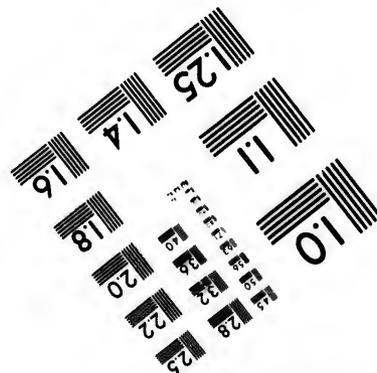
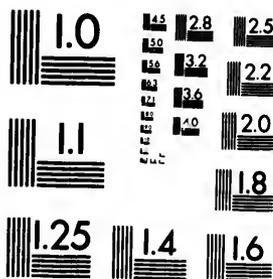


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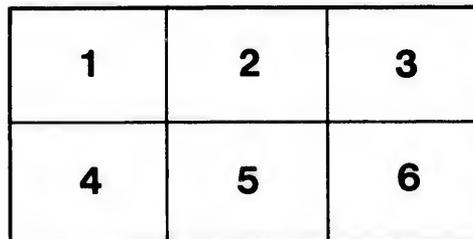
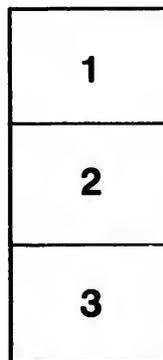
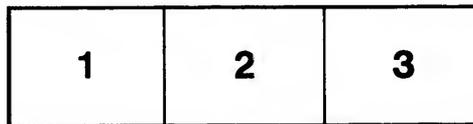
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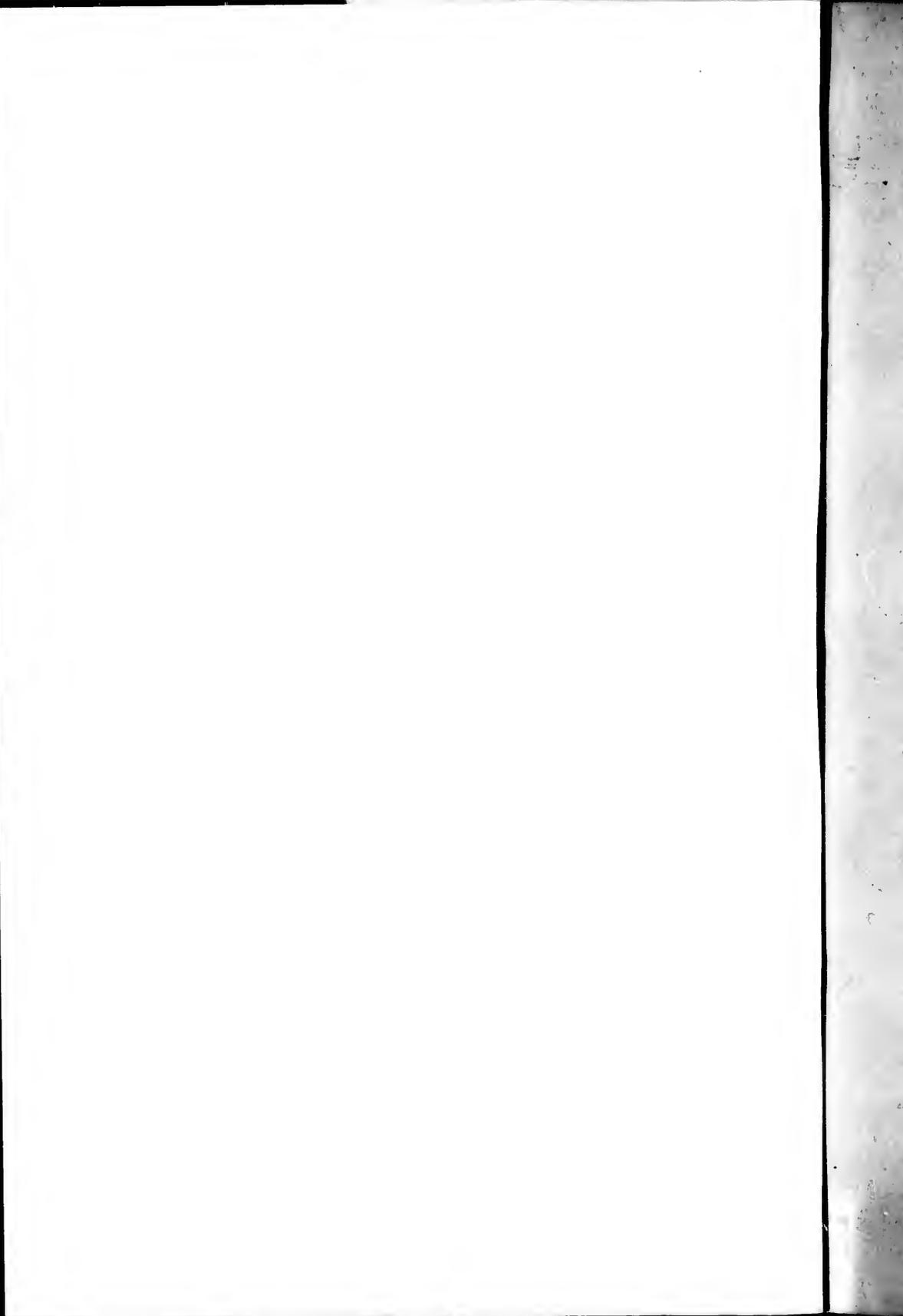
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map

