTHWESTERN RAILWAY.

Near Appalachia, Virginia, to Big Stone Gap Furnace,
Virginia3.77 miles.

By contract of date February 22, 1900, the Virginia & Southwestern Railway Company granted to the Louisville & Nashville Railroad Company the right to use in common with it that part of its railway between its junction with the Cumberland Valley Division of the Louisville & Nashville Railroad Company and Big Stone Gap Furnace, a distance of about 3½ miles. By its terms this contract took effect March 1, 1900, and is to continue

in effect for twenty-five years from that date, and thereafter until abrogated by six months' notice in writing from either of the parties to the other. (Contract 5025.)

By contract of date April 20, 1903, between the same parties, the Virginia & Southwestern Railway Company granted to the Louisville & Nashville Railroad Company the right to use in common with it also that part of its railway between its junction with the Cumberland Valley Division of the Louisville & Nashville Railroad Company and its junction with the Pigeon Creek Railway, a distance of about 1,381 feet. That contract provides that the Louisville & Nashville Railroad Company is to haul no traffic over the road described except such as is connected with the operations of the Imboden Coke Company, and either comes from, or is carried to, points on or via the road of the Louisville & Nashville Railroad Company beyond the junction of the roads of the parties to the contract. The contract by its terms took effect August 1, 1903, and is to continue in effect for ten years from that date, and thereafter until abrogated by six months' notice in writing from either of the parties to the other. (Contract 6786.)

NASHVILLE, CHATTANOOGA & ST. LOUIS RAILWAY.

Aulon, Tennessee, to South Memphis, Tennessee.....5.46 miles.

By contract of date September 12, 1900, the Nashville, Chattanooga & St. Louis Railway granted to the Louisville & Nashville Railroad Company the right to use jointly with it that part of its Paducah & Memphis Division extending from Aulon, Tennessee, to its terminus in Broadway, Memphis, Tennessee, a distance of 5.46 miles,

described in the contract as 5.44 miles. By its terms the contract was to go into operation on October 1, 1900, and remain in effect for ninety-nine years from that date, and thereafter until terminated by six months' notice from either party to the other. (Contract 5154, Part 1.) For a history of the Nashville, Chattanooga & St. Louis Railway see page 314 of this book.

BALTIMORE & OHIO SOUTHWESTERN RAILWAY.

Track at East St. Louis, Illinois11 mile.

By contract of date January 17, 1898, the Baltimore & Ohio Southwestern Railway Company granted to the Louisville & Nashville Railroad Company the right to use in common with it certain portions of its track at East St. Louis described therein, the contract to continue in force until the expiration of six months after notice by either party to the other of its intention to terminate the same at the expiration of that time. (Contract 4472.)

TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS.

Relay Depot, East St. Louis, Illinois, to Union Station, St. Louis, Missouri3.84 miles.

For the purpose of facilitating the handling of freight and passenger traffic between and in the cities of St. Louis, Missouri, and East St. Louis, Illinois, there was constructed in 1874 a railway bridge across the Mississippi River between said cities, commonly known as the Eads Bridge, which bridge subsequently became and now is the property of the St. Louis Bridge Company. Con-

current with the construction of the Eads Bridge, and for use in connection therewith, there was constructed a tunnel commonly known as the Tunnel from the western terminus of the Eads Bridge, at or near Washington Avenue, in St. Louis, to a point at or near Eighth and Poplar streets, in said city, which tunnel subsequently became and now is the property of the Tunnel Railroad of St. Louis. The tunnel was designed to be used in connection with the Eads Bridge, so that railway trains might make a continuous passage over the bridge and through the tunnel, which continuous passage is essential to the use of the bridge and tunnel for railway traffic. About the year 1879 various mortgages severally covering the Eads Bridge and Tunnel were foreclosed, and these properties severally and respectively became the properties of the St. Louis Bridge Company and the Tunnel Railroad of St. Louis. While the Eads Bridge and Tunnel were nearing completion it became manifest, for the operation of these properties and the handling of railway traffic in the city of St. Louis, that it was essential that there should be constructed and maintained, in connection with the Eads Bridge and Tunnel, a system of railway terminals consisting of main, lead, and side tracks, a union station for passengers, and freight stations and warehouses for handling the commerce of the city of St. Louis. To accomplish these objects the Union Railway & Transit Company of St. Louis and the Union Depot Company of St. Louis were organized under the laws of Missouri relating to union depot and terminal companies, the former for the purpose of making a continuous and connected route for trains through the tunnel and over the bridge and the railways constructed or to be constructed

approaching the entrance to the tunnel, and the further purpose of constructing and operating terminal facilities in connection with the Eads Bridge and Tunnel; and the latter company for the purpose of constructing passenger and freight stations for use in connection with the operation of the Eads Bridge and Tunnel and the properties of the Union Railway & Transit Company of St. Louis. Subsequently the Terminal Railroad of St. Louis was organized under the laws of Missouri relating to union depot and terminal companies, for the purpose of acquiring additional terminal facilities to be used in connection with the railway facilities of the Eads Bridge and Tunnel, the Union Depot Company of St. Louis, and the Union Railway & Transit Company. To this end the Union Railway & Transit Company and the Terminal Railroad of St. Louis severally leased all of their properties in perpetuity to the St. Louis Bridge Company and the Tunnel Railroad of St. Louis, and thereafter, and until 1881, the properties of these four companies were operated under one control and management, and on July 1, 1881, all of these properties were leased to the Wabash, St. Louis & Pacific Railway Company and the Missouri Pacific Railway Company, and were operated by said lessees until October, 1889.

The Eads Bridge was constructed by the Illinois & St. Louis Bridge Company, a corporation formed by the consolidation of the St. Louis & Illinois Bridge Company, created by act of the Missouri Legislature approved February 5, 1864, and the Illinois & St. Louis Bridge Company, a corporation created by act of the Illinois Legislature approved February 21, 1867. The consolidation was effected July 9, 1868, the instrument of consolidation

being filed and recorded in the office of the Recorder of the county of St. Louis, Missouri, March 11, 1869. This consolidation was authorized by the charter of the Illinois corporation and by act of the Missouri Legislature approved March 24, 1873. The property and franchises of the corporation thus created were sold December 20, 1878, under decree of foreclosure rendered October 17, 1878, by the United States Circuit Court for the Eastern District of Missouri, in the case of J. P. Morgan and others v. St. Louis & Illinois Bridge Company and others. At that sale Anthony J. Thomas became the purchaser, and the property and franchises purchased were conveyed to him by Ezekiel W. Woodward, Commissioner, by deed of date December 20, 1878, and he conveyed the property and franchises thus acquired to the St. Louis Bridge Company by deed of date March 29, 1879. The St. Louis Bridge Company was created by articles of association filed in the office of the Secretary of State of Missouri December 18, 1878.

The tunnel was constructed by the St. Louis Tunnel Railroad Company, a corporation created by the filing of articles of association in the office of the Secretary of State of Missouri November 8, 1872.

The property and franchises of that corporation were sold July 1, 1878, under decree of foreclosure rendered April 24, 1878, by the United States Circuit Court for the Eastern District of Missouri in the case of Charles Edward Tracy v. St. Louis Tunnel Railroad and others. At that sale Charles Edward Tracy, as trustee for the bondholders, became the purchaser, and the property and franchises thus purchased were conveyed to him as trustee by Ezekiel W. Woodward, Commissioner, by deed of date

July 1, 1878, and subsequently conveyed by him to the Tunnel Railroad of St. Louis by deed of date December 19, 1878.

The Tunnel Railroad of St. Louis was created by articles of association filed December 18, 1878, in the office of the Secretary of State of Missouri.

The Union Railway & Transit Company of St. Louis was created by the filing of articles of association in the office of the Secretary of State of Missouri April 13, 1874.

The Union Depot Company of St. Louis was created by articles of association filed in the office of the Secretary of State of Missouri May 12, 1874, the certificate of incorporation being issued by the Secretary of State on that date, and certificate of incorporation having also been previously issued by the Clerk of the Circuit Court of St. Louis County May 9, 1874.

The Terminal Railroad of St. Louis was created by articles of association filed in the office of the Secretary of State of Missouri February 25, 1880.

The Terminal Railroad Association of St. Louis was organized under the laws of the State of Missouri by agreement of consolidation made July 26, 1889, between the Union Railway & Transit Company of St. Louis and the Terminal Railroad of St. Louis, and filed for record in the office of the Secretary of State of Missouri.

Thereafter the Terminal Railroad Association of St. Louis acquired by purchase, lease, assignment of lease, and otherwise the properties theretofore belonging to the Union Railway & Transit Company of St. Louis and the Union Railway & Transit Company of East St. Louis (a corporation organized under the laws of Illinois by articles of association filed in the office of the Secretary

of State April 14, 1874); the Terminal Railroad of St. Louis and the Terminal Railroad of East St. Louis (a corporation organized under the laws of Illinois by articles of association filed in the office of the Secretary of State February 23, 1880); the Union Depot Company of St. Louis and the Tunnel Railroad of St. Louis. Subsequently, by an agreement of date October 1, 1889 (Contract 2173, Part 4), between the Terminal Railroad Association of St. Louis and various railroad companies, including the Louisville & Nashville Railroad Company, designated as "proprietary" companies, the companies thus designated secured in perpetuity a right of joint use with each other, and with such other companies as might thereafter be admitted as proprietary lines, of all the terminal properties then held or which might thereafter be acquired by the Terminal Association. Each of the proprietary lines, including those subsequently admitted, owns in severalty a like amount of the stock of the Terminal Association, and in consideration for the joint use of the terminal facilities of that Association each of the proprietary lines is bound to pay such tolls and charges as will enable the Association to meet its fixed charges and expenses of operation, repair, improvement, and maintenance.

Authorized capital stock \$50,000,000, of which \$2,882,000 has been issued. Bonded debt: First mortgage, 4½ per cent bonds, issued October 1, 1889, maturing October 1, 1939, outstanding \$7,000,000; first consolidated mortgage, 5 per cent bonds, issued November 10, 1894, due August 1, 1944, authorized \$12,000,000, outstanding \$5,000,000; general mortgage refunding, 4 per cent bonds, due January 1, 1953, secured by mortgage of

December 16, 1902, executed to the Central Trust Company of New York and William Taussig as trustees, authorized \$50,000,000, outstanding \$18,000,000. (See volume entitled "Terminal Railroad Association of St. Louis.")

WESTERN RAILWAY OF ALABAMA.

In Selma70 mile.

By contract of date April 10, 1880, the Central Railroad & Banking Company of Georgia and the Georgia Railroad & Banking Company of Georgia, purchasers of the Western Railroad of Alabama, leased to the Louisville & Nashville Railroad Company that portion of the Western Railroad of Alabama extending from the Union Depot in the city of Montgomery to the city of Selma, called the Selma Division of the Western Railroad of Alabama, for the term of five years from the first day of May, 1880. (Contract 316, part 1.) By contract of date July 1, 1881 (No. 227), between the same parties, the Louisville & Nashville Railroad Company acquired the right to connect its Pensacola & Selma Railroad track with the track of the Western Railroad of Alabama at or near the Alabama River Bridge (Gulf Junction), and to run its trains thence into the corporate limits of the city of Selma, a distance of 8.2 miles, and thence at any convenient point to diverge and build its own track to its own depot, the annual payments to be made by the Louisville & Nashville Railroad Company, in consideration of these privileges, to date from the first day after the expiration of the lease of the Selma Division of the Western Railroad of Alabama:

to the Louisville & Nashville Railroad Company. Thereafter, by contract of date January 14, 1901 (No. 5445), between the Western Railway of Alabama (successor, March 15, 1883, to the Western Railroad of Alabama) and the Louisville & Nashville Railroad Company, the right was granted to the Louisville & Nashville Railroad Company to continue the use of the railroad of the Western Railway between Gulf Junction and Selma upon new terms and conditions therein set forth, the contract reciting, however, the completion by the Louisville & Nashville Railroad Company of its Pensacola & Selma Railroad to Pensacola Junction, and its purposes, for that reason, to discontinue in the near future the use of the railroad of the Western Railway between Gulf Junction and Selma and to sever its connection therewith, and to build a line of its own from or near Sardis, on its Pensacola & Selma Railroad, including a bridge over the Alabama River, to a new point of connection with the road of the Western Railway of Alabama in Selma. Thereafter, by contract of date October 10, 1901, between the same parties, the Western Railway of Alabama undertook to erect, upon a tract of land which it owned in Selma, a passenger station "and the necessary appurtenant platforms, sheds, tracks, and outbuildings for a convenient passenger terminal," and to lease the station "and appurtenant platforms, sheds, tracks, and outbuildings" to the Louisville & Nashville Railroad Company for the period of ninety-nine years from their completion; March 1, 1903, being fixed by a supplemental agreement as the date of completion. By the terms of the contract the Western Railway of Alabama may be admitted to the joint use of the leased

premises for its passenger train service upon the condition that it assume its proportion of the rent and of the cost of repairs and renewals. (Contract 6812.) Under this contract the Louisville & Nashville Railroad Company now operates only seventy hundredths of a mile of the track of the Western Railway of Alabama, having discontinued the use of the track from Gulf Junction to Selma.

**COVINGTON & CINCINNATI ELEVATED RAILROAD AND
TRANSFER AND BRIDGE COMPANY.**

Central Union Depot, Cincinnati, Ohio, to Covington,
Kentucky2.18 miles.

The history of the Covington & Cincinnati Elevated Railroad and Transfer and Bridge Company appears as a part of the history of the Kentucky Central Railway in this volume. (*Ante*, p. 259.) By contract of date February 7, 1888, between the bridge company and the Kentucky Central Railway Company, the bridge company agreed to haul passenger and freight trains of the railway company between the connection of the tracks of the two companies in the city of Covington across the bridge and approaches thereto, and into the depot of the bridge company in the city of Cincinnati, giving such trains equal dispatch and facilities with its own trains, and to render such switching services as might be requisite and convenient for the Kentucky Central Railway Company in the yards of the bridge company in the city of Cincinnati. This contract provides that it is to run for ninety-nine years and to be renewable in perpetuity. (Contract K. C. No. 151.)

LOUISVILLE & INTERURBAN RAILROAD.

Pipe Line Avenue, Kentucky, to Prospect, Kentucky. 7.70 miles.

By contract of date April 22, 1904 (No. 7065, Part 1), by which the Louisville, Harrod's Creek & Westport Railroad Company sold to the Louisville Railway Company that part of its road extending from Pipe Line Avenue, Kentucky, to Prospect, Kentucky, and by deed of same date from the Louisville, Harrod's Creek & Westport Railroad Company to the Louisville & Interurban Railroad Company, to which the Louisville Railway Company was a party, conveying the property thus sold (Contract 7065, Part 2), the Louisville Railway Company agreed to provide facilities for moving freight in car load quantities originating at points on that portion of the line sold and conveyed, and destined to points on or reached by way of the portion of the road not so sold; and for moving such freight originating at points on or reached by way of the portion of the said railroad not so sold, and destined to points on that part of the line sold and conveyed; and for that purpose to maintain a track of the existing gauge, both parties agreeing to provide, at the point of junction, proper facilities for the interchange of such traffic. The Louisville, Harrod's Creek & Westport Railroad Company further agreed, at the option of the Louisville Railway Company, to furnish a locomotive and crew to handle the car-load traffic described.

PART III.**LINES OPERATED UNDER SEPARATE ORGANIZATIONS, IN WHICH THE LOUISVILLE & NASHVILLE RAILROAD COMPANY OWNS A MAJORITY OF THE CAPITAL STOCK, OR IS INTERESTED AS JOINT OWNER OR LESSEE.*****THE NASHVILLE, CHATTANOOGA & ST. LOUIS RAILWAY.**

The Louisville & Nashville Railroad Company controls this road through the ownership of \$7,177,600 out of a total of \$10,000,000 of its outstanding capital stock. Control was acquired by purchase of majority of stock January 20, 1880. Of the 71,776 shares of stock owned by the Louisville & Nashville Railroad Company, 55,015 shares are deposited with the Central Trust Company of New York, as trustee under the Unified Mortgage of June 2, 1890.

“The Nashville & Chattanooga Railroad Company” was chartered by act of the General Assembly of the State of Tennessee approved December 11, 1845 (Acts 1845-6, Chapter 1), for the purpose of constructing a railroad from Nashville to Chattanooga, a distance of 151 miles. The first board of directors was elected January 24, 1848. Previous to that time the corporation had been managed by a Board of Commissioners. The road was completed from Nashville to Chattanooga, and trains commenced running, in February, 1854.

*The history of the Nashville, Chattanooga & St. Louis Railway was prepared by Hon. J. D. B. DeBow, Assistant General Counsel of that company, whose valuable Legal History of the system, heretofore published, is referred to for a full statement of the charter powers of the various companies whose roads form a part of the system.

The corporate name was changed to the Nashville, Chattanooga & St. Louis Railway on May 30, 1873, by a decree of the Chancery Court at Nashville under the Acts of Tennessee, 1870-1, Chapter 54, page 63. (See Minute Book X, page 220-2 of said court.)

The original charter was amended by the Acts of Tennessee, 1847-8, Chapter 70, allowing the directors instead of the stockholders to make by-laws; by the Acts of 1857-8, Chapter 8, so as to authorize the company to lease the Winchester & Alabama Railroad, and the branch to Fayetteville, or any other railroad connecting with the Nashville & Chattanooga Railroad; by Acts of 1849-50, Chapter 266, allowing the city of Charleston to appoint two citizens to represent its stock as directors, and the Georgia Railroad & Banking Company to appoint one director to represent its stock; by the Acts of 1868-9, Chapter 2, Section 4, so that every stockholder should be entitled to one vote for each share of stock.

The value of the shares of stock was originally \$25. By the Acts of Tennessee, 1889, Chapter 102, all corporations of Tennessee were allowed to make a share of stock \$100 or less, and issue certificates therefor, and consequently corporations that had previously issued shares of stock for \$25 were allowed to call them in, and combine four of said shares and issue a certificate for \$100 in lieu thereof. Under this act the Nashville, Chattanooga & St. Louis Railway issued new certificates for \$100 each, as provided above, in lieu of the original, as per resolution of the board of directors of said company, adopted May 30, 1889. The amount of capital stock issued when the road was completed was \$2,319,328.98. In 1868 the capital stock was \$1,976,434.64. In 1870, to settle claims

of the United States, there were issued \$1,000,000 of stock. In 1873 the Nashville & Northwestern Railroad was purchased, and the stock increased to \$6,486,049.44. On June 30, 1891, at the annual meeting of the stockholders, the capital stock of the company was increased to \$10,000,000, which it remains at present.

In 1873, \$6,800,000 of first mortgage 7 per cent bonds were authorized, covering the line from Nashville to Chattanooga, Tennessee, 151.15 miles, and from Nashville, Tennessee, to Hickman, Kentucky, 169.06 miles, from Wartrace to Shelbyville, Tennessee, 8 miles, and from Bridgeport, Alabama, to Jasper, Tennessee, 12 miles, of which \$4,375,000 were issued, \$1,425,000 held to take up underlying 6 per cent bonds of the Nashville & Chattanooga Railroad Company, endorsed by the State, and \$1,000,000 4 per cent bonds issued to the United States Government.

Subsequently \$1,425,000 were issued as the endorsed bonds matured, and \$500,000 in lieu of \$500,000 of 4 per cent bonds issued to the United States, making a total issue under this mortgage of \$6,300,000.

In 1870 there were issued to the United States, in settlement of a claim, \$1,000,000 of 4 per cent bonds. These were retired by an issue of \$500,000 first mortgage 7 per cent bonds in 1881, and \$500,000 first consolidated mortgage 5 per cent bonds in 1891.

In the purchase of the Duck River Valley Narrow Gauge Railroad the Nashville, Chattanooga & St. Louis Railway assumed payment of \$250,000 of its first mortgage bonds, which were retired in 1888.

In July, 1887, there were issued \$130,000 first mortgage 6 per cent bonds on an extension known as the Bon

Air Branch, from Sparta to the Bon Air coal fields in Tennessee, a distance of $6\frac{1}{2}$ miles. These bonds were redeemable after ten years, and those outstanding were called and paid in 1901, and the mortgage canceled.