THE
Chicago and Canada Southern
RAILWAY COMPANY.

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THE
Chicago and Canada Southern
RAILWAY COMPANY.

PROSPECTUS,
AND
OTHER DOCUMENTS.

New York:
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CORNER WILLIAM AND PINE STREETS.

1872.

1872
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OFFICERS OF THE COMPANY.

PRESIDENT,
MILTON COURTRIGHT.

VICE-PRESIDENT,
J. W. CONVERSE.

DIRECTORS,

SIDNEY DILLON,	DANIEL DREW,
J. W. CONVERSE,	WM. L. SCOTT,
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CONSULTING ENGINEER,
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SOLICITORS,
GEO. C. CAMPBELL, of Chicago; Hon. CHAS. I. WALKER, Detroit.
CHARLES TRACY, New York City.

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PROSPECTUS

OF THE

Chicago and Canada Southern

RAILWAY COMPANY.

The CHICAGO AND CANADA SOUTHERN RAILWAY is the closing link between Chicago and the western terminus of the Canada Southern Railway, on the Detroit River (which latter road will be completed by January 1st ensuing), and is the most direct and level line attainable between these points.

It is 250 miles long, with a branch to Toledo 35 miles in length, diverging from the main line 190 miles east of Chicago. The distance from the eastern terminus of the main line to Detroit by the Toledo, Canada Southern and Detroit Railway is 16 miles, making the distance from Chicago to Toledo 225, and to Detroit 266 miles.

This Railway, the Canada Southern, and branches, are substantially one undertaking, under the same general management and control.

The principal objective points are Buffalo, Chicago, Toledo and Detroit. It will therefore be a connecting link between the great systems of railways diverging from these important commercial centres, which can now supply to it a traffic equal to its utmost capacity.

To connect these important systems there are now but two existing roads, viz. : the Lake Shore and Michigan Southern on the south, along the south shore of Lake Erie, and the Great Western and Michigan Central on the north.

The Capital of the Chicago and Canada Southern and the Canada Southern Railways will be	\$30,000,000
That of the Great Western and Michigan Central is	\$55,000,000
And that of the Lake Shore and Michigan Southern is	\$75,000,000
The distance by the Chicago and Canada Southern and Canada Southern Railways from Chicago to the west end of the International Bridge at Buffalo is	482 miles.
By the Michigan Central and Great Western Loop Line (their shortest line)	510 miles.
By the Lake Shore and Michigan Southern (their shortest line) to Buffalo	524 miles.

The maximum grade of the Chicago and Canada Southern, like that of the Canada Southern Railway, is 15 feet to the mile, with an alignment equally favorable.

William J. McAlpine, Esq., in his report as Consulting Engineer of the Canada Southern Railway, after alluding to the advantages in distance which these lines had in their favor to the principal objective points, says :

“ There is, however, a more important question to be considered between your line and that of any existing

“ one, or any that can be built, being that of its superior
 “ advantages of grades and alignment.

“ It is somewhat difficult to state the moneyed value
 “ of the latter, as in it is involved the questions of safety,
 “ speed and operating expenses.

“ In regard to grades, the rule may be assumed, as
 “ sufficiently accurate for this comparison, that one of
 “ twenty feet per mile, lessens the cargo tonnage of a
 “ locomotive, half of that which it will haul upon a level,
 “ and that an engine of thirty tons will haul three hun-
 “ dred tons of cargo, on the average of the year round
 “ (as tonnage is presented of different proportions of bulk
 “ and weight and with the different conditions of the
 “ rail), on a grade of 15 feet per mile. It is quite true
 “ that such engines often haul twice this load, but expe-
 “ rienced railway men will doubtless consider the above
 “ as fair, in its practical application to the subject under
 “ discussion.

“ It will be noticed, that in the following calculations,
 “ the average load of an engine of 30 tons, has been
 “ taken at 300 tons on a ruling grade of 15 feet per
 “ mile, for the mixed traffic of a railway. If, however,
 “ we are to consider the movement of regular fixed items
 “ of freight, such as grain, stock, oil, coal or lumber, the
 “ load of such an engine, over such grades, should be
 “ taken at 400 tons for an average of the condition of
 “ the rails, weather, and the other circumstances men-
 “ tioned.

“ The Great Western line encounters grades of 60
 “ feet to the mile going westward, and those of 55 feet
 “ eastward. It is considered as a fair practical presen-
 “ tation of this question, to assume, that in regard to the
 “ trade moving eastward, the engines on its existing
 “ main line, will encounter grades of 25 feet on its west-

“ern half, and those of 55 feet on the eastern half, and
 “on the suggested Glencoe “Loop,” grades going east,
 “of 25 feet for the western half, and those of 35 feet for
 “the eastern half.

“The controlling grades of all, except one of the work-
 “ing divisions of the Lake Shore Railway proper (to
 “Toledo), are 35 feet, and those of the Michigan South-
 “ern and Central are from 35 to 45 feet to the mile.

“Applying the rule before stated, to these several
 “lines, it will be found that this line will have the
 “following percentages, in its favor, over the above-
 “mentioned lines *in addition to those of distance*, viz. :
 “as against the existing line of the Great Western,
 “of 66 per cent., of the Michigan Southern, of 55 per
 “cent. ; or, as applied to the suggested “Loop,” and
 “to the Lake Shore, of 40 per cent.

“When we combine all of these advantages of our
 “line, we find in its favor, 1st : That the saving in the
 “length of miles of construction is, from 33 to 55 miles
 “in length over its competitors. 2d : That the saving
 “in the cost of maintaining and operating in regard to
 “distance alone, will be in the same ratio. 3d : That
 “the saving in maintaining and operating, effected by
 “the lesser grades and more direct alignment, will be
 “from 40 to 60 per cent. ; and, 4th : That by its shorter
 “line, a diminished speed of trains will reach the ob-
 “jective points in the same time, the saving of which
 “may be taken as shown by the same ratios. That is,
 “that practically, the cost of all the expenses of run-
 “ning a train are nearly in the direct ratio of its
 “speed.

“When all of the advantages over any, and all, of
 “the existing and projected competing lines, are again
 “combined, the result proves that your railway will not

“ only be highly productive to its promoters, but will
 “ also result in great advantage to all of its connecting
 “ western and eastern lines.

“ Both of the existing railways which were located
 “ at an early day’s engineering across the Peninsula of
 “ Michigan, encounter heavy grades, and it would be
 “ difficult to avoid them without radical changes in their
 “ lines. The Goshen branch of the Southern Michigan
 “ avoids the elevation encountered upon the main line,
 “ but even it is not far enough south at its western end
 “ to secure the lowest grades for the whole line be-
 “ tween Chicago and Lake Erie. The extension of
 “ your road over that Peninsula, is found to be not
 “ only shorter than any of the existing lines, but also
 “ susceptible of grades of not exceeding 15 feet.

“ There is a remarkable geographical feature of the
 “ country through Central New York, which must not
 “ be lost sight of in this discussion. The chain of moun-
 “ tains which extend through Virginia, Maryland and
 “ Pennsylvania, flatten down to the low table lands in
 “ western New York, and allows the vast volume of
 “ the water from the upper Lakes, to flow past its
 “ northern boundary to the Atlantic. Penetrating
 “ this plateau from the eastward, is the Mohawk
 “ River, which virtually extends the Lake Erie pla-
 “ teau, on nearly a level plane, to within a hundred
 “ miles of the Hudson.

“ The elevation of Chicago is 565 feet above New
 “ York City ; hence, the planes connecting the two
 “ places will generally be in the direction of the heav-
 “ iest traffic, and gravity becomes an important assist-
 “ ance to the railway tonnage in that direction, and
 “ therein differs from the lines of artificial water com-
 “ munication by locks, because upon the latter (an idea

“ seldom thought of), it costs as much to go down hill
 “ as it does to go up, much more than it does upon a
 “ level.

“ A line of railway extending from Buffalo to the
 “ Hudson River, with grades which will not exceed
 “ 15 feet, is attainable. Such a line need not diverge
 “ from existing or projected lines, except in particular
 “ places.

“ It then appears, that a continuous line of railway
 “ between Chicago and New York, running over this
 “ line, may be made, upon which the maxima grades
 “ will not exceed 15 feet per mile.