Other bonds were issued as follows:

Jasper Branch 8 per cent thirty year bonds, issued in 1877, extension from Jasper to Victoria, Tennessee, $7\frac{1}{2}$ miles . . .	\$90,000
Of these bonds \$15,000 were taken up in 1904, leaving outstanding	75,000
McMinnville & Manchester and Winchester & Alabama Railroads, bonds, 6 per cent, issued in 1877, from Tullahoma to Sparta, Tennessee, 60.58 miles; from Decherd to Fayetteville, Tennessee, 38.78 miles, and from Elora, Tennessee, to Huntsville, Alabama, 26.81 miles	750,000
Tennessee & Pacific Railroad (Lebanon Branch), bonds, 6 per cent, issued in 1877, on line from Nashville to Lebanon, Tennessee, 29.20 miles	300,000
Duck River Valley Narrow Gauge Railroad, second mortgage bonds, 6 per cent, issued in 1879, on line from Columbia to Fayetteville, Tennessee, 47.92 miles	140,000
Of which \$118,000 have been paid, leaving outstanding, due in 1909	22,000
Jasper Branch 6 per cent bonds, issued in 1883, on extension from Victoria to Inman, Tennessee, $5\frac{1}{2}$ miles, and from Victoria to Dunlap, Tennessee, 18.31 miles	371,000
Centreville Branch 6 per cent forty year bonds, issued in 1883, on line from Dickson, Tennessee, to Lewis County line, 47 miles (reduced by straightening to 45.71 miles), due January, 1923	376,000
Tracy City Branch 6 per cent bonds, issued in 1887, on line from Cowan to Tracy City, Tennessee, 20 miles, originally \$600,000, due in installments of \$20,000 per year, beginning January, 1892, until January, 1917, when the remainder, \$100,000, matures; amount now outstanding	326,000
(Thirteen having been exchanged for first consolidated mortgage bonds.)	

Bonds (5 per cent) issued to reimburse the Nashville, Chattanooga & St. Louis Railway for purchases, improvements, betterments, extensions, etc.:

1888 To change gauge of Duck River Narrow Gauge Railroad.....	\$1,000,000
1888 To make sundry improvements, betterments, etc....	500,000
1890 To make uniform rate \$20,000 per mile.....	697,000
1890 Extension of Jasper Branch to Pikeville.....	53,000
1891 Extension of Jasper Branch to Pikeville.....	347,000
1892 For purchase and improvements of Tennessee & Coosa Railroad	450,000
1892 For purchase and improvements of Tennessee & Coosa Railroad	300,000
1892 For purchase and improvements of Tennessee & Coosa Railroad	260,000
1892 For extension of Bon Air Branch to Blue Spring Mines..	40,000
1892 For extension of Tennessee & Coosa Railroad 2 miles..	40,000
1893 For purchase of an extension of Centreville Branch from Southern Iron Company.....	209,000
1893 For extension of Tennessee & Coosa Railroad.....	20,000
1893 For extension of Jasper Branch.....	60,000
1895 For extension of Centreville Branch.....	140,000
1897 Account of purchase of Rome Railroad.....	360,000
1897 For extension of Centreville Branch (Swan Creek extension)	86,000
1898 For extension of West Nashville Branch.....	54,000
1898 Account of purchase and improvement of Middle Tennessee & Alabama Railroad.....	275,000
1898 Account of purchase and improvement of Middle Tennessee & Alabama Railroad.....	300,000
1901 Account of purchase and improvement of Middle Tennessee & Alabama Railroad.....	25,000
1904 For extension Bon Air Branch.....	100,000
	\$5,316,000

In addition to the above bonds, there were issued \$500,000 of bonds on the Western & Atlantic Railroad, but they have never been sold, and hence are not set out above. Many have already been retired under the terms of the mortgage.

First consolidated mortgage forty-year 5 per cent bonds, dated April 2, 1888, authorized issue \$20,000,000, reserved to take up underlying bonds, \$10,807,000.

The following underlying bonds have been retired:

1888 Duck River Valley Narrow Gauge Railroad.....	\$250,000
1891 Nashville & Chattanooga Railroad 4 per cent bonds due United States Government.....	500,000
1892 Tracy City Branch.....	20,000
1892 Duck River Valley Narrow Gauge Railroad first mortgage.....	20,000
1892 Duck River Valley Narrow Gauge Railroad second mortgage.....	10,000
1893 Tracy City Branch.....	20,000
1894 Tracy City Branch.....	20,000
1895 Tracy City Branch.....	20,000
1895 Duck River Valley Narrow Gauge Railroad.....	2,000
1896 Bon Air Branch.....	16,000
1896 Duck River Valley Narrow Gauge Railroad.....	80,000
1896 Tracy City Branch.....	20,000
1897 Tracy City Branch.....	20,000
1898 Tracy City Branch.....	20,000
1898 Duck River Valley Narrow Gauge Railroad.....	4,000
1899 Tracy City Branch.....	20,000
1900 Tracy City Branch.....	20,000
1901 Second mortgage, 6 per cent.....	1,000,000
1901 Tracy City Branch.....	20,000
1901 Bon Air Branch.....	114,000
1902 Tracy City Branch, thirteen bonds exchanged for first consolidated 5 per cent bonds.....	13,000
1902 Tracy City Branch.....	20,000
1903 Tracy City Branch.....	20,000
1904 Tracy City Branch.....	21,000
1904 Jasper Branch, 8 per cent.....	15,000
	\$2,285,000

RECAPITULATION.

United States Government.....	\$500,000
Tracy City Branch.....	274,000
Bon Air Branch.....	130,000
Duck River Valley Narrow Gauge Railroad first mortgage.....	250,000
Duck River Valley Narrow Gauge Railroad second mortgage.....	116,000
Jasper Branch, 8 per cent.....	15,000
Second Mortgage, 6 per cent.....	1,000,000
	\$2,285,000

First consolidated 5 per cent bonds issued in lieu of above.....	\$2,285,000
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FIRST CONSOLIDATED FIVE PER CENT BONDS ISSUED FOR IMPROVEMENTS, ETC.

Duck River Valley Narrow Gauge Railroad..	\$1,000,000	
Sundry improvements	500,000	
To make uniform rate per mile.....	697,000	
Extension Jasper Branch.....	460,000	
Purchase and extension Tennessee & Coosa Railroad	1,070,000	
Extension Bon Air Branch.....	140,000	
Purchase and extension Centreville Branch..	435,000	
Purchase Rome Railroad.....	360,000	
Extension West Nashville Branch.....	54,000	
Purchase, etc., Middle Tennessee & Alabama Railroad	600,000	
	<hr/>	\$5,316,000
Total bonds—First consolidated mortgage, 5 per cent.....		\$7,601,000

The original Nashville & Chattanooga Railroad extended from Nashville to Chattanooga, a distance of 151 miles. Trains first began to run between Nashville and Chattanooga in February, 1854, though trains had been running on the road for many years prior to that time for short distances as the work progressed. Since that time it has gradually expanded until now it comprises a system of 1,226.08 miles of main line and 353.03 miles of siding, making a grand total of 1,579.11 miles.

Said mileage is represented by the following lines, which the company has subsequently purchased or leased and added to its original line:

NASHVILLE & NORTHWESTERN RAILROAD.

The Nashville & Northwestern Railroad Company was chartered by act January 22, 1852 (Acts of Tennessee, 1851-2, Chapter 74), and the charter was re-enacted and adopted by the legislature of Kentucky March 8, 1856

(2 Acts 1855-6, p. 80). The charter was amended by the following Acts of Tennessee:

Acts 1851-2, chapter 285, section 12.

Acts 1851-2, chapter 292, section 2.

Acts 1853-4, chapter 132.

Acts 1853-4, chapter 312.

Acts 1855-6, chapter 11.

Acts 1857-8, chapter 60.

Acts 1857-8, chapter 89.

Acts 1859-60, chapter 177.

Under the General Improvement laws of 1851-2, and amendments thereto, the State of Tennessee, through its Governor, endorsed the bonds of the various railroads in the State, to aid in their construction, retaining a lien on the respective roads so assisted as security therefor. Among the number was the Nashville & Northwestern Railroad Company.

Default having been made in the payment of interest on the bonds issued for its benefit, a bill was filed in the Chancery Court at Nashville in the name of the State against the Edgefield & Kentucky Railroad Company *et als.*, to which the said Nashville & Northwestern Railroad Company was also made a defendant, seeking to enforce the State's lien or statutory mortgage. This bill was filed in pursuance of an act of the legislature of 1870-1, Chapter 23, page 25, authorizing the sale of all delinquent roads.

On July 6, 1871, a decree was entered directing the said Nashville & Northwestern Railroad to be sold, at which sale the Nashville & Chattanooga Railroad Company, which subsequently changed its name to the Nashville, Chattanooga & St. Louis Railway, became the

purchaser. The amount paid for the road was \$2,400,000, in bonds of the State, with the coupons of January, 1871, and subsequent coupons attached, subject to the condition that the claim of the Nashville & Chattanooga Railroad Company against the Nashville & Northwestern Railroad Company for expenditures made under the lease of the latter road to the former, amounting to \$537,000, should be paid out of the purchase money in bonds of the State, the Nashville & Chattanooga Railroad Company agreeing to take \$700,000 of the bonds with the coupons attached in satisfaction of said debt.

This sale was confirmed November 21, 1872, as fully appears in Minute Book W, page 485, of the Chancery Court at Nashville, Tennessee.

Prior to the Chancery Court sale above mentioned, the Nashville & Northwestern Railroad Company had constructed its road from Nashville to Union City, Tennessee, under its charter, and had purchased the Hickman & Obion Railroad, which was chartered both by the legislature of Tennessee (Acts 1853-4, Chapter 307, page 685) and by that of Kentucky (2 Acts 1853-4, Chapter 781, page 348), and which road extended from Union City, Tennessee, to Hickman, Kentucky. The entire line of road from Nashville to Hickman, including that purchased from the Hickman & Obion Railroad Company, was sold under this decree, thus giving the Nashville, Chattanooga & St. Louis Railway, under this sale, a continuous line from Nashville, Tennessee, to Hickman, Kentucky, a distance of about 70 miles.

TENNESSEE & PACIFIC RAILROAD (Lebanon Branch).

The "Tennessee & Pacific Railroad Company" was chartered by act of May 24, 1866 (Acts of Tennessee, 1865-6, Chapter 88, page 252), and the road extends from Nashville to Lebanon, Tennessee, a distance of 29.21 miles. The charter was amended by act of May 26, 1866 (Acts of Tennessee, 1865-6, page 388.)

The Tennessee & Pacific Railroad was sold to the Nashville, Chattanooga & St. Louis Railway on October 1, 1877, in pursuance of a resolution of the stockholders of the Tennessee & Pacific Railroad Company, adopted at their convention at Nashville on September 12, 1877, and that of its directors, passed on October 1, 1877, and also of the resolution of the Nashville, Chattanooga & St. Louis Railway adopted September 12, 1877. The deed thereto is on record in the Register's office of Davidson County, Tennessee, in Book 58, page 537.

Prior to the date of this conveyance the entire capital stock of the Tennessee & Pacific Railroad Company, with possibly a small exception, was owned by the counties of Davidson and Wilson. The majority was owned by Davidson County. All this stock was purchased by the Nashville, Chattanooga & St. Louis Railway from said counties, as will fully appear from the records in the County Court of Wilson County, in Minute Book E, pages 302-5 and pages 348-51.

Previous to the purchase of the road and stock by the Nashville, Chattanooga & St. Louis Railway, as above set out, the Tennessee & Pacific Railroad Company had become indebted to the State of Tennessee for bonds

indorsed by its Governor to aid in its construction. This indebtedness was secured by a statutory lien or mortgage on the road. On March 28, 1872, the legislature of the State passed an act (Acts 1872, Chapter 6, page 27) authorizing this indebtedness to be compromised upon the payment by the Board of Directors of said road of \$300,000 in bonds of the State, with coupons since January, 1871, attached, one fourth cash, or twenty days thereafter, and the balance in one, two, and three years thereafter. The Nashville, Chattanooga & St. Louis Railway, under and by virtue of this act, subsequently settled with the State of Tennessee, paying the \$300,000, as provided therein, and thus secured a clean title to the road.

WINCHESTER & ALABAMA RAILROAD.

The Winchester & Alabama Railroad Company was chartered by the Acts of Tennessee, 1849-50, Chapter 56, Section 6, and the road extends from Decherd to Fayetteville, a distance of 40 miles. The charter was amended by the Acts of Tennessee, 1851-2, Chapter 43, Acts of 1851-2, Chapter 206, Acts of Tennessee, 1857-8, Chapter 8, Acts of 1859-60, Chapter 90, Acts of 1866-7, Chapter 48.

This road was sold by decree of the Chancery Court at Nashville, Tennessee, in the case of the State of Tennessee v. Edgefield & Kentucky Railroad Company *et als.*, to which the Winchester & Alabama Railroad Company was also made a defendant, seeking to enforce the State's lien or statutory mortgage. A decree of sale was entered, and the Commissioners reported that propositions were made by John Frizzell and others, and Wright & Company, to

buy the road at the minimum price fixed by the decree, which was \$300,000. Preference was given to Wright & Company, but after considerable litigation they withdrew their offer, and M. J. Wicks and J. J. Donegan purchased the road at the price mentioned. Their bids were subsequently transferred to the Memphis & Charleston Railroad Company, and on June 28, 1875, a final decree was entered in said case, confirming the sale of the road, franchises, privileges, right of way, etc., to said Memphis & Charleston Railroad Company. (See decree in Minute Book 2, page 438, in Chancery Court at Nashville, Tennessee, which decree, with proper acknowledgments, is registered in the Register's office of Warren County, in Book 7, No. 7, page 72; in Coffee County, in Book Volume No. 2, trust deeds, etc., page 4 (Book E, page 109); in Franklin County, in Book 6, page 40, and in Trust Book No. 1, page 354.) On July 28, 1877, the Memphis & Charleston Railroad Company sold this railway, together with the McMinnville & Manchester Railroad, to the Nashville, Chattanooga & St. Louis Railway for the sum of \$320,000 in bonds, and other considerations mentioned in the deed. This conveyance was registered in the Register's office of Franklin County, Book 1, page 553; in Lincoln County in Book Z, page 216; in Coffee County in Book P, page 453; in Warren County in Book 8, page 296.

THE McMINNVILLE & MANCHESTER RAILROAD.

The McMinnville & Manchester Railroad Company was chartered under the Acts of Tennessee, 1849-50, Chapter 259, p. 497, and the road extends from Tullahoma, Tennessee, to McMinnville, Tennessee, a distance of 35 miles, being part of the Sparta Branch. The charter was amended by the Acts of Tennessee, 1851-2, Chapter 269, p. 462.

This road was sold by decree of the Chancery Court at Nashville, in the case of State of Tennessee v. Edgefield & Kentucky Railroad Company *et als.*, to which the said McMinnville & Manchester Railroad was also made a defendant, seeking to enforce the State's lien or statutory mortgage. On April 7, 1871, a decree was entered in said case in Minute Book T, p. 14, ordering the sale of said McMinnville & Manchester Railroad, its franchises, property, etc. It appears that great uncertainty existed as to the right of the State to enforce said lien before the maturity of the bonds, and, in view of that fact, an agreement was entered into between all parties, and made a part of the decree, authorizing the road to be sold, and the Clerk and Master to take proof and report what would be a fair and reasonable minimum value of the property and franchises of the road in bonds of the State, said value, however, in no event to be fixed at less than \$300,000 in bonds of the State, with coupons of January, 1871, and subsequent coupons attached. The decree further provided that the McMinnville & Manchester Railroad Company should be given the exclusive right, within sixty days from the date of the fixing of such minimum

value by the court, to purchase said road at the price fixed.

On July 1, 1871, the Clerk and Master reported that \$308,750 would be a fair and reasonable price for the road, but the court, upon exceptions filed, overruled the Clerk and Master's report, and fixed the minimum price at \$300,000 in bonds of the State, with coupons of January, 1871, attached, and a decree was entered accordingly in Minute Book T, p. 358. On July 6, 1871, many matters involved were adjudicated by the court. (See decree in Minute Book T, p. 369.)

On September 30, 1871, a decree was entered reciting, among other things, that the Clerk and Master had sold the McMinnville & Manchester Railroad to the company itself, which decree is entered in Minute Book T, p. 528.

The McMinnville & Manchester Railroad Company never complied with the terms of the sale, and, on June 28, 1875, another decree was entered confirming the sale of this road and the Winchester & Alabama Railroad, together with their rights, franchises, etc., to the Memphis & Charleston Railroad Company. (See Minute Book No. 2, p. 438, which decree was duly registered in the Register's office of Warren County, in Book 7, No. 7, p. 72; in Coffee County in Book Volume No. 2, trust deeds, etc., p. 4 (Book E, p. 109); in Franklin County in Book 6, p. 40, and in Trust Book No. 1, p. 354.)

On July 28, 1877, the Memphis & Charleston Railroad Company sold this road, together with the Winchester & Alabama Railroad, to the Nashville, Chattanooga & St. Louis Railway for the sum of \$320,000 of 6 per cent currency bonds executed by the latter company January 1, 1877, and other considerations mentioned in the deed.

This deed was fully acknowledged and registered in the Register's office of Franklin County, Tennessee, in Book 1, p. 553; in Lincoln County in Book Z, p. 216; in Coffee County in Book P, p. 453, and in Warren County in Book 8, p. 296.

THE SOUTHWESTERN RAILROAD.

The Southwestern Railroad Company was chartered under the Acts of the State of Tennessee, 1851-2, Chapter 269, p. 462, and the road extends from McMinnville, Tennessee, to Sparta, Tennessee, a distance of 26 miles, and now forms a part of the Sparta Branch of the Nashville, Chattanooga & St. Louis Railway. The charter was amended by Acts of Tennessee, 1855-6, Chapter 229, p. 469, Sections 4, 9; by Acts of 1853-4, Chapter 131, p. 205, Section 11; by Acts of 1855-6, Chapter 60, p. 67, Section 5; by Acts of 1857-8, Chapter 130, p. 326, Section 2; by Acts of 1855-6, Chapter 107, p. 295; by Acts of 1859-60, Chapter 78, p. 305, Section 1.

This road was also sold by decree of the Chancery Court at Nashville, Tennessee, in the case of the State of Tennessee v. Edgefield & Kentucky Railroad Company *et als.*, to which it was made a defendant, seeking to enforce the State's lien or statutory mortgage.

On June 8, 1871, a *pro confesso* was taken against the said Southwestern Railroad Company, as per decree entered in Minute Book T, p. 406, and on the sixth of July following, the amount of indebtedness of said road to the State was adjudicated at \$553,790 and the road ordered sold. (See Minute Book T, p. 372.)

At the sale, the Southwestern Railroad Company itself became purchaser of its own road, franchises, etc. (See Minute Book T, p. 507.)

Subsequently it sold them to the Nashville, Chattanooga & St. Louis Railway. At the date of the latter sale, however, only a small part of the road had been constructed, but the Nashville, Chattanooga & St. Louis Railway, under and by virtue of the rights, franchises, etc., it had acquired by the purchase of the road, completed the road to Sparta.

THE BON AIR RAILWAY (Extension of the Sparta Branch).

The Bon Air Railway Company was chartered under the General Acts of the State of Tennessee, 1875, Chapter 142, Section 6, for the purpose of constructing a railway from Sparta, Tennessee, to the Bon Air coal fields in White County, Tennessee, a distance of $6\frac{1}{2}$ miles, with power to extend to the Kentucky State line. The road, as originally constructed, extended from Sparta to Bon Air, Tennessee, a distance of 7 miles. The charter was amended by Acts of Tennessee, 1887, Chapter 39, Sections 1, 2; Acts of 1889, Chapter 158.

On December 3, 1887, the Bon Air Railway Company, pursuant to a resolution of its stockholders and directors, executed a deed to its railroad, road-bed, right of way, sidings, depots, grounds, franchises, properties, etc., to the Nashville, Chattanooga & St. Louis Railway. The consideration paid was the assumption and payment by the latter company of the cost of constructing said road, including right of way, etc. The deed to the same is recorded in the Register's office of White County, in Book

Volume 31, p. 77. Since the purchase of this road, the Nashville, Chattanooga & St. Louis Railway has extended it from Bon Air to Ravenscroft, Tennessee, a distance of 6.83 miles, and has also extended it from DeRossette to Eastland, a distance of 8.23 miles.