“ This whole line and alterations will be built at an
 “ early day, and its effect upon the through traffic will
 “ form an epoch in the history of American rail-
 “ ways.”

The line of this road passes through a well settled country, similar to and equally as productive as that through which the Michigan Southern or Central passes, and will therefore have the same advantages in local traffic.

As applicable to the through traffic, the following extracts are taken from the prospectus of the Canada Southern Railway Company :

“ The best idea of the through business which this railway may expect, can be derived from a statement of the immense area, population, wealth, resources and progress of the States lying along and west of its western terminus. These States are Michigan, Indiana, Illinois, Missouri, Kansas, Nebraska, Iowa, Wisconsin and Minnesota. They contain an area of 560,793 square miles, and had a population in 1870 of

10,280,371. The following statement will show the area of each State, the population, and the number of miles of railway in each, in 1860 and 1870:

	Area. Square Miles.	Population, 1860.	Population, 1870.	Miles of R.R. 1860.	Miles of R.R. 1870.
Michigan.....	56,451	749,113	1,184,296	779	1,733
Indiana	33,809	1,350,428	1,673,046	2,163	3,177
Illinois.....	55,400	1,711,951	2,539,678	2,799	4,823
Missouri.....	65,350	1,182,012	1,715,000	817	2,040
Kansas	81,310	107,206	362,871	—	1,401
Nebraska	75,995	28,841	123,000	—	578
Iowa.....	55,036	694,913	1,191,802	655	2,550
Minnesota.....	83,521	172,023	435,511	—	972
Wisconsin	53,921	775,881	1,055,167	905	1,350
	560,793	6,772,368	10,280,371	8,118	18,624

The population of these States increased in the period of 10 years, 3,508,003, over 50 per cent. The railroad mileage in the same time increased 10,506 miles, or nearly 130 per cent. At a similar rate of increase, these States will have in ten years from this time, 15,000,000 inhabitants, and 40,000 miles of railway. But this is by no means all. New States are speedily forming out of Territories already containing large populations, while the railroads across the continent will bring to all the eastern lines an immense traffic from the interior and from the Pacific Coast. With that of the Territories, the increase of population in the West cannot be less than 600,000 annually. The yearly increase alone is adequate to the support of a first-class road to bear their products to market.

The States named in the preceding table produced in 1870 400,000,000 bushels of corn, and 150,000,000 bushels of wheat. The tonnage of this vast quantity exceeds 18,000,000 tons. But this tonnage, great as

it is, is but a tithe of what will be produced with their increased population, and under the stimulus of cheap transportation. The transportation of stock, and animal food of various kinds, constitutes a larger source of income of our through lines than that of grain. This kind of traffic is increasing much more rapidly than any other. The Eastern States are becoming more dependent every year upon the far West for their supply of animal food. Stock can be raised and transported at a profit far beyond the profitable limit for grains on account of the greater value of the former.

But the rapid increase of the tonnage of our railroads is much more wonderful than the increase in population.

The tonnage in 1869 of the five great roads coming into Chicago from the West ; the Chicago and North Western, the Chicago and Rock Island, the Chicago, Burlington and Quincy, the Chicago and Alton, and the Illinois Central, amounted to 6,767,209 tons. In 1860 the tonnage of these roads did not exceed 1,500,000. The increase in 10 years equaled 5,267,209, or 350 per cent., or an average increase of 35 per cent., yearly.

The tonnage of the three great lines from the West terminating on the sea-board—the New York Central, the Erie, and the Pennsylvania Railroads, increased from 1859 to 1869, a period of ten years, from 2,873,631 tons to 12,997,089 tons, or an average of 35 per cent., annually. While this percentage cannot be maintained, the actual annual increase will be much greater.

The following statement will show the tonnage of

the five roads entering Chicago from the West, for a period of five years, ending with 1869 :

	Illinois Central.	Chicago and Alton.	Chicago, Rock Island and Pacific.	Chicago, Burlington and Quincy.	Chicago and North Western.
1865	1,022,024	386,197	441,510	809,674	956,584
1866	1,034,946	511,012	472,557	737,511	1,137,515
1867	1,153,175	636,360	459,986	821,883	1,726,919
1868	1,439,675	915,682	654,435	937,489	1,982,429
1869	1,601,972	1,076,678	846,887	1,029,746	2,211,826

Such rates of increase show how much more rapidly the products and wealth of the country increase than its population. Such evidence as this, drawn from the reports of railroad companies, show the absolute necessity of constantly increased provision for transporting the products of the interior to the sea-board, and that no provision that is likely to be made will equal the demand.

While the progress of railroads has been so rapid in the West, no great independent outlets have been opened for them to the Eastern market during the last ten years.