HUNTSVILLE & ELORA RAILROAD (Huntsville Division).

The Huntsville & Elora Railroad Company was incorporated under the Acts of the State of Alabama, 1886-7, No. 163, p. 289, and the road extends from Elora, Tennessee, to Huntsville, Alabama, a distance of 27 miles.

On October 28, 1887, the Huntsville & Elora Railroad Company, pursuant to a resolution of its stockholders and directors, executed a deed to its railroad, sidings, depots, rights of way, franchises, etc., to the Nashville, Chattanooga & St. Louis Railway. The consideration was an agreement on the part of the vendee company to complete and operate the road from Huntsville to Elora as a standard gauge, which was done. The deed is recorded in the office of the Judge of Probate Court of Madison County, Alabama, Deed Book NNN, p. 581. The road was never chartered in Tennessee. The road from the Alabama State line to Elora, Tennessee, was built under the original charter of the Winchester & Alabama Railroad Company. None of the road was built when purchased by the Nashville, Chattanooga & St. Louis Railway, though the right of way had been secured and the greater part of the road had been graded.

THE NASHVILLE & TUSCALOOSA RAILROAD.
(Centreville Branch).

The Nashville & Tuscaloosa Railroad Company was chartered under the General Acts of the State of Tennessee, 1875, Chapter 142. The road at present extends from Dickson, Tennessee, to Allen's Creek, Tennessee, a distance of 64 miles.

On July 29, 1880, a contract was entered into between the Nashville, Chattanooga & St. Louis Railway and the Nashville & Tuscaloosa Railroad Company, by the terms of which the former company agreed to extend the road of the latter company from Graham Station to a point on the north bank of Duck River, opposite Centreville, Tennessee, a distance of about 13 miles. The road from Dickson to Graham had already been constructed. In consideration, the Nashville & Tuscaloosa Railroad Company agreed to convey to the Nashville, Chattanooga & St. Louis Railway, in fee simple, all of the railroad from Dickson, Tennessee, to Centreville, Tennessee, together with its charter, rights, franchises, etc.

Under and by virtue of this contract the Nashville, Chattanooga & St. Louis Railway built the road as provided therein, and on March 13, 1883, the Nashville & Tuscaloosa Railroad Company conveyed to it, in conformity with the agreement above referred to, all of its railroad beginning at the junction of said road with the Nashville, Chattanooga & St. Louis Railway and extending to a line in Hickman County, a distance of about 34 miles of completed road, the deed of which was duly acknowledged and registered in the Register's office of Hickman County in Trust Book No. 2, p. 552.

Under and by virtue of the same contract the Nashville, Chattanooga & St. Louis Railway subsequently extended the said road from Centreville to a point on the line separating Lewis County from Hickman County, a distance of about 13 miles, and on June 20, 1884, the Nashville & Tuscaloosa Railroad Company, in pursuance of said agreement, deeded to the Nashville, Chattanooga & St. Louis Railway that part of the road, which deed is registered in the Register's office of Hickman County, in Trust Deed Book No. 3, p. 60.

The road from Kimmins, in Lewis County, to Allen's Creek, in Wayne County, a distance of 18 miles, was built by the Southern Iron Company and sold to the Nashville, Chattanooga & St. Louis Railway on September 24, 1892, deed to which is registered in the Register's office of Lewis County in Book 1, p. 495; in Wayne County in Book T, p. 50.

When the above purchased roads were secured they were narrow gauge. The Nashville, Chattanooga & St. Louis Railway subsequently changed them to standard gauge in June, 1894.

The road from Centreville to Swan Creek, in the direction of the Duck River phosphate mines, was built by the Nashville, Chattanooga & St. Louis Railway so as to connect at Swan Creek with the road built by the phosphate company from their mines to said point. This extension was made under Acts of 1895, Chapter 152, p. 314, allowing lateral roads to be built to mines, quarries, etc., if not exceeding eight miles. The rails, etc., on the road built by the Duck River Phosphate Company from their mines to Swan Creek are owned by the Nashville, Chattanooga & St. Louis Railway.

The road from Lyles to Warner is not owned by the Nashville, Chattanooga & St. Louis Railway, though the rails, etc., on said road are owned by it.

THE DUCK RIVER VALLEY NARROW GAUGE RAILROAD (Part of Columbia Division).

The charter of the Duck River Valley Narrow Gauge Railroad Company was granted by the Chancery Court at Waverly, Tennessee, under the Acts of Tennessee, 1870-1, Chapter 54, in the case of E. L. Falconette *et als.*, *ex parte*, decree of record in the office of the Chancery Court at Waverly, Tennessee, in Minute Book 1, p. 745.

On October 2, 1879, the Duck River Valley Narrow Gauge Railroad Company leased its road, appurtenances, etc., to the Nashville, Chattanooga & St. Louis Railway for a period of forty years. After operating the road for some time under this lease, a proposition was submitted by the stockholders of the latter company to sell said road, its rights, privileges, franchises, etc., to the said Nashville, Chattanooga & St. Louis Railway, which was accepted. On November 23, 1887, in pursuance of a resolution of the stockholders of the Duck River Valley Narrow Gauge Railroad Company, held March 8, 1887, at Columbia, Tennessee, the said company executed a deed to its road, franchises, etc., to the Nashville, Chattanooga & St. Louis Railway, and the lease was formally terminated. The consideration was that the Nashville, Chattanooga & St. Louis Railway should widen said railroad track to a standard gauge and to operate the same as a standard gauge railroad; to assume certain stock notes of said Duck River Valley Narrow Gauge Railroad Company, not

exceeding \$5,517, and, in addition, \$772.10 to cover interest thereon; and the further consideration that the said Nashville, Chattanooga & St. Louis Railway should assume the mortgage debt of said railroad company as shown in two mortgages, one registered in the Register's office of Maury County in Book Z, Volume 2, p. 200, securing \$250,000 of bonds, and the other registered in Mortgage Book D, Volume 3, p. 329, to secure \$140,000 of bonds. Said deed is acknowledged and of record in the Register's office of Maury County in Book O, Volume 3, p. 484; in Marshall County in Book E, No. 2, p. 61; in Lincoln County, in record of deeds, Book S, p. 350.

The road was built from Columbia to Petersburg, Tennessee, at the time of the lease to the Nashville, Chattanooga & St. Louis Railway, and while operating under this lease was extended by the latter company to Fayetteville, Tennessee.

After the purchase of the road by the Nashville, Chattanooga & St. Louis Railway it was changed from narrow to standard gauge, and now forms part of the Columbia Division, from Columbia to Fayetteville, a distance of 48 miles.

*SEQUATCHIE VALLEY BRANCH.

What is known as the Sequatchie Valley Branch, that is, the road from Bridgeport, Alabama, to Pikeville, Tennessee, with a branch road from Victoria to Inman, may be divided into three parts: (1) The road from Bridgeport, Alabama, to Jasper, Tennessee, a distance of

*This branch has recently been extended from Bridgeport, Alabama, a distance of 10.39 miles, toward Doran's Cove.

12 miles, (2) the road from Jasper to Pikeville, a distance of 45 miles, (3) the road from Victoria to Inman, a distance of 5 miles. These three subdivisions were acquired by the Nashville, Chattanooga & St. Louis Railway in different ways. For convenience the first will hereafter be called the Jasper Branch; the second, the Pikeville Branch, and the third, the Inman Branch.

The Jasper Branch, from Bridgeport to Jasper, was built by the Nashville, Chattanooga & St. Louis Railway, under and by virtue of acts of the legislatures of both Tennessee and Alabama. (Acts Tennessee, 1857-8, Chapter 161, p. 382; Acts Alabama, 1859-60, No. 216.)

The Pikeville Branch, from Jasper to Pikeville, was authorized to be constructed by the Sequatchie Valley Railroad Company, which corporation was chartered by the Acts of Tennessee, 1868-9, Chapter 11, p. 93, Section 30, to construct a road from Jasper, in Marion County, to Pikeville, in Bledsoe County. After its incorporation the company built the road from Jasper to Victoria, and on January 27, 1877, in pursuance of a resolution of its stockholders and directors, it sold said road, right of way, franchises, etc., to the Nashville, Chattanooga & St. Louis Railway. The consideration was the assumption on the part of the latter company of all the liabilities of said Sequatchie Valley Railroad Company, amounting to about \$75,000. The deed is registered in the Register's office of Marion County, Tennessee, in Book L, Volume 1, p. 308. After the purchase, as aforesaid, the Nashville, Chattanooga & St. Louis Railway extended the road from Victoria to Pikeville under the charter of the Sequatchie Valley Railroad Company.

The Inman Branch, from Victoria to Inman, was built by the Tennessee Coal, Iron & Railroad Company under its charter, by the Acts of Tennessee, 1859-60, Chapter 198, p. 582, which authorized the building of branch roads to connect its mines with railways. After its completion, the said Tennessee Coal, Iron & Railroad Company, in pursuance of a resolution of its stockholders and directors, sold this road, franchises, etc., to the Nashville, Chattanooga & St. Louis Railway on January 1, 1883. The consideration paid was eighty-eight \$1,000 bonds of the Nashville, Chattanooga & St. Louis Railway. A deed to said road is registered in the Register's office of Marion County in Book N, Volume 1, p. 340.

TRACY CITY BRANCH.

This road was originally built by the Sewanee Mining Company, a corporation chartered by the Acts of Tennessee, 1851-2, Chapter 284, p. 521, which charter was amended by the Acts of Tennessee, 1853-4, Chapter 298, p. 620, so as to authorize the company to "construct a railroad or roads, with one or more tracks, to be used with steam, animal, or other power, from any point or points on the Nashville & Chattanooga Railroad to any or all the coal mines or lands now owned, or that may hereafter be owned by said Sewanee Mining Company on the Cumberland Mountains, etc."

After its construction a suit was filed by Thomas Richardson against the company in the Circuit Court of the United States at Nashville, Tennessee, and a judgment was rendered in his favor for a large amount. The road and other real estate of the company was levied

upon to satisfy the judgment. At the sale which followed, Thomas Richardson became the purchaser of the road, franchises, etc., and a deed was duly executed to him on May 15, 1860, and registered in the Register's office of Franklin County in Book Z, p. 290; in Marion County in Book H, p. 487. Thomas Richardson conveyed the road, franchises, etc., to John Cryder on June 19, 1860, a deed to which is registered in the Register's office of Franklin County in Book 1, p. 26; in Marion County in Book H, p. 598; in Grundy County in Book D, p. 531.

John Cryder, *et al.*, conveyed the road to the Tennessee Coal & Railroad Company, which subsequently changed its name to the Tennessee Coal, Iron & Railroad Company on August 31, 1866, the deed to which is registered in the Register's office of Franklin County in Book 2, p. 362; in Marion County in Book I, p. 158; in Grundy County in Book E, p. 424.

On January 1, 1887, the Tennessee Coal, Iron & Railroad Company, in pursuance of a resolution of its stockholders, adopted October 12, 1886, conveyed to the Nashville, Chattanooga & St. Louis Railway the railroad, telegraph lines, franchises, etc., of what is now known as the Tracy City Branch. The road commences at a point in Franklin County, on the Main Line of the Nashville, Chattanooga & St. Louis Railway known as the "V," just west of the entrance to the tunnel under Cumberland Mountains, and runs thence up the west side of the said mountain through Sewanee to Tracy City, a distance of about 18 miles.* The consideration paid was six hundred \$1,000 bonds, of which number, however, one hundred

*This branch has recently been extended from Tracy City to Coal-mont, a distance of about 7 miles.

were to be retained by the Nashville, Chattanooga & St. Louis Railway and appropriated to the improvement and equipment of the road. A deed to said road, franchises, etc., is registered in the Register's office of Franklin County in Book 12, p. 501; in Grundy County in Book H, p. 599; in Marion County in Book Q, p. 404.

TENNESSEE & COOSA RAILROAD (Part of Huntsville Division).

The Tennessee & Coosa Railroad Company was chartered under the Acts of the State of Alabama, 1844-5, No. 220, p. 170, and extends from Huntsville, Alabama, to Gadsden, Alabama, a distance of about 73 miles, forming a part of the present Huntsville Division, which extends from Elora, Tennessee, to Gadsden, Alabama. The charter was amended by the following Acts of Alabama: 1866-7, No. 183, p. 163; 1857-8, No. 295, p. 310; 1872-3, p. 422; 1890-1, pp. 154, 568, 1068; 1886-7, p. 63; 1855-6, No. 316, p. 322; 1869-70, p. 290, No. 245, Section 2; 1857-8, No. 152, p. 162, Section 2.

On April 6, 1891, the Tennessee & Coosa Railroad Company, in pursuance of the respective resolutions of its directors and stockholders, passed in the city of Huntsville, Alabama, on March 31, 1891, sold its road, property, franchises, etc., to the Nashville, Chattanooga & St. Louis Railway. The consideration paid was the cancellation of a debt of over \$400,000 due by the said Tennessee & Coosa Railroad Company to the said Nashville, Chattanooga & St. Louis Railway; the further cancellation of \$105,000 of the first and only mortgage bonds of the Tennessee & Coosa Railroad Company, which bonds

were held and owned by the Nashville, Chattanooga & St. Louis Railway; and the agreement on the part of the said Nashville, Chattanooga & St. Louis Railway that it would pay to each stockholder of said vendor company the par value of his stock on surrender of the certificate thereof, and complete the line of road to a point at or near Gunter's Landing, on the Tennessee River, and thence across said river to some point on its line of railroad north of said river, so as to form a continuous line of road from Gadsden, Alabama, to Nashville, Tennessee. The deed of conveyance is registered in the office of the Judge of Probate Court of Marshall County in Book S, p. 277; in Etowah County in Book 31, p. 366. A deed had been previously executed to the road, which is of record in the office of the Judge of Probate Court of Marshall County in Book S, p. 236, and in Etowah County in Book R, p. 304, which deed was corrected and supplanted by the one above referred to.

At the time of the purchase only about 30 miles of road, commencing at Gadsden and extending in the direction of the Tennessee River, had been built. It has since been completed to Huntsville, Alabama, by the Nashville, Chattanooga & St. Louis Railway.

SHELBYVILLE BRANCH.

What is known as the Shelbyville Branch, that is, the branch from Wartrace to Shelbyville, a distance of about 8 miles, was built by the Nashville, Chattanooga & St. Louis Railway under and pursuant to an act of the legislature of the State of Tennessee, 1849-50, Chapter 266, Section 3, passed January 19, 1850. The act referred to provided, among other things, that "the Shelbyville

Branch, and such other branches of the Nashville & Chattanooga Railroad as may be made, shall have all the rights and privileges, and shall be placed in all respects on the same footing with the Nashville & Chattanooga road."

THE WEST NASHVILLE RAILWAY.

The West Nashville Railway Company was chartered under the General Acts of the State of Tennessee, 1875, Chapter 142. The charter is registered in the Register's office of Davidson County in Book 103, p. 1, and in the Secretary of State's office in Book F, p. 126. The road extends from a point on the Northwestern Division, about 2½ miles from the Nashville depot, to a point on the Cumberland River, about 6.26 miles.

The road was purchased from the West Nashville Railway Company by the Nashville Land & Improvement Company, and on July 6, 1887, the Nashville Land & Improvement Company, in pursuance of a resolution of its directors and stockholders, sold the West Nashville Railway, its rights, franchises, etc., to the Nashville, Chattanooga & St. Louis Railway. The consideration paid was an agreement on the part of the Nashville, Chattanooga & St. Louis Railway to operate the road and charge thereon for freight and passengers according to a scale set out in the deed, which is recorded in the Register's office of Davidson County, Tennessee, in Book 109, p. 47.

WESTERN & ATLANTIC RAILROAD (Leased).

The Western & Atlantic Railroad was authorized to be built by an act of the State of Georgia, approved December 21, 1836, and amended by acts of December 23, 1837; December 29, 1838 (two acts); December 18, 1838; December 21, 1839; December 24, 1840; December 26, 1845; December 4, 1841; December 19, 1842; December 22, 1843; December 24, 1845; December 27, 1845; December 30, 1847; December 23, 1847; February 23, 1850 (two); February 8, 1850. The road extends from the city of Atlanta, Georgia, to the city of Chattanooga, Tennessee, a distance of 138 miles, and is owned by the State of Georgia. On November 12, 1889, the legislature of that State passed an act authorizing the road to be leased. Advertisement was made for bids, in conformity to the provisions of the act, and the Nashville, Chattanooga & St. Louis Railway submitted a proposition, in writing, offering to lease the road, together with all its appurtenances of every kind and character, subject to the provisions of the act, for a period of twenty-nine years, and agreeing to pay therefor the sum of \$35,100 per month as rental for the same. The bid was accepted June 30, 1890, and on July 19, 1890, the Governor of the State formally executed the lease contract, which was to take effect immediately after the termination of a then existing one which had been executed on December 27, 1870, and was to expire twenty years thereafter.

THE ROME RAILROAD.

The Rome Railroad Company was chartered by the Acts of the State of Georgia, 1839, p. 105, and the road extends from Kingston, Georgia, to Rome, Georgia, a distance of 18 miles. The charter was amended by the following Acts of the State of Georgia: 1845, p. 145; 1847, p. 170; 1849-50, p. 243; 1866, p. 128; 1872, p. 365; December 17, 1892; 1893, p. 89.

On December 31, 1896, the Rome Railroad Company, in pursuance of a resolution of its directors and stockholders, held at its principal office in Rome, Georgia, prior to the date above mentioned, sold its road, properties, rights, and franchises to the Nashville, Chattanooga & St. Louis Railway. The consideration paid was the sum of \$200,000, and this now forms the Rome Branch of the Nashville, Chattanooga & St. Louis Railway. The deed thereto is registered in the Superior Court of Floyd County, Georgia, in Book CCC of deeds, p. 96, No. 60; and in Bartow County in Book GG, p. 409.

MIDDLE TENNESSEE & ALABAMA RAILWAY.

This road extends from Fayetteville, Tennessee, to Jeff, Alabama, a distance of about 30 miles,* and now forms the Middle Tennessee & Alabama Branch of the Nashville, Chattanooga & St. Louis Railway.

On July 20, 1887, the Decatur, Chesapeake & New Orleans Railway Company was chartered under the

*This road has recently been extended 6.54 miles to Lax Station, Alabama.

General Acts of Tennessee, 1875, Chapter 142, to run from Alabama State line to Gallatin, Tennessee, connecting at the line of Lincoln County and the State of Alabama with a railroad projected by a corporation chartered under the laws of Alabama, to extend from Decatur to the said State line, and which two corporations formed, in reality, the Decatur, Chesapeake & New Orleans Railway Company. The Tennessee charter was registered July 28, 1887, in the office of the Secretary of State of Tennessee in Book F, p. 157; in the Register's office of Lincoln County in Trust Deed Book No. 8, p. 22. The Alabama charter was registered in the office of the Secretary of State of Alabama in Corporate Book C, p. 126.

On June 25, 1889, the Decatur, Chesapeake & New Orleans Railway Company executed to the American Loan & Trust Company of New York, as trustee, a mortgage or deed of trust known as its first mortgage, conveying its entire railway, properties, etc., to secure an issue of \$3,000,000 bonds, of which number \$1,330,000 were subsequently issued.

Default being made in the payment of the coupons, a bill was filed by the said trustee in the Circuit Court of the United States in Tennessee and Alabama to foreclose said mortgage, which suit was prosecuted to completion by the "State Trust Company" as a successor trustee.

On November 16, 1892, a decree of foreclosure and sale was entered in the said Circuit Court of the United States for the Middle District of Tennessee, at Nashville, and on November 23, 1892, a similar one was entered in the Circuit Court of the United States for the Northern District of Alabama.

On January 2, 1893, the railroad, properties, etc., were sold at public auction in conformity with the terms of the decree, and were purchased by J. Edward Simmons and associates, as trustees, under and in pursuance of a certain plan of reorganization of the said Decatur, Chesapeake & New Orleans Railway Company.