Mr. E. H. Walker, Statistician for the New York Produce Exchange, has kindly furnished the annexed interesting official statement, showing the average annual cost of transportation of wheat and corn by water, from Chicago to New York, including handling and other charges, for the past fourteen years. This has been in round numbers 28 cents per bushel for wheat, both by Oswego and Buffalo, and for the year 1870, was 22 cents per bushel ; corn being carried at about the same rate for the same weight.

The toll on the Erie Canal for the last year was 3 cents per bushel, with freight exceptionally low. If the Erie Canal is ever made free from toll, it will only

reduce the cost of transportation by water to this extent. This is the only reduction possible, short of an enlargement of the canal.

The practice of purchasing grain at the stations upon the road west of Chicago is increasing among grain dealers. This saves all charges at Chicago and Buffalo. These transfers and other charges cannot be avoided if brought by water.

Another consideration of no small importance, is the shorter time of transit and the better condition in which the grain reaches market.

A freight train of 40 cars, with 14,000 bushels of wheat, which can always be relied upon, from Chicago to New York, (925 miles,) over a railway with a good road-bed, steel rails, and with grades not exceeding 15 feet per mile, and a return with one-fourth (100 tons) the weight, (which is about the proportion of back freight,) can be taken at a cost of not to exceed \$1.00 per mile run, or for 1,850 miles, . . . \$1,850

Terminal, and other charges, 468

Total, \$2,318

This includes the cost of working and maintaining the railway and equipment, together with every other expense, except interest on capital.

14,000 bushels of wheat at 17 cents per bushel, is \$2,380

100 tons mixed freight back, at 75 cents per hundred, is . . . 1,500

3,880

Leaving a net profit of \$1,562
or over 40 per cent. upon the gross earnings.

A 32-ton locomotive will transport over such a road 60 cars, with 21,000 bushels of wheat, with a return freight of one-quarter the above (say 150 tons), at a cost of \$1.25 per mile run ; this would reduce the cost of transporting the wheat to 14 cents per bushel, and the back freight to 60 cents per hundred.

The traffic of existing railroads has been constantly gaining over water routes, between Chicago and New York. The reduction in cost that can be made on this line will not only add to its tonnage from ordinary sources, but enable it to draw to an unlimited extent upon that which has heretofore gone by water.

Over such a railway as has been described, and which is entirely practicable, produce from Chicago and stations west, can certainly be transported cheaper to New York than by any existing water communication, and it is believed, cheaper than by any improved, or enlarged navigation practicable.

In connection with the transportation of grain through the St. Lawrence, which is now of considerable magnitude and rapidly increasing, the line to Hamilton becomes particularly important. The distance from Chicago to Lake Ontario, by water, is not only long and circuitous, but involves passing through the Welland Canal, the locks of which are only 26½ by 150 feet in the chamber. The locks between Lake Ontario and Montreal are 45 by 200 feet, the latter admitting vessels or barges of very much greater capacity—sea-going ships. Of 54,000,000 bushels of grain destined through the Welland Canal, 10,000,000 bushels, or nearly 20 per cent. were lightered over the Welland Railway, which was built by the side of the canal for that purpose. Taking grain by all rail direct to Hamilton, this lightering and expense of

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passing the Welland Canal will be avoided, and it can there either be put into a class of ships safe for a sea voyage, or into large barges, for either Oswego, Montreal or Quebec, at which two latter places it can be sent abroad by a still larger class of ships. Grain can be taken from Chicago to the head of Lake Ontario at Hamilton, 450 miles, and transferred into vessels or barges through an elevator, for eightcents per bushel. Airing grain occasionally, through an elevator, on a long voyage, is worth to the grain all it costs. The transportation of grain by this route will doubtless become important, and add largely to the traffic of our railway.

The receipts of the Lake Shore and Michigan Southern Railway in 1871 were \$14,800,000, and but for the want of capacity to do the business offered, would have been greater. If more facilities are necessary *now* to relieve this blockade, they will be imperatively necessary, upon the completion of the additional railways, now in course of construction from the eastern and western termini of this line of railway.

The gross earnings of the Great Western and Michigan Central last year were, in round numbers,	\$9,300,000
The Lake Shore and Michigan Southern,	\$14,800,000
Total,	\$24,100,000
The gross earnings of these roads this year are estimated at,	\$28,300,000
Increase,	\$4,200,000

This increase of business, the growth of a single

year, would alone be sufficient, considering the small capital of the Chicago and Canada Southern and the Canada Southern Railways and the cheapness with which they can be worked, to produce a net revenue almost sufficient to pay the interest on the whole capital of these two companies.