The sale was confirmed by decree of the Federal Court on January 7, 1893, and a deed executed to J. Edward Simmons *et als.*, which deed is registered in the Register's office of Bedford County in Deed Book No. 1, p. 544; in Moore County in Deed Book No. 5, p. 121; in Lincoln County in Deed Book Z, p. 581.

On January 31, 1893, the said J. Edward Simmons, *et als.*, composing the reorganization committee as aforesaid, met in Nashville for the purpose of becoming incorporated as the purchasers of the property and franchises of said railroad company, and, to this end, filed, on February 24, 1893, a certificate in the office of the Secretary of State of Tennessee, under the provisions of Section 1514 of the Code of Tennessee (Shannon's), and of the Acts of Tennessee, 1877, Chapter 12, Section 2; 1885, Chapter 84. Certificates for a similar purpose were filed with the Secretary of State of Alabama on March 9, 1893, under Section 1596 *et seq.* of the Code of Alabama, 1836, and Section 1181 *et seq.* of Code of 1896.

The name of the new corporation was "The Middle Tennessee & Alabama Railway Company," and on March 20, 1893, J. Edward Simmons, *et als.*, transferred and conveyed to it the railroad, franchises, etc., acquired by them, the deed to which is registered in the Register's office of Lincoln County in Book No. DD, p. 129.

In December, 1893, the Middle Tennessee & Alabama Railway Company executed two mortgages to the State Trust Company, as trustee; the first to secure \$350,000 of bonds on its railroad, franchises, etc., which bonds were known as the first mortgage bonds; the second, to secure an issue of \$750,000 of bonds, pledging the same property, subject, however, to the first mortgage.

Default having been made in the payment of the coupons, a foreclosure bill was filed in the Circuit Court of the United States for the Middle District of Tennessee, at Nashville, and a supplemental bill filed January 25, 1897, and such proceedings were had and entered that on March 8, 1897, a decree of sale was entered at Nashville authorizing the road, franchises, etc., to be sold. (See Minute Book DD, p. 122.) A similar decree was also entered March 25, 1897, in the United States Circuit Court for the Northern Division of the Northern District of Alabama, in said case, the same being in the nature of an ancillary proceeding filed in said latter court.

The property was offered for sale on May 5, 1897, and Joseph Dickson became the purchaser at the sum of \$150,000, as will fully appear in the Master's report filed in Book BB, p. 216, at Nashville.

On May 17, 1897, a deed was executed by the Special Master to Joseph Dickson, which deed is registered in the Register's office of Bedford County in Book No. 5, p. 54; in Moore County in Book No. 6, p. 236; in Lincoln County in Book No. EE, p. 85, and in the office of the Judge of Probate Court of Madison County, Alabama, in Volume 80 of deeds, p. 429.

On October 13, 1897, Joseph Dickson and wife sold the railroad, easements, franchises, etc., to the Nashville,

Chattanooga & St. Louis Railway. The deed is registered in Bedford County in Book 5, p. 394; in Moore County in Book 6, p. 406; in Lincoln County in Book FF, p. 27; in Madison County, Alabama, in Volume 83 of deeds, p. 231; in Limestone County, Alabama, in Volume 58 of deeds, p. 379.

CHATTANOOGA TERMINAL RAILWAY.

The Chattanooga Terminal Railway Company was chartered under the General Acts of the State of Tennessee, 1875, Chapter 142, Section 6.

On July 29, 1895, the Chattanooga Terminal Railway Company leased to the Nashville, Chattanooga & St. Louis Railway for a period of ten years from August 15, 1895, its railroad track and right of way extending from a connection in the city of Chattanooga with the tracks of the said Nashville, Chattanooga & St. Louis Railway, and running northwesterly toward and near the old Roane Iron Works, on the banks of the Tennessee River, in said city, and as described in a deed from the Southern Iron Company to C. E. James, as trustee, which deed is registered in the Register's office of Hamilton County in Book G, Volume 4, p. 463. The consideration agreed to be paid was \$188 per month so long as its exclusive use was enjoyed or otherwise a pro rata of that amount, as fully set out in the lease, which is registered in the Register's office of Hamilton County in Book Y, Volume 5, p. 450.

The charter of the Chattanooga Terminal Railway is registered in the Register's office of Hamilton County, Tennessee, in Book B, Volume 5, p. 671; in the Secretary of State's office in Book S, p. 613.

PADUCAH & MEMPHIS DIVISION (Leased).

This division is made up of the Tennessee Midland Railway and the Paducah, Tennessee & Alabama Railroad, which form a continuous line from Paducah, Kentucky, to Memphis, Tennessee, a distance of about 230 miles, which, with the Perryville Branch from Lexington, Tennessee, to Perryville, Tennessee, makes the total mileage of this division 254.20 miles.

THE TENNESSEE MIDLAND RAILWAY was chartered under the General Acts of the State of Tennessee, 1875, Chapter 142. In order to raise funds to construct its road it issued and disposed of its first mortgage bonds to the amount of \$1,491,000, and of its second mortgage bonds to the amount of \$1,220,000, which bonds were guaranteed by the Paducah, Tennessee & Alabama Railroad. Default being made in the payment of the coupons, the St. Louis Trust Company, as trustee, on October 28, 1893, filed a bill in the Circuit Court of the United States for the Western Division of the Western Judicial Circuit of Tennessee at Memphis, and afterward, on July 1, 1895, a supplemental bill, seeking to foreclose said mortgages. Under these proceedings the road was sold to J. W. Phillips for the sum of \$1,000,000, and a deed to same was executed to him.

On December 14, 1895, J. W. Phillips sold said road, properties, franchises, etc., to the Louisville & Nashville Railroad Company, the deed to which is registered in Shelby County in Book 250, p. 220; Fayette County in Book 21, p. 213; in Hardeman County in Book KK, p. 108; in Madison County in Book 54, p. 479; in Hender-

son County in Book 15, p. 103; in Decatur County in Book 13, p. 261.

On December 14, 1895, the Louisville & Nashville Railroad Company executed a temporary lease of this road, together with the Paducah, Tennessee & Alabama Railroad, to the Nashville, Chattanooga & St. Louis Railway.

The Tennessee Midland Railway was chartered to extend from Memphis to a point on the Virginia State line at or near its crossing of Clinch River, in Hancock County. At the time of the lease, however, the road had only been constructed from Memphis to Perryville, on the Tennessee River, a distance of about 135.6 miles; that part of the road from Lexington, Tennessee, where it connects with the Paducah, Tennessee & Alabama Railroad, to Perryville, Tennessee, a distance of about 24 miles, is now operated as the Perryville Branch of the Nashville, Chattanooga & St. Louis Railway.

THE PADUCAH, TENNESSEE & ALABAMA RAILROAD COMPANY was formed by the consolidation of the Paducah & Tennessee Railroad Company, a corporation of Kentucky; the Paducah & Tennessee Railway Company, a corporation of Tennessee, and the Paducah & Tennessee Railroad Company, a corporation of Tennessee.

The Paducah & Tennessee Railroad Company, of Kentucky, was chartered by 2 Acts of Kentucky, 1853-4, Chapter 681, p. 251, as amended by 1 Acts of Kentucky, 1873, Chapter 315, p. 394, approved March 5, 1873; 1 Acts 1887-8, Chapter 300, p. 634, approved February 25, 1888.

The Paducah & Tennessee Railway Company, of Tennessee, and the Paducah & Tennessee Railroad Com-

pany, of Tennessee, were both chartered under the General Acts of Tennessee, 1875, Chapter 142, Section 6.

On July 1, 1889, the stockholders of the above companies met at their respective offices and unanimously voted to consolidate their roads. On July 15, 1889, articles of consolidation and agreements were drawn up and signed by the respective companies, and the new company so organized was given the name of the Paducah, Tennessee & Alabama Railroad Company. These articles were properly acknowledged and registered in the Secretary of State's office of Tennessee in Book P, p. 622. By an act of the Kentucky Legislature which became a law August 6, 1892 (Acts 1891-2-3, p. 211), this consolidation was ratified and approved.

The Paducah, Tennessee & Alabama Railroad Company, in order to raise funds to construct its road, issued and disposed of a series of bonds, secured by mortgage on its railroad, properties, franchises, etc. Default being made in the payment of the coupons, the St. Louis Trust Company, as trustee, on October 28, 1893, filed a bill in the Circuit Court of the United States (in equity) for the District of Kentucky, at Paducah, and subsequently, on July 1, 1895, a supplemental bill, asking a foreclosure of said mortgage. Under these proceedings the property was sold to J. W. Phillips, who secured the property for the sum of \$1,000,000. On November 29, 1895, a decree was entered confirming the sale, and in December, 1895, a deed was executed to the said J. W. Phillips by the Special Masters.

On December 14, 1895, J. W. Phillips sold said road, franchises, etc., to the Louisville & Nashville Railroad Company, the deed to which is registered in the Register's

office of Henry County, Tennessee, in Book 4, p. 502; in Carroll County, Tennessee, in Book 14, p. 559; in Henderson County, Tennessee, in Book 15, p. 106; in McCracken County, Kentucky, in Book 51, p. 235; in Graves County, Kentucky, in Book 15, p. 391; in Marshall County, Kentucky, in Book 24, p. 293; in Calloway County, Kentucky, in Book 8, p. 59.

On December 14, 1895, the Louisville & Nashville Railroad Company executed a temporary lease of this road, together with the Tennessee Midland Railroad, which latter road it had also purchased, as above set out.

On September 9, 1896, a permanent or formal lease of the two roads (in one instrument) was drawn up and signed by the Louisville & Nashville Railroad Company and the Nashville, Chattanooga & St. Louis Railway. (Contract 3940.) The lease was to be operative for a period of ninety-nine years from that date, at a rental of \$154,650 per annum, payable semi-annually. This was 5 per cent on the amount paid by the Louisville & Nashville Railroad Company (for the Tennessee Midland Railway, \$1,491,864; for the Paducah, Tennessee & Alabama Railroad, \$1,601,235; total, \$3,093,000) for the two roads. The lease further provided that, should the Louisville & Nashville Railroad Company be called upon to expend additional sums for improvements, etc., on the two roads, an additional rental should be paid of 5 per cent on the amount or amounts so expended.

When the Nashville, Chattanooga & St. Louis Railway leased the Paducah, Tennessee & Alabama Railroad, it had been completed and was in operation from Paducah, Kentucky, to Lexington, Tennessee, a distance of about 118.18 miles, at which point, as before stated, it con-

nected with the Tennessee Midland Railway, thus forming a continuous line with the latter road from Paducah, Kentucky, to Memphis, Tennessee, and is now operated as the Paducah & Memphis Division of the Nashville, Chattanooga & St. Louis Railway.

The lease to the Nashville, Chattanooga & St. Louis Railway was attacked by a bill filed in the United States Circuit Court for the Middle District of Tennessee by J. S. Rogers, a stockholder of the Nashville, Chattanooga & St. Louis Railway, in behalf of himself and other stockholders, but the bill was dismissed by the court. On appeal, however, to the United States Circuit Court of Appeals, the decree of the Circuit Court dismissing the bill was reversed and the case remanded for further proceedings, the court holding that the directors of a railroad corporation existing under the laws of Tennessee had no power to conclude a lease of any line of road until the lease had been approved by the vote of three fourths in amount of the capital stock of that company represented and voting at a regular or called meeting of stockholders. (Rogers v. Nashville, Chattanooga & St. Louis Railway, 91 Federal Reporter, 299.)

On October 18, 1900, after the return of the case to the Circuit Court, the bill was dismissed upon the agreement of defendants to pay the costs, which was done, the lease having been ratified and approved on September 21, 1900, by a vote of the holders of three fourths of the capital stock of the Nashville, Chattanooga & St. Louis Railway.

BIRMINGHAM SOUTHERN RAILROAD COMPANY.

	MILES	
Birmingham, Alabama, to No. 8 Mine, Alabama.....	9.23	
Pratt City, Alabama, to Stockton, Alabama.....	4.12	
Woodstock, Alabama, to Blocton, Alabama.....	8.10	
Pratt City, Alabama, to No. 1 Mine, Alabama.....	.85	
Blocton, Alabama, to No. 2 Mine, Alabama.....	1.10	
Blocton, Alabama, to No. 3 Mine, Alabama.....	1.29	
Ensley Belt, in and around Ensley, Alabama.....	1.68	
	26.37	

THE BIRMINGHAM SOUTHERN RAILROAD COMPANY was incorporated by special act of the legislature of the State of Alabama, approved February 17, 1899 (Acts 1898-9, p. 976; Contract 4796, Part 3), which was obtained at the instance of the members and officers of the Tennessee Coal, Iron and Railroad Company with the purpose of enabling that company by the transfer of its railroad property in Alabama to the Birmingham Southern Railroad Company to secure the benefits and advantages which through practical experience it had been demonstrated would accrue from the operation of that part of its property by an independent railroad corporation.

By that act of incorporation the Birmingham Southern Railroad Company was empowered "to survey, locate, construct, and operate lines of railroad, with one or more tracks of rails; first, a line of railroad from the city of Birmingham, in the county of Jefferson, in the State of Alabama, in a southerly direction to the town of Blocton, in the county of Bibb, in the State of Alabama, by way of the town of Bessemer, in Jefferson County, and the town of Woodstock, in Bibb County, Alabama, with such branch lines as may appear desirable to said company; second, a line of railroad from the city of Birmingham, in the county

of Jefferson, in the State of Alabama, in a westerly direction, by way of the towns of Thomas, Pratt City, and Ensley, in said county, to the town of Wylam, in said county, with branches from said main line to Coalburg, Blossburg, and such other points as may appear desirable to said company; third, a line of railroad from Birmingham, in said county and State, in a southerly direction to the town of Oxmoor, in said county and State, with such branch lines from this main line as may appear desirable to said company; fourth, a line of railroad from Bessemer, in said county and State, running in a general direction along Red Mountain, in said county and State, to the various ore mines now being operated, or which may hereafter be operated, on said Red Mountain, with such branch lines as may appear desirable to said company; and that said company is hereby further authorized and empowered to survey, locate, and construct, alter, maintain, and operate additional lines of railroad with one or more lines of tracks of rails, or extensions of the lines of railroad hereinbefore specified, with the further rights to survey, locate and construct, alter, maintain, and operate branches in any direction, from any part or parts of said lines of railroad now or hereafter to be constructed, on or along such route or routes as may be deemed best by the said company, or found accessible from the said city of Birmingham or other terminus, extending the same through the county of Jefferson and the counties adjacent thereto, or into any other county in the State of Alabama, for the purpose of developing the mineral property along said lines of railroad or branches, and for transporting the products thereof to market or to seaboard, and for such other purposes as may appear advantageous to said com-

pany; and on such railroad and branches said company is authorized to take and carry, for hire, persons and property, using such motive power, or such combination of different motive powers, as it may deem best: Provided, That said company shall not be required to build any greater portion of such lines of road as above authorized than it may from time to time find to its interest to do." And the company was further empowered to construct its line of road and branches to any point on any stream or on any of the navigable waters of the State, and to such landings or depots as the company may choose to establish along or at the terminus of any such line or lines, "and to acquire by purchase any line or lines of railroad that are now or may hereafter be constructed in this State, and to connect the same with its other line or lines of railroad, or to operate the same separately, as it may see fit; and to purchase, own, charter, or hire tugs, barges, and steamboats and every kind of water craft." And the company was further empowered to consolidate with any other railroad company or companies by a two thirds vote of the stockholders of each of such corporations.

The capital stock was fixed at \$1,200,000, of which \$600,000 was to be common stock and \$600,000 preferred stock, with a provision for the increase of the capital stock by a vote of the stockholders.

By act of the legislature of Tennessee of March 24, 1860 (Laws 1859-60, p. 582), the "Tennessee Coal and Railroad Company" was incorporated with power to construct and operate "a railroad or roads, with one or more tracks to be run with steam, animal, or other power, from any point or points on the Nashville & Chattanooga Railroad to any mineral lands on the Cumberland Mountains, and

to such other places as the stockholders of said company may deem best and expedient for the interest of said company."

By amendment of September 16, 1881, to its charter the name of the corporation was changed to the "Tennessee Coal, Iron and Railroad Company." (Recorded in office of Secretary of State of Tennessee, Book D, p. 587.)

By act of the legislature of Alabama, approved February 10, 1893 (Acts of 1892-3, p. 454), the Tennessee Coal, Iron and Railroad Company, described as a corporation doing business in the State, but created by and existing under the laws of the State of Tennessee, was "vested with all the rights, powers, privileges, franchises, and immunities conferred by the general laws of the State of Alabama upon corporations organized under the general laws of the State of Alabama for mining, manufacturing, or industrial purposes." And the company was further empowered to construct and operate such railroads as might be necessary or advisable in connecting separate parcels of the property of the company, or in the conduct and management of the business of the company, or for such other purposes as it might find necessary.

On May 26, 1899, the Birmingham Southern Railroad Company, the Louisville & Nashville Railroad Company, and the Southern Railway Company entered into certain traffic arrangements with the Tennessee Coal, Iron and Railroad Company (Contract No. 4796, Part 1), reciting that the Tennessee Coal, Iron and Railroad Company, in consideration of stock of the Birmingham Southern Railroad Company, had agreed to convey to that company "all of its existing railway tracks, depots, railway equipment, and other appurtenances, right of way, and other

real estate in the Birmingham District in Alabama belonging to the said Tennessee Coal, Iron and Railroad Company and the Alabama Steel and Shipbuilding Company, and the Birmingham Southern Railroad Company, and intended for the use of either the Tennessee Coal, Iron and Railroad Company or the Birmingham Southern Railroad Company for railroad purposes," and also that the Tennessee Coal, Iron and Railroad Company had agreed to sell to the Louisville & Nashville Railroad Company and the Southern Railway Company all the stock of the Birmingham Southern Railroad Company.

By deed of date June 28, 1899 (No. 4291), the Tennessee Coal, Iron and Railroad Company conveyed to the Birmingham Southern Railroad Company all property belonging to it in the State of Alabama, and constituting or connected with its railroad and railroad system in said State, the consideration recited being all of the capital stock of the Birmingham Southern Railroad Company, whether common or preferred, except five shares issued to personal incorporators.

On July 25, 1899, the Louisville & Nashville Railroad Company and the Southern Railway Company entered into a contract (No. 4796, Part 2), reciting that they had purchased the entire capital stock of the Birmingham Southern Railroad Company and owned the same in exactly equal amounts, and regulating the election of directors and the control of the corporation in their respective interests.

On July 1, 1900, the Birmingham Southern Railroad Company and the Louisville & Nashville Railroad Company entered into an agreement by which the Birmingham Southern Railroad Company undertook to afford to

the Louisville & Nashville Railroad Company certain terminal facilities in consideration of stated monthly payments. This contract (No. 5169, Part 1) provides that it "shall continue in force until July 1, 1920, and thereafter until either party thereto shall terminate the same by serving upon the other six months' notice in writing of its election to do so."

The roads owned and operated by the Birmingham Southern Railroad Company are certain lines in and about the city of Birmingham, Alabama, including a line extending from the city of Birmingham to the town of Pratt City and thence to the towns of Stockton and Ensley and beyond, and a line extending from Woodstock to Blocton, together with certain terminal tracks in and about various industries.

CENTRAL TRANSFER, RAILWAY & STORAGE COMPANY.

Track in city of Louisville67 mile.

An ordinance of the General Council of the city of Louisville, approved December 4, 1882, granted to H. A. Dumesnil the authority to construct and operate a single or double track railroad, having a third rail, commencing on the west line of the Louisville & Nashville Railroad track where it crosses Ormsby Avenue at or near Ninth Street, if extended, running thence west and down Ormsby Avenue to the east line of the Chesapeake, Ohio & Southwestern Railroad on Fourteenth Street. And the ordinance required the grantee to extend the line north on Fourteenth Street to the north side of Oak Street to connect with the Public Elevator tracks. Work was

commenced on the tracks authorized by this ordinance on February 26, 1883, and thereafter on August 1, 1883, H. A. Dumesnil and Mary Dumesnil executed to H. Dumesnil a deed transferring four fifths of the railroad thus constructed, and on the same date the same grantors executed to the Louisville & Nashville Railroad Company a deed conveying the remaining one fifth of that railroad. Prior to these transfers, however, to wit, June 12, 1883, H. A. Dumesnil executed a mortgage on said property to J. H. Lindenberger, trustee, to secure the payment of twenty coupon bonds of \$1,000 each, payable July 1, 1903, and bearing interest at the rate of 6 per cent per annum, payable semi-annually. By act of the General Assembly of Kentucky approved April 16, 1884 (2 Acts 1883-4, p. 82), the Central Transfer Company was incorporated with power to purchase, enjoy, and operate said railroad and all the property, rights, and franchises acquired by H. A. Dumesnil under the ordinance of December 4, 1882. The authorized capital stock of the company was \$50,000, all of which has been issued, and it was empowered to borrow money not to exceed the capital stock, and also to assume payment of individual bonds executed by H. A. Dumesnil. On April 24, 1884, H. Dumesnil and the Louisville & Nashville Railroad Company executed a deed to the Central Transfer Company, conveying "their road-bed, right of way, and tracks beginning on the west line of the Louisville & Nashville Railroad track where it crosses Ormsby Avenue at or near Ninth Street, if extended, running thence west and down Ormsby Avenue to the east line of the Chesapeake, Ohio & Southwestern Railroad about Fourteenth Street, and north on

Fourteenth Street to or near the public elevator grounds on the north side of Oak Street," and also all the franchises, rights, and property of whatsoever kind appurtenant to said railroad. Thereafter by act approved April 23, 1890 (Acts 1889-90, p. 1136, Volume II), the charter of the Central Transfer Company was amended so as to change its name to the CENTRAL TRANSFER, RAILWAY AND STORAGE COMPANY, the amendment also confirming, ratifying, and approving the purchase of the road described, and authorizing the company to hold, operate, and maintain the road "during its corporate capacity."

In June, 1899, the Louisville & Nashville Railroad Company, which then owned one fifth of the stock of the Central Transfer, Railway & Storage Company, purchased from the Southern Railway Company, which owned the remaining four fifths of the stock, sufficient additional stock to make each of the companies the owner of one half of the stock, and thereafter on July 29, 1899, the Southern Railway Company and the Louisville & Nashville Railroad Company entered into a contract (No. 4904) providing for the joint control of the property and affairs of the Central Transfer, Railway & Storage Company. At the date of that contract the Louisville & Nashville Railroad Company owned nine of the twenty outstanding mortgage bonds secured by mortgage of June 12, 1883, and the Southern Railway Company owned none of them, but prior to the maturity of the bonds the Southern Railway Company acquired ten of the bonds and the Louisville & Nashville Railroad Company acquired an additional bond, thus making them equal owners of the bonds as well as of the capital stock. Subsequently, pursuant to agreement, twenty new bonds of \$1,000 each of

date January 1, 1905, maturing July 1, 1924, and bearing 5 per cent interest, were executed by the Central Transfer, Railway & Storage Company in lieu of the individual bonds executed by H. A. Dumesnil, which matured July 1, 1903, and to secure the payment of those bonds a mortgage of same date was executed to the Columbia Finance & Trust Company, as trustee, on the property and franchises of the Central Transfer, Railway & Storage Company. (Contract No. 18.)

GEORGIA RAILROAD AND DEPENDENCIES.

	MILES
Main Line—Augusta, Georgia, to Atlanta, Georgia.....	171
Athens Branch—Union Point, Georgia, to Athens, Georgia	40
Washington Branch—Barnett, Georgia, to Washington, Georgia	18
Macon Branch—Camak, Georgia, to Central Railroad Junction, Georgia	74
Central of Georgia Railway (Trackage)—Macon Branch Junction, Georgia, to Macon, Georgia	4
Gainesville, Jefferson & Southern Railroad—Gainesville, Georgia, to Social Circle, Georgia, 52 miles; Belmont, Georgia, to Jefferson, Georgia, 13 miles—total.....	65
Augusta Belt Railway.....	7
Milledgeville Railway.....	6
Lexington Terminal Railroad.....	4
Atlanta & West Point Railroad—Atlanta, Georgia, to West Point, Georgia.....	87
Western Railway of Alabama—West Point, Georgia, to Selma, Alabama	138
	— 614

THE GEORGIA RAILROAD COMPANY was incorporated by act of the General Assembly of Georgia, approved December 21, 1833, with power to construct a railroad between the city of Augusta and some point in the interior of the State to be agreed upon by the stockholders, to be called the Union Railroad; and power was given to con-

struct branch railroads running to Athens, Eatonton, and Madison. The charter provided that:

“The company shall have the exclusive privilege of constructing railroads from any point in this State within twenty miles of the road herein designated as the Union Road and its branches, leading to Eatonton, Athens, and Madison, continuously to the city of Augusta, for and during the term of thirty-six years.”

It was further provided by the charter that:

“The said Georgia Railroad Company shall, at all times, have the exclusive right of transportation or conveyance of persons, merchandise, and produce over the railroad and railroads to be by them constructed, while they see fit to exercise the exclusive right: *Provided*, That the charge of transportation or conveyance shall not exceed fifty cents per hundred pounds on heavy articles, and ten cents per cubic foot on articles of measurement for every one hundred miles; and five cents per mile for every passenger: *Provided, always*, That the said company may, when they see fit, rent or farm out all or any part of their exclusive right of transportation or conveyance of persons, on the railroad or railroads, with the privilege to any individual or individuals, or other company, and for such terms as may be agreed upon, subject to the rates above mentioned. And the said company, in the exercise of their right of carriage or transportation of persons or property, or the persons so taking from the company the right of transportation or conveyance, shall, so far as they act on the same, be regarded as common carriers.”

By amendment of December 18, 1835, the name of the corporation was changed to the Georgia Railroad & Banking Company, and the capital stock was fixed at \$2,000,000, with a proviso that not more than one half the capital should be used for banking purposes “until the comple-

tion of the road to Athens and one of the southern branches through Greensborough to be designated by vote of the stockholders; at which time any capital stock unemployed may be used for banking purposes." It was further provided by the amendment that no exclusive privilege or right of the road extended to the corporation by its charter should prevent the State from granting a charter to any company that might thereafter apply for a railroad to run from Macon to the Tennessee State line, or from granting any charter or charters to construct any road to cross said road at any point west of Eatonton or Madison or Athens.

By amendment of December 22, 1835, the company was authorized to construct a branch to Warrenton, in Warren County, Georgia, and thence to Sparta, or any part thereof.

By amendment of December 25, 1837, the company was authorized and empowered to continue its road from the town of Madison, in Morgan County, to pass through or near Covington, in the county of Newton, to connect with and join the railroad to be constructed by the State from the Tennessee line near the Tennessee River to the southeastern bank of the Chattahoochee River.

By amendment of December 23, 1840, it was provided that not more than one third of the stock of the company should be held by foreigners.

By act approved January 21, 1852, the Georgia Railroad & Banking Company was authorized to consolidate its stock with that of the Washington Railroad or Plank Road Company, the two companies, after the consolidation of their stocks, to be known as one corporation under the name and style of the Georgia Railroad & Banking Company.

By act of December 11, 1858, the company was authorized to extend the Eatonton Branch of its road from Greensborough or Madison or from any point between those places to the town of Eatonton, and to increase its capital stock by an amount sufficient for that purpose.

By act approved October 5, 1868, the company was empowered to extend its road from or near the city of Athens to the town of Clayton, in Rabun County, and was authorized to increase its capital stock, provided such increase should not exceed \$2,000,000.

By act approved March 19, 1868, the company was authorized to lend money to or to endorse the bonds of the Macon & Augusta Railroad Company to finish the Macon & Augusta Railroad to Macon, provided such loan or endorsement should not exceed the sum of \$500,000, and the Macon & Augusta Railroad Company was authorized to execute a special mortgage upon its property and franchises to secure the loan.

By act approved October 12, 1870, the company was authorized to increase its capital stock to a sum not to exceed the sum of \$5,000,000 for the purpose of enabling it to rebuild its depots and machine shops and renew its rolling stock.

By act approved February 4, 1873, the action of the stockholders and directors of the company in aiding the objects of the incorporation of the Port Royal Railroad Company by placing its endorsement upon the bonds of the latter company to the amount of \$500,000 was legalized and recognized as if originally authorized by law.

By act approved February 27, 1875, the Georgia Railroad & Banking Company and the Central Railroad & Banking Company of Georgia, either or both, were

authorized to become purchasers of the Western Railroad of Alabama, its property and franchises, or any part thereof, at any sale or sales of the same that might be made in Georgia or Alabama, or both, or to acquire and hold stock in the Western Railroad Company of Alabama or any new corporation that should be organized to take the place of the same under the laws of either the State of Georgia or Alabama, or both. By this amendment it was further provided that it should be lawful for either the Georgia Railroad & Banking Company or the Central Railroad & Banking Company to make any contract with the persons controlling any connecting line of railroad, by which such connecting line might aid in supplying the means for and effecting said purchase, and be interested in the same upon such terms as the parties might agree on. And the companies named were authorized, conjointly or separately, to issue their bonds to such extent as might be necessary to effect such purchase, not exceeding the amount of the bonds secured by existing mortgages aggregating \$2,595,000, under which the property was advertised for sale.

THE WESTERN RAILROAD OF ALABAMA was sold under foreclosure on May 10, 1875, and purchased for the joint account of the Georgia Railroad & Banking Company of Georgia and the Central Railroad & Banking Company of Georgia as authorized by act approved February 27, 1875. The existing corporation (Western Railway of Alabama) was chartered March 15, 1883, and took formal possession of the road April 1, 1883. The capital stock of \$3,000,000 is jointly owned by the Georgia Railroad & Banking Company and the Central of Georgia Railway Company.

By act approved February 26, 1877, the Georgia Railroad & Banking Company was authorized to issue bonds to an amount not exceeding \$1,000,000 to be used to meet and pay outstanding bonds, and indorsed and guaranteed bonds of the company.

By two other acts of the same date the company was given full power and authority to purchase or lease the property, franchises, and equipment of the Macon & Augusta Railroad Company in Georgia and the Port Royal Railroad in Georgia and South Carolina.

As authorized by those acts the Macon & Augusta Railroad (now the Macon Branch) was bought by the Georgia Railroad & Banking Company March 2, 1880, subject to the first mortgage, which has since been paid off.

On May 7, 1881, the Georgia Railroad & Banking Company executed a lease to William M. Wadley and his assigns, whereby it conveyed to them for the term of ninety-nine years from April 1, 1881, all privileges of transporting persons, merchandise, produce, and every kind of property whatsoever over the lines of railroad owned or controlled by said corporation, and did rent and farm out to the said William M. Wadley certain lines of railroad. And on May 17, 1881, William M. Wadley granted to the Louisville & Nashville Railroad Company an equal joint control and management of the Georgia Railroad and its dependencies, together with one half interest in all advantages and profits resulting therefrom, it being provided by the contract that the Georgia Railroad and its dependencies shall be managed by a board of six commissioners to be appointed annually, three to be chosen by the Louisville & Nashville Railroad Company and the other three by such other party as may

control the other half interest in the lease, said six commissioners to choose a seventh. (Contract 217, Part 2.) And on June 1, 1881, by a like agreement between William M. Wadley and the Central Railroad & Banking Company of Georgia the other half interest in the lease was vested in that company.

Thereafter, on January 19, 1893, the Central Railroad & Banking Company of Georgia, through its proper officers and through Hugh M. Comer, the receiver thereof, did, under the orders of the Circuit Court of the United States for the Eastern Division of the Southern District of Georgia, through its proper officers and through Hugh M. Comer, the receiver thereof, assign its interest in the lease to the Mercantile Trust Company as security for certain indebtedness set out in the contract, and the interest in the lease was afterward put up and exposed for sale at public outcry in the city of New York in pursuance of the stipulations and powers in the contract of January 19, 1893, and of a stipulation entered into under an order of the Circuit Court of the United States for the Eastern Division of the Southern District of Georgia, dated August 26, 1895. And at that sale the Mercantile Trust Company became the purchaser of the half interest in the lease, and thereafter assigned such half interest to Samuel Thomas and Thomas F. Ryan. And thereafter, on February 2, 1898, Samuel Thomas and Thomas F. Ryan assigned to the Louisville & Nashville Railroad Company the undivided half interest in the lease thus assigned to them. (Contract 217, Part 5.)

Some question having arisen as to whether the Central of Georgia Railway Company was not entitled to the benefit of the purchase made by the Mercantile Trust

Company, the Central of Georgia Railway Company, by a writing dated February 28, 1898, assigned to the Louisville & Nashville Railroad Company whatever interest it might have in the one half of the lease which the Central Railroad & Banking Company of Georgia formerly held and enjoyed. (Contract 217, Part 7.)

On July 1, 1899, the Louisville & Nashville Railroad Company assigned to the Atlantic Coast Line Railroad Company a one-half interest in the lease of the Georgia Railroad, and thereafter, on September 12, 1899, the board of directors of the Georgia Railroad & Banking Company by resolution approved that assignment, the resolution reciting the position of the Georgia Railroad & Banking Company to be that the lease* was as to the rights of the lessor the lease of an undivided whole for a fixed and indivisible sum, and that the rental was a partnership obligation binding severally and jointly upon the holders of the lease. (Contract 217, Part 13.)

AUGUSTA BELT RAILWAY.—The company owning this road was chartered under the general railroad law of Georgia April 8, 1896, under the corporate name of "Augusta Belt Railway Company." Capital stock of \$65,000 owned by the Louisville & Nashville Railroad Company and the Atlantic Coast Line Railroad Company, each owning one half.

MILLEDGEVILLE RAILWAY.—The company under whose charter this road was constructed was the "Milledgeville & Asylum Dummy Railroad Company," originally chartered by an act of the legislature of Georgia approved December 24, 1888. To this company the Old Capital Railroad Company became the legal successor with all the powers, privileges, and franchises of the original

company. The property and franchises of the Old Capital Railroad Company were sold at the end of regular proceedings in the Superior Court of Baldwin County under a foreclosure of a mortgage, a receiver being appointed, who conveyed to the purchaser at the sale, Samuel Lumpkin, all the property and franchises of the original company and its successor. Thereafter, on February 14, 1856, Samuel Lumpkin and his associates were incorporated under the general railroad law of the State as "Milledgeville Railway Company." The Louisville & Nashville Railroad Company and the Atlantic Coast Line Railroad Company own the capital stock of \$30,000, each owning one half.

LEXINGTON TERMINAL RAILROAD.—This road was constructed by "The Lexington Terminal Railroad Company," the charter of which was granted by an act of the Georgia Legislature approved October 24, 1887. The property and franchises of that corporation were sold pursuant to the terms of a mortgage or deed of trust, and the purchasers at that sale became incorporated under the general railroad law of Georgia on February 13, 1900, under the name of the original corporation. Of the authorized capital stock of \$50,000 only \$6,600 has been issued, of which the Louisville & Nashville Railroad Company and the Atlantic Coast Line Railroad Company, as lessees of the Georgia Railroad, are the owners, each owning one half. Road opened October 1, 1889.

ATLANTA & WEST POINT RAILROAD.—This road was built under the charter of Atlanta & Lagrange Railroad Company, granted by act of the Georgia Legislature approved December 27, 1847. The name of the corporation was changed to "Atlanta & West Point Railroad Com-

pany" by act assented to December 22, 1857. Of the authorized capital stock of \$2,500,000 (25,000 shares), only 12,322 shares have been issued, of which the Louisville & Nashville Railroad Company and the Atlantic Coast Line Railroad Company, as lessees of the Georgia Railroad, control 5,472 shares, with a voting power of 273 additional shares. While this road is included here in the mileage of the Georgia Railroad and dependencies, the company has a separate organization and management.

ATLANTA BELT LINE.—The Atlanta Belt Line Company was incorporated under the general railroad law of the State of Georgia as contained in the Code of that State, Sections 2159 to 2179, inclusive, the certificate of incorporation of that date being granted by the Secretary of State. The company was chartered to build a road from a connection with the Atlanta & West Point Railroad and Central of Georgia Railway through the territory south and east of the city of Atlanta to a connection with the Georgia Railroad and Seaboard Air Line in the eastern part of the city of Atlanta, near its eastern boundary, with the further right to extend its track from that point across to a connection with the Southern Railway at any point it might select between the connection of that road with the Georgia Railroad and the station thereon known as Belt Junction. The approximate length was stated to be 9 miles. On October 20, 1899, the incorporators met, accepted the charter, and opened books of subscription. By lease of date November 30, 1900, the company leased its road to the Atlanta & West Point Railroad Company from the date thereof until April 1, 1980, the lease including certain trackage and terminal rights acquired by the lessor from

the Central of Georgia Railway Company and the lessees of the Georgia Railroad (Contract 5306). That lease was authorized at the first meeting of the stockholders, which was held October 20, 1899. The entire authorized capital stock of \$500,000 was subscribed, one half each by the Atlantic Coast Line Railroad Company and the Louisville & Nashville Railroad Company, but only 4,000 shares were issued, of which each of those companies now owns one half. The mileage of this line, which extends from Oakland to Atlanta, Georgia, a distance of 6 miles, is not included in the mileage of the Georgia Railroad and dependencies; nor is it included in any way as a part of the mileage operated or controlled by the Louisville & Nashville Railroad Company.

AUGUSTA UNION STATION.—The Augusta Union Station Company was incorporated under the laws of Georgia on April 17, 1901, a certificate of incorporation of that date being granted by the Secretary of State. (Contract 6183.) The purpose of its incorporation was declared to be that “of constructing, equipping, maintaining, and operating a railroad to be located entirely within the city of Augusta, Richmond County, Georgia, whose general direction will be on such line as may be necessary to connect several of the railroads centering in said city of Augusta. The total length of the proposed line of railroad to be about one half ($\frac{1}{2}$) mile.”

The capital stock was fixed at \$75,000 in shares of \$100 each, the Louisville & Nashville Railroad Company and the Atlantic Coast Line Railroad Company, jointly as lessees of the Georgia Railroad, subscribing for \$25,000 of the stock, and the Atlantic Coast Line Railroad Com-

pany separately and the Southern Railway Company each subscribing for \$25,000 of the remainder.

By a contract of date August 1, 1903, the Augusta Union Station Company granted to the Southern Railway Company, the Atlantic Coast Line Railroad Company, the lessees of the Georgia Railroad (Louisville & Nashville Railroad Company and Atlantic Coast Line Railroad Company), the Charleston & Western Carolina Railway Company, and the Augusta Southern Railroad Company the right to use its station and terminal facilities for the term of fifty years, beginning on August 1, 1903. (Contract 5745, Part 2.)

AUGUSTA & SUMMERVILLE RAILROAD.—This road, which is four (4) miles in length, and connects the roads entering the city of Augusta, Georgia, with one another and with industries in and near Augusta, was built by the "Augusta & Summerville Railroad Company" under a charter granted by the Georgia Legislature by act of March 20, 1866, for a period of thirty years. The company was given valuable exclusive privileges, and had valuable and exclusive contracts and concessions from the City Council of Augusta. Its charter was renewed January 18, 1896, for a period of fifty (50) years under the general railroad law of Georgia, but without any of the special privileges which it had enjoyed under its original charter. Of the capital stock of \$200,000, twenty-five per cent is owned jointly by the Louisville & Nashville Railroad Company and the Atlantic Coast Line Railroad Company as lessees of the Georgia Railroad, the remaining seventy-five per cent being owned by the Southern Railway Company, the Central of Georgia Railway Company, and the Charleston & Western Carolina Railway Company.

The stock owned by the lessees of the Georgia Railroad was purchased by them from the other three companies by contract of date March 1, 1900, which provides for a reorganization of the company and for the control of the property.

CHICAGO, INDIANAPOLIS & LOUISVILLE RAILWAY
COMPANY.