The low grades and perfect alignment of this Railway, like that of the Canada Southern, will admit transportation of passengers at the highest speed, and under the conditions of the most perfect safety. It will have the same economical advantages in the transportation of passengers as it will have in that of freight.

It will start off with the advantages of distance, grades and alignment, largely in its favor, and with Steel Rail and new equipment and appliances of the most approved modern kind. With its ability therefore for cheap transportation, and all its other advantages combined, it is difficult to estimate the traffic which must necessarily pass over this and the Canada Southern Railway, the most favorable link in that line of transit, over which so important a portion of the business of the continent naturally passes.

A S S E T S.

Capital stock authorized,	\$10,000,000
First mortgage, 7 per cent. sinking fund bonds,	8,000,000
	\$18,000,000

C O S T .

The cost of the Railway equipment and appurtenances complete, as estimated by the Chief Engineer, is	12,500,000
To this must be added for commissions, office and legal expenses, and contingencies,	1,500,000
Total,	<u>\$14,000,000</u>

Based on the payment of one-half in the capital stock of the Company (\$7,000,000) and the remainder in first mortgage bonds of the Company (\$7,000,000).

This will leave three millions of the stock and one million of the bonds in the hands of the Company.

Sufficient of the securities have already been placed, to provide all the means necessary to procure the right of way, fence, grade, bridge, and prepare the road-bed upon the whole line of railway, for the superstructure, and to furnish the rails for, and complete fifty miles of the same.

The estimated annual gross receipts from traffic are,	\$4,000,000
The working expenses should not exceed 55 per cent. of the gross earnings, even at the minimum rates, or	2,200,000

Leaving of net revenue,	<u>\$1,800,000</u>
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The annual interest on the bonds is \$560,000, and the contributions to the Sinking Fund will average, say \$80,000; this provides for the payment of the interest and debt at maturity.

Making	640,000
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Leaving net,	<u>\$1,160,000</u>
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which is equal to $16\frac{1}{2}$ per cent. on \$7,000,000 of stock.

The line is permanently located, and right of way mostly obtained. The steel rails for one-half the entire line are purchased, twenty-five miles of the road are completed, and fifty miles more will be finished, at the east end, this year. The grading on the balance will be so far advanced by next Spring that track laying can be resumed at the end of the finished seventy-five miles, and pushed westward uninterruptedly to completion. The part first completed will be brought into successful use as fast as the track is laid, as it will have an outlet over the Canada Southern.

It is the design of the Company to have the whole line of railway completed, equipped, and ready for operation during next year.

A copy of the Bond and Mortgage is hereto appended.

M. COURTRIGHT,
President.

NEW YORK, August, 1872.

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MORTGAGE.

THIS INDENTURE, made this first day of April, in the year of our Lord one thousand eight hundred and seventy-two, between the CHICAGO AND CANADA SOUTHERN RAILWAY COMPANY, a body politic and corporate, existing under and by virtue of the laws of the States of Illinois, Indiana, Ohio and Michigan, authorizing the consolidation of Railroad Companies to form a connected and continuous line of Railway, party of the first part, and ANDREW T. HALL, of Boston, in the State of Massachusetts, and KENYON COX, of the City of New York, Trustees as hereinafter mentioned, parties of the second part, witnesseth :

Whereas, The Michigan Air Line Railroad Company, a corporation existing under and by virtue of the laws of the State of Illinois; the Chicago and Canada Southern Railway Company, a corporation existing under and by virtue of the laws of the State of Indiana; the Northwestern Ohio Railroad Company, a corporation existing under and by virtue of the laws of the State of Ohio, and the Southeastern Michigan Railway Company, a corporation existing under and by virtue of the laws of the State of Michigan; have, under and by virtue of the laws of the said several States of Illinois, Indiana, Ohio and Michigan, become one consolidated corporation by the name of the Chicago and Canada Southern Railway Company, which, by virtue of the laws of said several States, has full authority to locate, construct, own and operate a connecting, continuous and consolidated line of railway through said several States of Illinois, Indiana, Ohio and Michigan, commencing in the City of Chicago, Illinois, thence running through the County of Cook to

the Indiana State line, on the western line of the township of Worth, in Lake County, in the State of Indiana, thence through the Counties of Lake, Porter, La Porte, St. Joseph, Elkhart, La Grange and Steuben, in the State of Indiana, to the west line of the State of Ohio, and upon the township line of the Township of Florence, in the County of Williams and State of Ohio, to the north line of said State of Ohio, in the Township of Gorham, in the County of Fulton, at the south line of the Township of Medina, in the County of Lenawee, in the State of Michigan, and thence through the said County of Lenawee and the Counties of Monroe and Wayne, in the State of Michigan, to the eastern line of the Township of Monguagon, in said County of Wayne, in the State of Michigan, which last named township line is upon the Detroit River.