	MILES	
(a) Lines owned (total 508.85 miles)—		
Main Line—New Albany to Michigan City, Indiana	288.86	
Chicago Division—State Line, Illinois, to Massachusetts Avenue, Indianapolis, Indiana	161.94	
Bedford & Bloomfield Branch—Bedford, Indiana, to Switz City, Indiana	40.29	
French Lick Springs Branch—Orleans to French Lick Springs, Indiana	17.76	
(b) Leased Lines—		
Indian Stone Railroad—Harrodsburg to Clear Creek, Indiana	9.22	
(c) Trackage rights (total 73.44 miles)—		
Chicago & Western Indiana Railroad—Indiana State Line to Chicago	19.86	
Lake Erie & Western Railway—Massachusetts Avenue to Union Depot in Indianapolis. . . .	1.76	
Pittsburgh, Cincinnati, Chicago, & St. Louis Railway—New Albany, Indiana, to Louisville, Kentucky	6.42	
Illinois Central Railroad—Switz City to West of Linton	10.00	
Gospport Junction to Switz City, Indiana (for coal traffic only)	35.40	
Total length of lines operated June 30, 1904. . . .	591.51	

This company was organized March 31, 1897, under the laws of Indiana, by the purchasers of the property and franchises of the Louisville, New Albany & Chicago Railway Company, which were sold under foreclosure March 10, 1897, and purchased in the interest of the bondholders. The Chicago, Indianapolis & Louisville Railway Company

took possession of the property on or about July 1, 1897. Under an agreement with Messrs. J. P. Morgan & Company, dated May 20, 1902, the Louisville & Nashville Railroad Company, jointly with the Southern Railway Company, acquired the following shares of the capital stock of the Chicago, Indianapolis & Louisville Railway Company: 38,734 shares preferred stock; 97,469 shares common stock. The entire issue of stock outstanding was then 50,000 shares of preferred stock and 105,000 shares of common stock, of the par value of \$100 each. (Contract 5987, Part 1.)

July 1, 1902, the Louisville & Nashville Railroad Company and the Southern Railway Company entered into an agreement for the administration of the shares of capital stock jointly owned by them so that at all times the interest of each of the companies might be equal; and of same date the two companies executed a deed of trust to the Standard Trust Company of New York, transferring to that company the shares of stock thus purchased to secure the payment of the joint bonds of the two railway companies, not to exceed in all fifteen million five hundred thousand (\$15,500,000) dollars, to be issued in payment for said stock. (Contract 5987, Parts 2 and 3.) Of these joint bonds, maturing July 1, 1952, known as the Louisville & Nashville-Southern-Monon Collateral Joint Four Per Cent Gold Bonds, there have been issued to date (June 30, 1904) bonds amounting to \$11,827,000, of which the proportion of the Louisville & Nashville Railroad Company is \$5,913,500. Of this proportion there are owned by the Louisville & Nashville Railroad Company bonds amounting to \$43,000, and there are outstanding in the hands of the public bonds amounting to \$5,870,500.

Under date of May 1, 1903, a contract was entered into with the Pennsylvania Company for the joint use of that part of its Indianapolis & Vincennes Division between Switz City and Gosport Junction for a period of ten years, to be used by the Chicago, Indianapolis & Louisville Railway Company for coal traffic only. This contract may be terminated by either party on two years' notice.

THE LOUISVILLE, NEW ALBANY & CHICAGO RAILWAY—The following is a history of the Louisville, New Albany & Chicago Railway Company, substantially as given in Poor's Manual of Railroads for the year 1892:

The company which built the first portion of the present Louisville, New Albany & Chicago Railway was the New Albany & Salem Railroad, chartered July 8, 1847, to build a railroad between the points named in its title, a distance of 35 miles. Work was begun in 1849, and the road completed and opened for traffic January 13, 1850. The legislature, in 1848 and the two succeeding years, by amendments to the charter, empowered the company to extend its road to any place within the State that it might select, and under the authority thus received work was begun on the extension to Michigan City in the fall of 1850. It was completed and opened for traffic July 4, 1854. The section from Crawfordsville to Lafayette was built by the Crawfordsville & Wabash Railroad Company, completed in 1852, and was purchased by the New Albany & Salem Railroad Company. Originally the line for 45 miles out from New Albany was laid with a heavy strap rail, but it was replaced with T-rail in 1855 and 1856.

Default was made on bond interest in 1857, and in August of that year application was made for the appointment of a receiver, but it was refused. The name of the

company was changed to Louisville, New Albany & Chicago Railroad Company on October 24, 1859. A receiver was appointed in September, 1868, and in June, 1869, the company was reorganized. Default was again made in 1871, and on December 27, 1872, the road was sold under foreclosure and purchased for account of the first mortgage bondholders, who organized a new company January 2, 1873, under the present corporate title.

On May 5, 1881, a consolidation was effected between the Louisville, New Albany & Chicago Railway Company and the Chicago & Indianapolis Air Line Railway Company, the consolidated company retaining the name of the former. In the consolidation \$3,450,000 stock was issued to stockholders of the Louisville, New Albany & Chicago Railway Company, being dollar for dollar for the \$3,000,000 old stock, and a bonus of 15 per cent to equalize values, and \$1,550,000 to stockholders of the Chicago & Indianapolis Air Line Railway Company; a total consolidation issue of \$5,000,000. There were also issued \$2,300,000 6 per cent bonds on the Chicago & Indianapolis Division to provide means for extending that road to Chicago and to Indianapolis.

The Chicago & Indianapolis Air Line Railway Company was successor, after foreclosure sale in 1880, to the Indianapolis, Delphi & Chicago Railroad Company, which was organized September 3, 1872, to build a narrow gauge railroad from Indianapolis to Chicago, and which completed forty miles from Rensselaer to Delphi, opening it September 4, 1879. The Air Line Company extended the road from Rensselaer to Dyer, 43 miles, prior to its consolidation with the Louisville, New Albany & Chicago Railway Company.

Immediately after the consolidation the company began the work of broadening to the standard gauge the completed portion of the Air Line Division, and of extending it to Chicago and Indianapolis. On January 9, 1882, the northern extension was completed to a junction near Hammond with the Chicago & Atlantic, 1½ miles of whose track was used to give connection with the Chicago & Western Indiana, over which trains were run from Hammond into Chicago. Work had also been pushing forward on the extension from Delphi south, and it was completed to Howland's Junction, a point about 4 miles north of Indianapolis, in October, 1882. There was some delay in opening the road, the first train, and that only a local, not running into Indianapolis before March 24, 1883, and the first through train not before May. The tracks of the Lake Erie & Western were used from Howlands to Indianapolis. Early in 1884 the use of the Chicago & Atlantic was discontinued, the company having extended its line 1½ miles near Hammond, forming a direct connection with the Chicago & Western Indiana.

In 1881 the company purchased depot grounds in Louisville, Kentucky, and in 1882 it contracted with the Pennsylvania Company, operating the Jeffersonville, Madison & Indianapolis, for the use of the tracks of the latter company between New Albany and the Louisville Bridge, and with the Louisville Bridge & Depot Company for the use of the bridge and tracks of that company to reach the depot in Louisville. Under date of October 2, 1883, the directors, ignoring the contract with the Louisville Bridge Company and without consulting the stockholders, made a like contract with the Kentucky & Indiana Bridge Company for the use of that company's bridge for ninety-

nine years from completion of same, at a yearly rental of \$65,000. This contract was rejected at the annual meeting in 1884, but in July, 1889, without the approval of the stockholders, another agreement was signed with the Kentucky & Indiana Bridge Company, and immediately thereafter the executive officers discontinued the use of the Louisville Bridge, sending all their trains into Louisville over the Kentucky & Indiana bridge, thereby subjecting the company to charges for the use of both bridges. This action of the directors produced the most unfriendly relations with the Pennsylvania and the Louisville & Nashville, the latter refusing to interchange traffic with this road.

Under date of March 1, 1889, the directors took a thirty-year lease of the Louisville Southern Railroad from Louisville to Burgin, Kentucky, 83 miles, and that lease was ratified by the stockholders of both companies. Another contract made with the same company October 19, 1889, for the lease of the Lexington Extension for thirty years from January 1, 1890, was entered into without the consent of the stockholders, as was also one made October 9, 1889, with the Ohio Valley Improvement & Contract Company (a construction company having the contract to build the Richmond, Nicholasville, Irvine & Beattyville Railroad from Versailles to Beattyville, Kentucky, 94 miles), by which the directors agreed to guarantee principal and interest of \$2,300,000 bonds to be issued upon the Beattyville road, in consideration of which they were to receive three fourths of the stock of the Richmond, Nicholasville, Irvine & Beattyville Railroad Company.

On March 12, 1890, the board of directors resigned and a new management was installed. One of the first acts was to repudiate the contract with the Kentucky & Indiana Bridge Company, the guarantee of the bonds of the Beattyville Railroad, and the lease of the Lexington Extension. At the same time a committee was appointed to go over the Main Line of the Louisville Southern road and report upon its condition, and the result of this examination was that the construction company was called upon to put the road in as good condition as the contract called for or reduce the rental, the only other alternative being the cancellation of the lease. While the negotiations with regard to these questions were pending, the Louisville Southern Railroad Company, on March 27, 1890, took possession of its railroad, both Main Line and Lexington Extension, and obtained from a court of the State of Kentucky an injunction restraining this company from disturbing it in the possession and operation of its property.

A suit was brought by the company against the Louisville Southern for breach of contract in forcibly taking possession of its property within the year's notice required by the terms of the lease, and one against the preceding management and the Ohio Valley Company to restrain them from issuing \$1,185,000 bonds of the Beattyville road, upon which the guarantee of the company had been placed. Another suit was brought to annul the repudiated contract of July 19, 1889, with the Kentucky & Indiana Bridge Company. In all three suits the decisions were in favor of the Louisville, New Albany & Chicago Railway Company. The contract was declared illegal, as were also the guarantee of the Beattyville bonds and

the lease of the Lexington Extension, and the Louisville Southern was put under a bond in the sum of \$200,000 for the purpose of indemnifying this company for any damages it might have sustained by reason of the seizure.

In April, 1891, a syndicate composed of New York capitalists and others, after hearing the report of a committee appointed to go over the road and examine into its condition and prospects, agreed to advance \$1,960,000 to take up the floating debt, etc., receiving in return the \$2,800,000 general mortgage bonds referred to below, and \$1,400,000 new stock. Upon the condition of this agreement a new management was elected and all litigation discontinued.

In the organization of January 2, 1873, the old stock was entirely wiped out, and there were issued to the purchasing bondholders \$3,000,000 new stock in lieu of the bonds they had surrendered. There were no bonds issued till 1880, when the \$3,000,000 first mortgage, Main Line, 6 per cent thirty-year bonds of July 1, 1910, were issued and sold to the stockholders for 20 per cent of their face value, the proceeds being expended on repairs to the road and rolling stock.

By the consolidation of May 5, 1881, as stated elsewhere, the share capital was increased to \$5,000,000 and the bonded debt by the issue of \$2,300,000 first mortgage 6 per cent bonds, secured on the Chicago & Indianapolis Division. Of the latter, \$1,850,000 were issued to the contractors who had built the completed portion of that division, and \$450,000 were sold and proceeds applied toward completing the extensions to Hammond and to Howland's Junction and procuring equipment for the new line. To provide means for completing the Air Line Divi-

sion, paying off the floating debt, purchasing new equipment, and for other purposes, provision was made in 1883 for an issue of second mortgage 6 per cent bonds to the amount of \$1,000,000, secured on the whole road, and to run five years from February 1, 1883, and \$855,000 of them were issued forthwith, the remaining \$145,000 being held in the treasury till 1886, when they also were issued.

A general mortgage to secure \$3,000,000 6 per cent thirty-year bonds, due April 1, 1914, was executed in 1884, and \$2,000,000 were issued, the balance being deposited in trust to be exchanged for second mortgage bonds, but those bonds were recalled in 1886 and canceled, and a new consolidated mortgage placed upon the market. The authorized issue of consols was placed at \$10,000,000, of which \$8,300,000 was reserved for the prior mortgages. The second mortgage bonds were paid off in 1888, and the great majority of the holders of them availed themselves of that provision in the consolidated mortgage allowing them to exchange their holdings for new consols.

In May, 1890, the company authorized an issue of \$12,800,000 general mortgage 5 per cent fifty-year \$1,000 gold bonds, due May 1, 1940, of which \$10,000,000 are reserved to be issued only in exchange for old bonds, and the balance to be applied to the payment of floating debt and to other purposes of the company. The \$2,800,000 bonds, to be issued for the purpose stated above, were held in the treasury till April, 1891, when they were issued to the syndicate which secured control of the property.

PART IV.

LINES OWNED BY LOUISVILLE & NASHVILLE RAILROAD COMPANY, BUT OPERATED BY OTHER COMPANIES.

PADUCAH & MEMPHIS DIVISION.

This division having been leased by the Louisville & Nashville Railroad Company to the Nashville, Chattanooga & St. Louis Railway by lease of date September 9, 1896 (Contract 3940), its history appears as a part of the history of the Nashville, Chattanooga & St. Louis Railway. (*Ante*, p. 347.)

CLARKSVILLE & PRINCETON BRANCH.

That part of the Clarksville & Princeton Branch from Gracey, Kentucky, to Princeton, Kentucky, a distance of 20.70 miles, was leased by the Louisville & Nashville Railroad Company to the Ohio Valley Railway Company by lease of date July 26, 1892 (Contract No. 2877). For history of this branch see page 156 of this volume.

THE CECILIA BRANCH.

This branch was built by the Elizabethtown & Paducah Railroad Company, incorporated by act of Kentucky Legislature, approved March 5, 1867 (2 Acts 1867, p. 253), and was sold August 24, 1876, under decree of the United States Circuit Court for the District of Kentucky, rendered

April 19, 1876, the name of the corporation which built the road having previously been changed to the Louisville, Paducah & Southwestern Railroad Company, by act approved February 23, 1874 (Acts 1873-4, p. 516). At that sale Morris K. Jessup, George T. Webb, and John T. Moore became the purchasers, and the property was conveyed to them by Eli H. Murray, Commissioner, by deed bearing date January 12, 1877, and was subsequently conveyed by them to the Louisville & Nashville Railroad Company by deed bearing date March 1, 1877. (Deed No. 1033.) Operation, however, was begun by the Louisville & Nashville Railroad Company in January, 1877, under contract of purchase entered into November 24, 1876. The road was leased by the Louisville & Nashville Railroad Company December 23, 1881, to the Chesapeake, Ohio & Southwestern Railway Company, and was sold and conveyed December 19, 1901, to the Chicago, St. Louis & New Orleans Railway Company (controlled by Illinois Central), successor of the Chesapeake, Ohio & Southwestern Railway Company, the lease having given the lessee the right to purchase. This branch is covered by mortgage of date March 1, 1877, executed by the Louisville & Nashville Railroad Company to the Union Trust Company of New York, trustee, to secure bonds amounting in the aggregate to \$1,000,000, bearing 7 per cent interest, and maturing March 1, 1907. Of these bonds \$195,000 are outstanding. Subject to that mortgage this branch is also covered by the General Mortgage of date June 1, 1880, executed by the Louisville & Nashville Railroad Company to the Central Trust Company of New York, trustee, to secure \$20,000,000 of 6 per cent bonds, of which \$8,239,000 are outstanding.

APPENDIX

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*STATEMENT SHOWING DATE AND AMOUNT OF EACH
INCREASE OF THE CAPITAL STOCK OF THE
LOUISVILLE & NASHVILLE RAILROAD
COMPANY.

Original authorized capital stock-----\$3,000,000 00

The following is a list of stock dividends paid by the Company:

No.	Rate.	Declared.	Payable.	Memorandum.
1	¼%	Oct. 8, 1861.	Jan. 1, 1862.	Minute Book 2, p. 4.
2	10%	Jan. 2, 1864.	Apr. 1, 1864.	Minute Book 2, p. 64.
3	40%	Nov. 16, 1867.	Feb. 10, 1868.	Minute Book 2, p. 252.
4	100%	Oct. 6, 1880.	Dec. 1, 1880.	Min. Book 3, pp. 242-6.
5	2%	Jan. 9, 1888.	Mar. 12, 1888.	Minute Book 5, p. 110.
6	3%	July 26, 1888.	Sept. 3, 1888.	Minute Book 5, p. 243.
7	2%	Jan. 9, 1889.	Feb. 11, 1889.	Minute Book 5, p. 318.
8	3%	July 18, 1889.	Aug. 19, 1889.	Minute Book 5, p. 460.
9	3%	Jan. 6, 1890.	Feb. 6, 1890.	Minute Book 6, p. 9.
10	1 ² / ₈₈ %	July 2, 1890.	Aug. 4, 1890.	Minute Book 6, p. 140.

The first direct increase of the capital stock by action of the Board of Directors was made November 16, 1867 (Minute Book 2, p. 252), in order to pay dividend No. 3 of 40 per cent then declared. On June 30, 1867, the stock liability was \$5,492,638. The resolution of the Board fixed the capital stock at \$10,000,000. The payment of the dividend, \$2,376,548, increased the stock liability to \$7,869,186, and this was further increased to \$8,780,501 at the close of the fiscal year 1868-9 by redemption of stock scrip and the payment of stock dividends.

From 1867 to 1880 the stock debt of the Company gradually increased, until on June 30, 1880, it reached (Comptroller's File 9812) \$9,059,361.

*Taken from letter of date April 19, 1895, from J. H. Ellis, Secretary, to H. W. Bruce, Assistant Chief Attorney, Law Department File No. 22,551.

On July 1, 1880, the cost of the Main Stem and branches amounted to.....	\$18,585,135 00
The capital stock then outstanding amounted to.....	9,065,000 00
Cost of Main Stem and branches in excess of outstanding stock.....	\$9,520,135 00
On October 6, 1880, the Board of Directors declared a stock dividend of 100% on \$9,065,000.....	9,065,000 00
Cost of Main Stem and branches in excess of stock liabilities.....	\$455,135 00
But the total net earnings to the credit of profit and loss on October 1, 1880, amounted to.....	\$3,671,383 00
which was insufficient to pay the full amount of the 100% stock dividend.	

The Board appointed a committee to re-value the assets of the Company (Minute Book No. 3, pp. 276, 302), and authorized the necessary entries to be made on the books of the Company. The following re-valuation was made and profit and loss credited therewith:

Evansville, Henderson & Nashville Div....	\$2,300,000
Cecilia Branch.....	800,000
New Orleans & Mobile stock.....	4,000,000
Stock in Eureka Company.....	40,000
Stock in Nashville & Decatur.....	68,546
Glasgow Railroad Bonds.....	3,680
	<u>\$7,212,226 00</u>
Total credit to profit and loss, October, 1880.....	\$10,883,609 00
From which deduct the 100% dividend.....	9,065,000 00
Leaving a net credit to profit and loss in excess of 100% stock dividend of.....	<u>\$1,818,609 00</u>
After the payment of the 100% stock dividend, the capital stock of the Company stood at.....	\$18,133,513 00
In 1882-3 the Company received from the city of Louisville.....	3,080,000 00
of stock which had been held as collateral and not reported as a part of the capital stock, making the total stock as of June 30, 1883 (Annual Report 1882-3, p. 7).....	<u>\$21,213,513 00</u>

By resolution adopted October 4, 1884 (Minute Book 3, p. 439), the capital stock was increased from the sum of \$21,213,513.17 to the sum of \$30,000,000, as follows :

Outstanding June 30, 1882.....	\$18,133,513 00
Released by city of Louisville.....	3,080,000 00
	<hr/>
	\$21,213,513 00
Increase under the resolution above recited.....	8,786,487 00
	<hr/>
	<u>\$30,000,000 00</u>

The city stock and the new issue were both listed on the Stock Exchange; and \$3,786,487 (which, added to \$21,213,513, made \$25,000,000) was sold in 1882-3 (Annual Report 1882-3, p. 7); \$5,000,000 remaining in the treasury. This treasury stock was sold in 1884-5 (Annual Report 1884-5, p. 9, Minute Book No. 4, pp. 48 *et seq.*).

In response to a memorial signed by several stockholders representing a large interest in the Company's stock, the Board on January 9, 1888, recommended to the stockholders, and on February 21, 1888, the stockholders authorized, an increase of stock not to exceed \$5,000,000 for the payment of stock dividends (Minute Book 5, pp. 108 *et seq.*), and out of this were paid stock dividends 5, 6, 7 and 8, aggregating 10 per cent and amounting to \$3,112,800. (Minute Book 5, p. 498.)

On September 23, 1889 (Minute Book 5, p. 497-8), the Board recommended, and on October 2, 1889 (Minute Book 5, p. 515), the stockholders authorized, another increase of the stock by the sum of \$13,000,000, making the total capital stock on October 2, 1889, \$48,000,000.

The remainder of the previous increase of \$5,000,000 was distributed in stock dividends No. 9 and 10, in all $4\frac{2}{10}\%$ per cent. The \$13,000,000 of new stock was sold at

85 cents (Minute Book 6, p. 64) and the proceeds applied to the redemption of the Company's 6 per cent Trust Bonds of 1882.

The capital stock was again increased by the stockholders on July 6, 1891 (Minute Book 6, p. 440), from \$48,000,000 to \$55,000,000 ; the added stock to be sold for the purpose of paying for the railroad, other property, rights, and franchises of the Kentucky Central Railway Company, and to pay for this Company's proportional part of the increased stock of the Nashville, Chattanooga & St. Louis Railway.

On 28th September, 1893, and October 3, 1893 (Minute Book 6, pp. 378 and 383), the Board recommended a still further increase of the stock from \$55,000,000 to \$60,000,000 ; and the recommendation of the Board was approved and the increase of stock authorized by the stockholders at a special meeting held on November 8, 1893 (Minute Book 6, p. 430).

RECAPITULATION.

Original authorized capital stock.....	\$3,000,000
Sundry increases prior to June 30, 1867.....	2,492,638
Outstanding June 30, 1867.....	5,492,638
Forty per cent dividend.....	2,376,548
Sundry increases during 1867-8 and 1868-9.....	7,869,186
Outstanding June 30, 1869.....	911,315
Sundry increases during the period 1869-1880.....	8,780,501
Outstanding June 30, 1880.....	278,860
Sundry increases 1880-1.....	9,059,361
One hundred per cent stock dividend.....	5,639
Sundry increases 1881-2.....	9,065,000
Outstanding June 30, 1882.....	9,065,000
City of Louisville stock released.....	3,513
Increase of October 4, 1882.....	18,133,513
Increase of February 21, 1888.....	3,080,000
Increase of October 2, 1889.....	21,213,513
Increase of July 6, 1891.....	8,786,487
Increase of November 8, 1893.....	30,000,000
	5,000,000
	13,000,000
	7,000,000
	5,000,000
	\$60,000,000

BONDED DEBT LOUISVILLE & NASHVILLE R. R. CO. AND SUBSIDIARY LINES, *JUNE 30, 1904.
 (INCLUDING ALSO GUARANTEED DIVIDENDS ON STOCK, NASHVILLE & DECATUR RAILROAD.)

MORTGAGES ON RAILROADS	Authorized	Issued	Redeemed or Drawn for Payment	Owned by L. & N. R. R. Company	Outstanding in Hands of Public	Date of Mortgage	Maturity	Interest	Coupons Due
Maysville & Lexington, Northern Division	\$400,000	\$400,000			\$400,000	May 10, 1876.	Jan. 1, 1906.	7	Jan. 1, July 1.
†Cecilia Branch mortgage	1,000,000	1,000,000	\$905,000		195,000	March 1, 1877.	March 1, 1907.	7	March 1, Sept. 1
Lou., Cin. & Lex. R'y, second mortgage	1,000,000	1,000,000	108,000		892,000	Oct. 1, 1877.	Oct. 1, 1907.	7	April 1, Oct. 1
Evans, Hend. & Nash. Division, first mortgage gold	2,400,000	2,400,000	670,000		1,730,000	Dec. 6, 1879.	Dec. 1, 1919.	6	June 1, Dec. 1
Pennsacola Division, first mortgage gold	600,000	600,000	20,000	\$41,000	539,000	March 1, 1880.	March 1, 1920.	6	March 1, Sept. 1
Southeast & St. Louis Div., first mortgage gold	3,500,000	3,500,000			3,500,000	Jan. 27, 1881.	March 1, 1921	6	March 1, Sept. 1
Pennsacola & Atlantic Railroad, first mortgage gold	3,000,000	3,000,000	546,000	931,000	1,523,000	Aug. 1, 1881.	Aug. 1, 1921.	6	Feb. 1, Aug. 1.
New Orleans & Mobile Div., first mortgage gold	5,000,000	5,000,000			5,000,000	May 8, 1880.	Jan. 1, 1930.	6	Jan. 1, July 1.
New Orleans & Mobile Div., second mortgage gold	1,000,000	1,000,000			1,000,000	Oct. 5, 1881.	Jan. 1, 1930.	6	Jan. 1, July 1.
General mortgage, gold	20,000,000	12,597,000	4,358,000	36,000	8,203,000	June 1, 1880	June 1, 1930.	6	June 1, Dec. 1.
Lou., Cin. & Lex. R'y general mortgage, gold	7,000,000	3,258,000			3,258,000	Nov. 1, 1881.	Nov. 1, 1931.	4½	May 1, Nov. 1.
First mortgage 5 per cent fifty-year gold	3,500,000	1,764,000		15,000	1,749,000	April 30, 1887.	May 1, 1937.	5	May 1, Nov. 1
Birmingham Mineral Railroad, first mortgage gold	5,000,000	3,928,000		3,928,000		Nov. 1, 1887.	Nov. 1, 1937.	5	May 1, Nov. 1
Nashville, Florence & Sheffield R'y, first mortgage gold	2,500,000	2,096,000		100,000	1,996,000	Aug. 1, 1887.	Aug. 1, 1937.	5	Feb. 1, Aug. 1.
Alabama Mineral Railroad, first mortgage gold	3,150,000	3,150,000		3,150,000		July 28, 1890.	July 1, 1940.	4	Jan. 1, July 1.
Unified fifty-year 4 per cent gold	75,000,000	52,518,000	17,000	20,353,000	32,148,000	June 2, 1890.	July 1, 1940.	4	Jan. 1, July 1.
Lou. & Nash. and Mobile & Montg'y R'y, gold first mortgage	5,000,000	4,000,000			4,000,000	Sept. 2, 1895.	Sept. 1, 1945	4½	March 1, Sept. 1
Lou. & Nash., Paducah & Memphis Div.	5,000,000	4,779,000		4,779,000		Feb. 1, 1896.	Feb. 1, 1946.	4	Feb. 1, Aug. 1.
Southeast & St. Louis Div., second mortgage gold	3,000,000	3,000,000		1,000	2,999,000	Jan. 27, 1881.	March 1, 1980.	3	March 1 Sept. 1.
Kentucky Central R'y, first mortgage, gold	7,000,000	6,742,000		42,000	6,700,000	July 1, 1887	July 1, 1987.	4	Jan. 1, July 1.
MORTGAGES ON PROPERTY—									
\$154,050,000	\$115,733,000	\$6,524,000	\$33,377,000	\$75,832,000					
St. Louis property, 20 year gold, first mortgage	\$650,000	\$617,000			\$517,000	Feb. 29 1896.	March 1, 1916.	5	March 1, Sept. 1
Newport & Cincinnati Bridge Co., general mortgage	1,500,000	1,400,000			1,400,000	July 1, 1895.	July 1, 1945.	4½	Jan. 1, July 1.
\$2,150,000	\$2,017,000			\$2,017,000					

* One issue of coupons of subsequent date included

† \$65,000 of these bonds drawn for Sinking Fund, due March 1 1904 Interest will cease September 1 1904.

BONDED DEBT, JUNE 30, 1904.—Continued.

MORTGAGES ON RAILROADS	Authorized	Issued	Redeemed or Drawn for Payment	Owned by L. & N. R. R. Company	Outstanding in Hands of Public	Date of Mortgage	Maturity	Interest	Coupons Due
COLLATERAL TRUST BONDS—									
Lou. & Nash. 6 per cent Sinking Fund, gold.....	\$2,000,000	\$2,000,000	\$40,000	\$42,000	\$1918,000	April 1, 1880.	April 1, 1910.	6	April 1, Oct. 1
Five-twenty Collateral Trust 4 per cent issue of 1903.	30,000,000	23,000,000			23,000,000	March 2, 1903.	April 1, 1923.	4	April 1, Oct. 1.
Five per cent first mortgage trust, gold.....	7,000,000	5,129,000		424,000	4,705,000	April 4, 1888.	Nov. 1, 1931.	5	May 1, Nov. 1.
*L. & N.-So., Monon Collateral Joint, gold, L. & N. proportion.....	7,750,000	5,913,500		43,000	5,870,500	July 1, 1902.	July 1, 1952.	4	Jan. 1, July 1
	\$46,750,000	\$36,042,500	\$40,000	\$509,000	\$35,493,500				
TOTAL INTEREST-BEARING BONDED DEBT	\$202,950,000	\$153,792,500	\$6,564,000	\$33,886,000	\$113,342,500				
L. & N. R. CO									
BONDS OUTSTANDING, MATURED OR DRAWN FOR SINKING FUNDS NOT PRESENTED—									
Alabama & Florida R. R. (old Co. first mortgage.....					\$2,000		— 1867.		
Mobile & Montgomery R'y, income bonds.....					4,000		Jan. 1, 1890.		
City of Lou., Lebanon Branch Extension.....					1,000	Oct. 15, 1863.	Oct. 15, 1893.		
Lou., Cin. & Lex. R'y, first mortgage.....					3,000	Jan. 1, 1867.	Jan. 1, 1897.		
Consolidated mortgage.....					7,000	April 1, 1868.	April 1, 1898		
Cecilia Branch mortgage.....					2,000	March 1 1877.	Sept. 1 1902		
Five-twenty Collateral Trust 4 per cent gold, issue '98.....					2,000	March 1, 1898.	April 1, 1903.		
General mortgage gold.....					79,000	June 1, 1880.	June 1, 1904.		
Total bonds L. & N. issues due and unpaid.....					\$100,000				

*Of the L. & N. proportion of the outstanding bonds of this issue there are \$1,429,500 which are registered as to both principal and interest, and the interest thereon is payable quarterly, on January 1, April 1, July 1 and October 1

BONDED DEBT, * JUNE 30, 1904.—Continued.

MORTGAGES ON RAILROADS	Authorized	Issued	Redeemed or Drawn for Payment	Owned by L. & N. R. R. Company	Outstanding in Hands of Public	Date of Mortgage	Maturity	Interest	Coupons Due
MORTGAGE ON RAILROAD OPERATED, CONTROLLED THROUGH OWNERSHIP OF CAPITAL STOCK— Owensboro & Nashville Railway	\$2,000,000	\$1,200,000	.....	\$1,200,000	.....	Nov. 1, 1881.	Nov. 1, 1931.	6	May 1, Nov. 1.
MORTGAGES ON RAILROADS NOT OWNED, BUT OPERATED BY L. & N. RAILROAD So. & No. Alabama R. R., second mortgage	\$2,000,000	\$2,000,000	.....	\$2,000,000	.....	June 1, 1880.	April 1, 1910.	6	April 1, Oct. 1
So. & No. Alabama R. R. consolidated	10,000,000	7,991,000	.....	4,744,000	\$3,247,000	Aug. 10, 1886.	Aug. 1, 1936.	5	Feb. 1, Aug. 1.
So. & No. Alabama R. R. improvement	2,000,000	1,500,000	.....	1,500,000	.....	Nov. 26, 1904.	Aug. 1, 1936.	5	Feb. 1, Aug. 1.
MORTGAGES ON PROPERTY NOT OWNED BUT OPERATED BY L. & N. RAILROAD Henderson Bridge Company	\$14,000,000	\$11,491,000	.....	\$8,244,000	\$3,247,000	.....	.....	.....	.....
Louisville & Nashville Terminal Co	\$2,000,000	\$2,000,000	.....	.....	\$2,000,000	Sept. 1, 1881.	Sept. 1, 1931.	6	March 1, Sept. 1.
BONDS OF SUBSIDIARY COMPANIES OUTSTANDING, MATURED BUT NOT PRESENTED— So. & No. Alabama R. R., Sterling mortgage	3,000,000	2,535,000	.....	\$2,535,000	.....	Dec. 1, 1902.	Dec. 1, 1952.	4	June 1, Dec. 1.
Nashville & Decatur R. R., first mortgage .....	.....	.....	.....	.....	\$9,000	May 1, 1873.	May 1, 1903.	.....	.....
STOCK ON WHICH DIVIDEND IS GUARANTEED— Nashville & Decatur Railroad	\$3,545,750	\$3,545,750	.....	\$1,971,600	8,000	July 1, 1870.	July 1, 1900.	.....	.....
			.....	.....	\$17,000	.....	.....	.....	.....
			.....		\$1,574,150	.....	Guar. by L. & N.	7½	Jan. 1, July 1.

*One issue of bonds of subsequent date included.

†\$497,000 of these bonds have been redeemed for the Sinking Fund. Interest on bonds thus redeemed is regularly paid into the Sinking Fund.

‡This property is operated jointly by this company and the Nashville, Chattanooga & St. Louis Railway, the principal and interest being jointly guaranteed by the two railroad companies.

LOUISVILLE & NASHVILLE RAILROAD COMPANY.

*SECURITY FOR BONDED DEBT, JUNE 30, 1904.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Sinking Fund	Trustee	Securities to be Received on Maturity of Bonds
Mays. & Lex. Nor. Div	Paris, Ky.	FIRST MORTGAGE— Maysville, Ky.	49.48	\$8,084	Bonds redeemed at par, \$65,000 Mch. 1 each year.	James Barbour, deceased. Union Trust Co. of N. Y.	\$258,000 K. C. R'y 4 per cent 1st mtge. bonds.
Cecilia Branch	Louisville, Ky.	Cecilia Jct., Ky.	46.00	4,239	\$55,000 Dec. 1, 1904 \$75,000 annually Dec. 1, 1905, to Dec. 1, 1909	Joshua F. Speed, dec'd.	Unified fifty-year 4 per cent gold mort bonds
Louisville, Cinti. & Lex. 2d mortgage	Louisville, Ky. LaGrange, Ky.	Newport, Ky. Lexington, Ky.	109.70 67.00	5,048			
Evan., Hend. & Nash., 1st mortgage	Edgefield Jct., Tenn.	Henderson, Ky.	176.70	11,121	\$110,000 annually Dec. 1, 1910, to Dec. 1, 1914	Cent'l Trust Co. of N. Y.	Unified fifty-year 4 per cent gold mort. bonds.
	Also, an undivided half of the following line: Edgefield Jct.	Madisonville, Ky., toward Providence, Ky. Nashville Tenn			134.76 11.00			$150,000 annually Dec. 1, 1915, to Dec. 1, 1919
Pensacola Div., 1st mortgage	Flomaton, Ala.	Pensacola, Fla.	155.56	12,993	\$15,000 annually to Sept. 1, 1905 \$20,000 annually to Sept. 1, 1910 \$25,000 annually to Sept. 1, 1915 \$30,000 annually after this day. Sinking Fund Inoperative.	M. H. Sullivan of Pensacola, Fla. Henry F. Vail, deceased. H. Victor Newcomb.	

*One mortgage of subsequent date included.

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Sinking Fund	Trustee	Securities to be received on Maturity of Bonds
Southeast & St. Louis, 1st mortgage	Evansville, Ind. McLeansboro, Ill. O'Fallon Jct.	East St. Louis.	162.00	\$16,767	Feb. 1st each year: 1 1-10 per cent of total bonds issued, and 6 per cent on bonds previously called for sinking fund.	H. W. Smithers, of Eng. W. F. Whitehouse, of N. Y. Noble C. Butler, of Ind.	
		Shawneetown, Ill. O'Fallon, Ill.	40.70 6.04				
Pensacola & Atlantic, 1st mortgage	Pensacola, Fla.	River Junction Fla.	160.47	15,293		E. D. Randolph, of N. Y. J. L. Cadwalader of N. Y.	
N. O., M & T., 1st mortgage.	Mobile, Ala. (Also covers 7,118 shares out of a total of 7,484 shares capital stock of Pontchartrain R. R. Co.) Also all buildings, works, and machinery and appurtenances of the Creosote Works at West Pascagoula, Miss.	New Orleans, La.	140.36	35,623		Farmers Loan & Trust Co.	
N. O., M. & T., 2d mortgage.	Mobile, Ala. (Also covers 7,118 shares out of a total of 7,484 shares capital stock of Pontchartrain R. R. Co.) Also all buildings, works, machinery, and appurtenances of the Creosote Works at West Pascagoula, Miss.	New Orleans, La.	140.36	7,124		Farmers Loan & Trust Co.	
General Mortgage	Louisville, Ky. Undivided one half	Edgefield Jct., Tenn.	176.12		June 1st each year: 1 1-10 per cent of total bonds issued, and 6 per cent on bonds previously called for sinking fund.	Cent'l Trust Co. of N. Y.	Unified fifty-year 4 per cent gold mort. bonds.
		Nashville, Tenn. Bardstown, Ky. Lebanon Jct., Ky. Memphis, Tenn. Stanford, Ky. Extension to	9.80 17.37 110.17 259.13 33.00 5.10				
				610.69			

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Sinking Fund	Trustee	Securities to be Received on Maturity of Bonds
General Mortgage — Continued	SECOND MORTGAGE				1 1-10 per cent of bonds issued June 1st each year, and interest on bonds in Sinking Fund. Bonds redeemed at 110.	Cent'l Trust Co. of N. Y.	Unified fifty-year 4 per cent gold mort. bonds
	Henderson, Ky.	Edgefield Jct.	134.76				
	Undivided one half Edgefield Jct.	Nashville, Tenn.	9.80				
	Madisonville, Ky., toward Providence, Ky.		11.00				
	Cecilia, Ky.	Louisville, Ky.	46.00				
		201.56	812.25	\$10,241			
Louisville, Cin'ti & Lex'n., General Mortgage	SECOND MORTGAGE					Mercantile Trust Co. of N. Y.	Unified fifty-year 4 per cent gold mort. bonds.
	Louisville, Ky.	Newport, Ky.	109.70				
	LaGrange, Ky.	Lexington, Ky.	67.00	176.70	18,438		
	These rank next after the L., C. & I. R'y Second Mortgage Bonds on the Cincinnati Division and Lexington Branch.						
First mortgage fifty-year 5 per cent gold	FIRST MORTGAGE					United States Trust Co. of N. Y.	Unified fifty-year 4 per cent gold mort. bonds,
	Corbin Ky.	Norton, Va.	117.44				
	Princeton Jct., Tenn.	Princeton, Ky	52.70				
	Hardstown, Ky.	Springfield Ky.	20.07	190.21	9,274		

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Trustee	Securities to be Received on Maturity of Bonds
Birmingham Mineral 1st mortgage, 5 per cent	FIRST MORTGAGE—					
	Magella, Ala.	Brickyard Y, Ala.	8.02	} \$20,055	Farmers Loan & Trust Co.	
	Winetka, Ala.	Spring Gap Mine No. 2, Ala.	3.16			
	Graces, Ala.	Bessemer, Ala.	11.57			
	Muscoda Jct.	Muscoda, Ala.	1.20			
	Blue Creek Jct., Ala.	Blotson Jct., Ala.	27.08			
	Yolande, Ala.	Brookwood, Ala.	8.44			
	Chamblee, Ala.	Goethite, Ala.	3.65			
	Bessemer, Ala.	Boyles, Ala.	15.74			
	Boyles, Ala.	Oneonta, Ala.	33.70			
	Village Springs,	Compton, Ala.	3.39			
	Palmers, Ala.	Bradford, Ala.	4.30			
	Oneonta, Ala.	Champion, Ala.	2.42			
	Boyles, Ala.	Trussville, Ala.	17.14			
	Red Gap Jct., Ala.	Graces, Ala.	10.28			
	Tacoa, Ala.	Gurnee Jct., Ala.	10.04			
	Readers, Ala.	Ferro No. 2, Ala.	2.30			
	N. Birmingham, Ala.	Graves Mines, Ala.	2.62			
	Hewitt Jct., Ala.	Hewitt, Ala.	0.67			
	Mattawana, Ala.	Deming, Ala.	1.93			
Nashv., Flor. & Sheff., 1st mortgage 5 per cent	Columbia, Tenn.	Sheffield, Ala.	82.13				} 19,994	Cent'l Trust Co. of N. Y.
	Iron City, Tenn.	Pinkney, Tenn.	11.78			
	Summertown, Tenn.	Napier, Tenn.	10.92			
The Louisville & Nashville Railroad Company guarantees the bonds, both principal and interest.						