AND, WHEREAS, At a regular meeting of the stockholders of the said consolidated Railway Company, held on the seventeenth day of January, A. D. 1872, it was voted that the Board of Directors of said Company be authorized to issue the bonds of said Company, to an amount not exceeding in the aggregate eight millions of dollars, in bonds of one thousand dollars each, numbered from 1 to 8,000 inclusive, and to execute a First Mortgage Deed of Trust of the said Company's Railway and its appurtenances, and all their lands, and present and future property and effects of whatever kind and nature, including all franchises and appurtenances thereunto belonging or in any way appertaining, to secure said bonds.

AND, WHEREAS, The Board of Directors of said Company, under said authority, have determined to issue the said bonds to an amount not exceeding *eight millions of dollars*, to enable them to complete said railway the entire length thereof, which bonds, when issued, are to be signed by the President and Secretary of said Company, and certified by the Trustees, parties of the second part,

which certification shall be conclusive evidence that such bonds are of the issue intended to be secured by the said Mortgage Deed of Trust, which said bonds, so to be issued, are to be as follows, viz. :

THE UNITED STATES OF AMERICA.

Illinois, Indiana, }	CHICAGO AND CANADA SOUTHERN RAILWAY COMPANY.	{ Ohio, Michigan.
-------------------------	---	----------------------

CONSOLIDATED CORPORATION.

First Mortgage Seven per cent. Coupon Gold Bond.

Number

\$1,000.

Know all men by these presents, that the Chicago and Canada Southern Railway Company is indebted to Andrew T. Hall, of Boston, in the State of Massachusetts, and Kenyon Cox, of the City of New York, Trustees, or the bearer hereof, in the sum of one thousand dollars in gold coin of the United States of America, which sum of one thousand dollars the said Chicago and Canada Southern Railway Company promise to pay to said Trustees, or to the bearer hereof, in gold coin of the United States of America, on the first day of April in the year of our Lord one thousand nine hundred and two (1902), at its agency in the City of New York, United States of America, with interest thereon, in the mean time, at the rate of seven per cent. per annum, also payable in like coin free of government tax, at the same place, semi-annually, on the first day of April and October of each year, on the surrender of the annexed coupons as they severally become due for such interest.

This bond is one of a series of bonds issued and to be issued to an aggregate amount not exceeding eight millions of dollars, in bonds of one thousand dollars each, numbered from 1 to 8,000 inclusive, and is secured by a first mortgage deed of trust, dated the first day of April, eighteen hundred and seventy-two, duly executed and delivered by the Chicago and Canada Southern Railway

Company, to said Andrew T. Hall and Kenyon Cox, Trustees, and conveying to them and their successors in the trust the railway of the said company, its land, rolling stock, tolls, revenues and present and future property and effects, franchises and appurtenances, and in which mortgage provision is made for a sinking fund to pay said bonds, and the interest thereon, as they become due.

This bond and all the rights and benefits arising therefrom, shall pass by delivery ; and at the option of the holder thereof, may be registered for the time being in the Company's books, at its office in the City of Chicago, Illinois, or in the Company's books at its agency in the City of New York, such registry being noted on the bond by the Company's transfer officer or agent.

After such registry, no transfer shall be valid unless made in the Company's books by the person registered for the time being as the owner thereof, which transfer shall also be noted on the bond. Such registry will not restrain or change the negotiability of the coupons by mere delivery, but the holder of such coupons may detach and surrender the same to be canceled, and have such cancellation noted on the bond, in which case the interest will be payable only to the person registered for the time being as the owner of this bond.

After registration as herein provided, and before the coupon shall be detached, the holder may transfer this bond on the Company's books to the bearer, and thereafter it shall pass by delivery ; but shall continue subject to successive registrations and transfers to bearer as aforesaid at the option of each holder. This bond is subject to the conditions endorsed hereon.

This bond shall not become obligatory upon said Company, until the certificate endorsed hereon is signed by the Trustees.

In testimony whereof, the said Chicago and Canada Southern Railway Company has caused its corporate seal to be hereto affixed, at its office in the City of Chicago, in the State of Illinois, and the same to be attested by the signature of its President, and the signature of its Secretary, on the first day of April, in the year of our Lord one thousand eight hundred and seventy-two. And said Company has also caused the signature of its Treasurer to be affixed to the coupons attached to this bond, in the manner provided by vote of the Directors of said Company.

....., *President*.
{ L.S. }
....., *Secretary*.

FORM OF COUPON.