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Trustee	Securities to be Received on Maturity of Bonds
Alabama Mineral R. R., fifty-year 4 per cent gold, 1st mortgage	FIRST MORTGAGE.					
		Attalla, Ala.	Calera, Ala.	119.07	} \$23,809	Cent'l Trust Co. of N. Y.
		Gilmore Switch, Ala.	Lumberton, Ala.	4.77		
		O'Connor Jct., Ala.	Skews, Ala.	2.90		
		Wewoka Jct., Ala.	Wewoka, Ala.	1.37		
		Gladden Jct., Ala.	Mynatt, Ala.	2.54		
		Rock Spring, Ala.	Leba, Ala.	1.65		
		Livingston, Ky.	Jellico, Tenn.	61.20		
		Clarksville Mineral Branch—				
		Hematite, Tenn., to Pond, Tenn.		31.35		
		Van Leer, Tenn., to Cumb. Fur., Tenn.		6.00		
		Middlesborough Railroad—		37.35		
		M'boro, Ky., to Ralston Coal Co., Tenn.		9.24		
	Stony Fork Jct., Ky., to Elwood, Ky.		5.80			
	Tracks around Middlesborough, Ky.		1.18			
	Cole Creek & Stony Fork Switchbacks		2.93			
	Memphis Connection Track—		19.15			
	Leewood, Tenn., to Aulon, Tenn.		2.46			
	Oneonta & Attalla Railroad—		9.56			
	Champion, Ala., to Altoona, Ala.		3.40			
	North Alabama Railroad—		3.62			
	North Alabama Jct., Ala., to Searles, Ala.					
	New and Old Decatur Belt & Terminal R.R.—					
	In and around Decatur, Ala.					
	Carried forward		136.74			

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Trustee	Securities to be Received on Maturity of Bonds	
Unified fifty-year 4 per cent gold mortgage bonds—Continued	Brought forward			136.74			
	FIRST MORTGAGE—						
		Sheffield & Tusculumbia Railway—					
		Sheffield, Ala., to Tusculumbia, Ala		2.63			
		Montgomery & Prattville Railroad—					
		Prattville Junction, Ala., to Prattville, Ala		10.35			
		Shelby Cut-off—					
		Shelbyville, Ky., to Christiansburg, Ky		8.51			
		Southern Alabama Railroad—					
		Selma, Ala., to Escambia Jct, Ala.		111.09			
		Camden Jct., Ala., to Camden, Ala.		16.61			
				127.70			
		Birghm., Selma & New Orleans Railway—					
		Selma, Ala., to Myrtlewood, Ala		60.25			
		Alabama & Florida Railroad—					
		Georgiana, Ala., to Graceville, Fla		100.38			
		Duval, Ala., to Paxton, Fla		23.48			
				123.86			
		Shelbyville, Bloomfield & Ohio Railway—					
		Shelbyville, Ky., to Bloomfield, Ky		26.72			
		Louisville, Harrod's Creek & Westport Railroad—					
		Louisville, Ky., to Pipe Line Ave., Ky		3.46			
		Cumberland River & Tennessee Railroad—					
	C. R. & T Junction, Ky., to Chenoa, Ky		12.35				
	Jellico, Birdcyc & Northern Railway—						
	Jellico, Tenn., to Halsey, Ky		8.58				
	Wilton Branch—						
	Wilton Junction, Ky., to Wilton, Ky		3.97—388.38				
	Carried forward			525.12			

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Trustee	Securities to be Received on Maturity of Bonds																																																																																																																																																																																													
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* Inasmuch as all of the bonds issued under the Alabama Mineral First Mortgage are deposited with the trustee under the Unified Mortgage, and form a part of the security for the latter mortgage, the Unified Mortgage is substantially a first mortgage on this property

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Trustee	Securities to be Received on Maturity of Bonds	
Unified fifty-year 4 per cent gold mortgage bonds—Continued	Brought forward			1,458.32			
	SECOND MORTGAGE—						
	COVERED BY BIRMINGHAM MINERAL RAILROAD MORTGAGE.						
		Magella, Ala.	Brick Yard Y, Ala.		8.02		
		Winetka, Ala.	Spring Gap Mine No 2, Ala.		3.16		
		Graces, Ala.	Bessemer, Ala.		11.57		
		Muscoda Jct., Ala.	Muscoda, Ala.		1.20		
		Blue Creek Jct., Ala.	Blotson Jct., Ala.		27.08		
		Yolande, Ala.	Brookwood, Ala.		8.44		
		Chamblee, Ala.	Goethite, Ala.		3.65		
		Bessemer, Ala.	Boyles, Ala.		15.74		
		Boyles, Ala.	Onconta, Ala.		33.70		
		Village Springs, Ala.	Compton, Ala.		3.39		
		Palmer, Ala.	Bradford, Ala.		4.30		
		Onconta, Ala.	Champion, Ala.		2.42		
		Boyles, Ala.	Trussville, Ala.		17.14		
		Red Gap Jct., Ala.	Graces, Ala.		10.28		
		Tacos, Ala.	Gurnee Jct., Ala.		10.04		
		Readers, Ala.	Ferro No. 2, Ala.		2.30		
		N. Birmingham, Ala.	Graves Mines, Ala.		2.62		
		Hewitt Jct., Ala.	Hewitt, Ala.		0.67		
		Mattawana, Ala.	Deming, Ala.		1.93		
					167.65		
	COVERED BY NEWPORT & CINCINNATI BRIDGE COMPANY MORTGAGE.						
		Newport, Ky.	Cincinnati, Ohio		0.74		
					168.30		
		Carried forward			1,626.71		

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Trustee	Securities to be Received on Maturity of Bonds	
Unified fifty-year 4 per cent gold mortgage bonds—Continued	Brought forward			1,626.71			
	THIRD MORTGAGE. COVERED BY E. H. & N. DIV. AND GENERAL MORTGAGE.						
		Edgefield Junct., Tenn.	Henderson, Ky.	134.76			
		Madisonville, Ky., toward Providence, Ky.		11.00			
				145.76			
	NOTE—Also, Edgefield Jet., Tenn., to Nashville, Tenn., undivided half of 9.80 miles. (See mileage shown as 2d Mtge.)						
	COVERED BY L. C. & L. 2D AND L., C. & L GENERAL MORTGAGES.						
		Louisville, Ky.	Newport, Ky.	109.70			
		LaGrange, Ky.	Lexington, Ky.	67.00			
				176.70			
			322.46				
	RECAPITULATION—Unified Mortgage						
	First Mortgage on			525.12 miles			
	Second Mortgage on			1,101.59 miles			
	Third Mortgage on			322.46 miles			
				1,949.17 miles.			
			1,949.17	\$26,935			

The Unified Mortgage, in addition to the above mileage, covers the leasehold interest of the L. & N. R. Co. in the Nashville & Decatur Railroad, the L. & N. R. Co. holding a lease of that railroad for the term of 999 years from the first of July, 1900.

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Unified Bonds have been reserved to discharge prior liens which at the date of the mortgage amounted to \$41,917,660, but which have been reduced to \$16,004,000. This amount does not include prior liens upon property conveyed to the trustee for the purposes of the mortgage since the original mortgage was executed. As of June 30, 1904, the prior liens for which Unified Bonds have been reserved are as follows, distributed as indicated in the foregoing table:

First mortgage 5 per cent	1937	\$1,764,000
L., C. & L. general mortgage	1931	3,258,000
General mortgage	1930	8,318,000
E., H. & N. Division	1919	1,730,000
L., C. & L. Second	1907	892,000
L., C. & L. First	1897	3,000
Consolidated mortgage	1898	7,000
City of Louisville Loan	1893	1,000
		\$15,973,000

To which add—Bonds redeemed, for which Unified Bonds have not been received

General mortgage	29,000
E., H. & N. Division	2,000
	\$16,004,000

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

The following is a full list of all the securities deposited with the Central Trust Company of New York, Trustee, as co atera for Unified Fifty-year 4 per cent gold mortgage bonds

Unified fifty-year 4 per cent gold mortgage bonds—Continued	BONDS.	Par Value.
31	Alabama Minera R. R. Co. 4 per cent	\$100,000
50	Alabama Mineral R. R. Co. 4 per cent	50,000.00
	Total bonds	\$3,150,000.00
STOCKS.		
15,000 shares	Louisville, Cinti. & Lextn. R'y Co., preferred	\$100
9,850 shares	Louisville, Cinti. & Lextn. R'y common	985,000.00
20,000 shares	South & North Alabama R. R. Co., preferred	2,000,000.00
11,274 shares	South & North Alabama R. R. Co., common	1,127,400.00
29,397 shares	Mobile & Montgomery R'y Co	2,939,700.00
39,850 shares	New Orleans, Mobile & Texas Railroad Co. (as reorganized)	3,985,000.00
9,800 shares	Southeast & St. Louis R'y Co.	980,000.00
55,015 shares	Nashville, Chattanooga & St. Louis R'y Co	5,501,500.00
9,634 shares	Owensboro & Nashville R'y Co	963,400.00
5,010 shares	Henderson Bridge Co	501,000.00
2,850 shares	Pensacola Railroad Co	285,000.00
1,000 shares	Louisville Railway Transfer Co	100,000.00
24,126 shares	Birmingham Mineral R. R. Co	2,412,600.00
19,690 shares	Alabama Mineral R. R. Co	1,969,000.00
6,150 shares	Nashville, Florence & Sheffield R'y Co	615,000.00
385 shares	Henderson Belt R. R. Co	19,750.00
11 785 shares	Shelby Railroad Co.	589,256.00
	Total stocks	\$26,473,606.00
	Total all securities	\$29,623,606.00

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Sinking Fund	Trustee	Securities to be Received on Maturity of Bonds
L. & N. and M. & M., 4½ per cent gold 1st mortgage....	Montgomery Ala.	Mobile Ala.	178.49	\$22,410		Cent'l Trust Co. of N. Y.	
Paducah & Memphis Division fifty-year 4 per cent gold 1st mortgage	Paducah & Memphis Division— Paducah, Ky	Memphis, Tenn	254.20	10,880		Manhattan Trust Co. of N. Y.	
	The authorized amount is \$5,000,000, of which bonds for \$4,779,000 have been issued; but of these \$4,619,000 are deposited with the United States Trust Co., New York, trustee, as security for the 5-20 Collateral Trust gold bonds of 1903, and \$160,000 are in the treasury of the Company. The remaining \$221,000 are reserved, unexecuted, for improvements						
Southeast & St. Louis 2d mortgage	Evansville, Ind.	East St. Louis	162.00			H. W. Smithers, of Eng. W. F. Whitehouse, of N. Y. Noble C. Butler, of Ind.	
	McLeansboro, Ill.	Shawneetown, Ill	40.70				
	O'Fallon Jet., Ill.	O'Fallon, Ill	6.04				
			208.74	14,372			
Kentucky Central R'y 1st mortgage	Covington, Ky.	Paris, Ky.	80.00			Metropolitan Trust Co. of N. Y.	
	Paris, Ky.	Livingston, Ky.	75.12				
	Richmond, Ky.	Ft. Estill, Ky.	3.20				
	Sinks, Ky.	Livingston, Ky.	3.34	6.54			
	Paris, Ky.	Lexington, Ky.	68.58				
			17.86				
	Carried forward						166.44

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Sinking Fund	Trustee	Securities to be Received on Maturity of Bonds
Kentucky Central R'y 1st mortgage—Continued	<p>Brought forward 166.44</p> <p>SECOND MORTGAGE.</p> <p>Paris, Ky. Maysville, Ky. 49.48</p> <p>THIRD MORTGAGE.</p> <p>*Richmond, Ky. Stanford, Ky. 33.00 82.48</p>		248.92	\$27,085		Metropolitan Trust Co. of N. Y.	
St. Louis property Twenty-year 5 per cent 1st mortgage, gold.....	<p>Dated Feb., 1896. Due March, 1916. Authorized amount \$650,000, of which bonds for \$617,000 are issued and outstanding. Issued for the purchase and improvement of terminal property in St. Louis, Mo. The bonds are secured by lien on the property purchased.</p>					St. Louis Union Trust Co. of St. Louis, Mo.	

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	Miles	Amount of Mortgage Per Mile of Line	Sinking Fund	Trustee	Securities to be Received on Maturity of Bonds
<p>Newport & Cincinnati Bridge Co. 4½ per cent General Mortgage Bond.</p>	<p>Dated July, 1895. Due July, 1945. Amount authorized, \$1,500,000; issued and outstanding, \$1,400,000, secured by first mortgage on its bridge from Newport, Ky., to Cincinnati, Ohio, land on which bridge is located and all privileges and appurtenances, etc., and also on all franchises, rights, and immunities, income, rents, toll issues, profits, benefits, and advantages belonging or appertaining or to arise or to accrue from said bridge with its appurtenances, from the maintenance and operation thereof. These bonds are guaranteed principal and interest by the Pennsylvania Co.</p>		<p>\$14,000 July 1st of each year if bonds can be purchased at par.</p>	<p>Farmers Loan & Trust Co. of N. Y.</p>	
<p>L. & N. R. R. Co. 6 per cent S. F. bonds.....</p>	<p>Secured by the deposit in trust with Union Trust Company of New York trustee, of the following bonds:</p> <p>S. & N. A. R. R. 2nd mtge., \$2,000,000, which bonds are a 1st mtge. on line of road from Montgomery, Ala., to Decatur, Ala. Elmore, Ala., to Wetumpka, Ala. Fedora, Ala., to Indio, Ala. Hogeland Jct., Ala., to El Vista, Ala.</p>		<p>\$20,000 each year and interest on bonds in Sinking Fund</p>	<p>Union Trust Co. of N. Y.</p>	
<p>L. & N. five-twenty Colateral Trust gold bonds, 1903 issue</p>	<p>Secured by mortgage to United States Trust Company of New York, trustee, pledging to the trustee—</p> <p>18,200 L. & N. Unified 4 per cent gold bonds. 4,619 L. & N. Pad. & Mem. Div fifty-year 4 per cent gold bonds 2,500 L. & N. Terminal fifty-year 4 per cent gold bonds. 4,045 S. & N. A. R. R. 5 per cent consolidated bonds, and 500 P. & A. 1st mortgage 6 per cent bonds</p>			<p>United States Trust Co of N. Y.</p>	

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	Miles	Amount of Mortgage, Per Mile of Line	Sinking Fund	Trustee	Securities to be Received on Maturity of Bonds
<p>1st mortgage 5 per cent Trust gold bonds</p> <p>L. & N. Sou.-Monon Col. 4 per cent joint gold bonds.</p>				<p>Farmers Loan & Trust Co. of N. Y</p>	
<p>Secured by the following bonds deposited with the Farmers Loan & Trust Company, New York, trustee, as collateral: Birmingham Mineral R. R. 1st mortgage 5 per cent bonds, \$3,929,000. Owensboro & Nashville R'y 1st mortgage 6 per cent bonds, \$1,200,000 Secured by mortgage to the Standard Trust Company of New York, trustee, pledging to the trustee— 38,734 shares preferred stock in Chic. Ind. & Lou. R'y of \$100. 97,969 shares common stock in Chic. Ind. & Lou. R'y of \$100. The authorized issue is \$15,500,000, of which bonds amounting to \$2,110,000 are reserved for the betterments, improvement, and enlargement of the railroad and property of the Monon Company; \$563,000 is reserved for additional stock to be acquired and pledged, and the remaining \$11,827,000 is outstanding. The bonds reserved for betterments, etc., are to be issued under carefully guarded restrictions, and at a rate not to exceed \$500,000 a year. The L. & N. R. Co. and the Southern R'y Co. are each liable for one half of the bonds, principal and interest, and each of them must bear one half of all other obligations imposed by the indenture under which the bonds were issued. Should either company default in its obligations to the other in respect of the bonds of this issue, the pledged shares belonging to such company so in default shall become and be the property of the company not in default, which thenceforth shall be liable in severalty upon all covenants contained in the bonds.</p>				<p>Standard Trust Co of N. Y</p>	

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Sinking Fund	Trustee	Securities to be Received on Maturity of Bonds
Owensboro & Nashville R'y Co. 6 per cent 1st mortgage bonds	Owensboro, Ky.	Adairville, Ky.	83.46				
South & North Alabama 2d mortgage	Penrod, Ky.	Mud River Mines, Ky.	4.64	\$13,507		Cent'l Trust Co. of N. Y.	
	<p>Amount authorized \$2,000,000, all of which bonds are deposited with the Union Trust Company of New York as collateral security for \$2,000,000 L. & N.-S. & N. A. trust deed bonds (6 per cent Sinking Fund). The South & North Alabama Sterling first mortgage has been paid and released, and the South & North Alabama second mortgage bonds are now a</p>						
	<p>FIRST MORTGAGE.</p>						
	Montgomery, Ala.	Decatur, Ala.	182.67				
	Elmore, Ala.	Wetumpka, Ala.	6.30				
	Fedora, Ala.	Indio, Ala.	2.95				
	Hogeland Jct., Ala.	El Vista, Ala.	.65	10,386		Union Trust Co. of N. Y.	South & North Alabama Railroad Co. Consolidated mortgage bonds.
South & North Alabama 5 per cent Consolidated mortgage	<p>Authorized issue \$10,000,000, of which bonds amounting to \$7,991,000 have been issued. On June 30, 1904, there were outstanding in the hands of the public \$3,269,000 of these bonds, the remainder being the property of the L. & N. R. R. Co. and held as follows</p> <p>\$4,045,000 are deposited as collateral for L. & N. five-twenty Collateral Trust gold bonds of 1903 issue, \$500,000 are deposited as collateral security for Georgia Railroad lease, and \$177,000 are in the treasury.</p> <p>These bonds are a</p>						
	<p>SECOND MORTGAGE.</p>						
	Montgomery, Ala.	Decatur, Ala.	182.67				
	Elmore, Ala.	Wetumpka, Ala.	6.30	42,291		Cent'l Trust Co. of N. Y.	

SECURITY FOR BONDED DEBT, JUNE 30, 1904.—Continued.

Class of Bond or Obligation	From	To	Miles	Amount of Mortgage Per Mile of Line	Sinking Fund	Trustee	Securities to be Received on Maturity of Bonds
South & North Alabama improvement 5 per cent gold mortgage	Authorized issue \$2,000,000, of which \$1,500,000 have been issued, all of which are owned by the Louisville & Nashville Railroad Company. These bonds are a					Manhattan Trust Co. of N. Y.	
	THIRD MORTGAGE.						
	Montgomery, Ala.	Decatur, Ala.	182.67				
	Elmore, Ala.	Wetumpka, Ala.	6.30	\$8,458			
Henderson Bridge Company 1st mtge., 5 per cent.	Secured by mortgage upon the Henderson Bridge across the Ohio River, Henderson, Ky., to Evansville, Ind., and connecting tracks—in all		10.06	198,807	\$8,400 each year and interest on bonds in Sinking Fund. Bonds redeemed at 105.	Cent'l Trust Co. of N. Y.	

Since the foregoing tables were prepared, the Atlanta, Knoxville & Cincinnati Division Mortgage of date April 1, 1905, has been executed by the Louisville & Nashville Railroad Company to the United States Trust Company of New York, trustee, to secure an issue of bonds bearing 4 per cent interest, and maturing May 1, 1955, not to exceed in the aggregate \$50,000,000. Of these bonds \$20,000,000 are set apart for immediate issue. This mortgage covers the line of road from Cincinnati, Ohio, to Atlanta, Georgia, including certain trackage rights, and is subject to various mortgages on different parts of the line. Those prior mortgages are included in the foregoing tables, except the following two mortgages on the line of railroad formerly belonging to the Atlanta, Knoxville & Northern Railway Company:

1. The Atlanta, Knoxville & Northern Railway Company's first mortgage, dated December 1, 1896, to the Central Trust Company of New York, trustee, to secure \$1,000,000 of 5 per cent bonds, maturing December 1, 1946.
2. The Atlanta, Knoxville & Northern Railway Company's consolidated mortgage, dated November 26, 1901, under which the New York Trust Company is trustee, to secure \$2,280,000 of 4 per cent bonds, maturing March 1, 2002, of which \$500,000 were outstanding April 1, 1905. Additional bonds amounting to \$780,000 had been issued by the company, but were still in the treasury, never having been sold.

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