35] THE CHICAGO & CANADA SOUTHERN [35
RAILWAY COMPANY
Will Pay to the Bearer, at its Agency in the City
of New-York, on the..... day of..... 18.....
THIRTY-FIVE DOLLARS,
IN UNITED STATES GOLD COIN, BEING SIX MONTHS' INTEREST ON BOND.
Coupon
No..... *Treasurer*. No.....

TRUSTEES' CERTIFICATE.

We hereby certify that the within bond is one of the series of bonds secured by the mortgage or deed of trust mentioned therein. and delivered to us as trustees, which has been duly recorded in the proper counties in the States of Illinois, Indiana, Ohio, and Michigan.

.....
.....
Trustees.

CONDITIONS.

This bond, at the option of the holder, will be made a sterling bond, on application at the agency of the Company in New York, principal and interest payable at the Company's agency in London, England, or in the City of New York, at the rate of two hundred pounds sterling for the principal of the bond, and seven pounds sterling for each coupon.

AND, WHEREAS, The said Chicago and Canada Southern Railway Company, party of the first part hereto, hath agreed to execute these presents, as and for a *First Mortgage Deed of Trust*, to secure the said issue of bonds aforesaid, being strictly limited to the sum and amount of eight million dollars in the aggregate, as here inbefore stated.

NOW, THEREFORE, THESE PRESENTS WITNESS that for the purpose of securing the payment of the said bonds, with the interest thereon, as aforesaid, and for the further consideration of one dollar in hand paid by the said parties of the second part to the said party of the first part, the receipt whereof is hereby acknowledged, the said Chicago and Canada Southern Railway Company, party of the first part, HATH *granted, bargained and sold*, and by these presents *both grant, bargain and sell* unto the said parties of the second part all the property which the said Chicago and Canada Southern Railway Company, party of the first part, now owns or shall hereafter acquire; that is to say: The said Company's railway in course of construction and to be made, commencing in the City of Chicago, in the State of Illinois, aforesaid, and running from said City of Chicago to the eastern line of the Township of Monguagon, on the Detroit River, in the County of Wayne, and State of Michigan, aforesaid, being located and situated in the States of Illinois, Indiana, Ohio, and Michigan, on the

line aforesaid, including the right of way and the lands occupied thereby; and also the superstructure and tracks thereon or to be thereon placed; and all iron and steel rails, ties, and other materials placed or used thereon, now or hereafter procured therefor, and all bridges, viaducts, culverts, fences, stations, station-grounds, buildings, and erections thereon; and all machine-shops and other shops held or acquired for use in connection with said railway or the business thereof, and including also all locomotives, tenders, cars, and other rolling stock or equipments, and all machinery, tools, implements, fuel, and materials for constructing, operating, repairing or replacing the said railway, or any part thereof, or any of its equipments or appurtenances, whether now held or at any time hereafter acquired; all of which things are hereby declared to be appurtenances and fixtures of the said railway, and to be included in and pass by these presents; and also all franchises connected with or relating to the said railway, or the construction, maintenance, or use thereof, now held or hereafter acquired by the said party of the first part; and all corporate and other franchises which are now or may hereafter be held or exercised by the said party of the first part; and all property, personal or mixed, used on the line of said road in constructing or operating the same, together with all and singular, the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, and the reversions, remainders, tolls, incomes, rents, issues and profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in and to the same, and any and every part thereof, with the appurtenances.

TO HAVE AND TO HOLD the said premises and every part thereof unto the said parties of the second part as joint tenants, and not as tenants in common, and the survivor of them, and to their or his successors or assigns forever.

NEVERTHELESS, IN TRUST, for the ho'ders of said Bonds and upon the following conditions, covenants and agreements, and for the purposes herein expressed:

First.—Until default shall be made in the payment of the interest upon the Bonds, or some part thereof, or until default shall be made in something herein required to be done by the Chicago and Canada Southern Railway Company, the said railway company, party of the first part, shall be suffered and permitted to possess, operate, maintain and enjoy said railway, with its equipments and appurtenances, and to take and use the rents, incomes, profits, tolls and issues thereof, during the term of time the said Bonds, secured by this Mortgage Deed of Trust, shall run before maturity.

Second.—In case any default shall be made in the payment of any interest on any of said bonds, issued or to be issued, according to the tenor thereof, or in case default shall be made in any of the requirements herein to be done or kept by the said Railway Company, party of the first part, and such default shall continue for the period of three months, it shall then be lawful for the said Trustees, and on request of ten or more of the holders of said bonds, representing in amount one million dollars thereof, it shall be their duty, personally, or by their attorneys or agents, with or without process of law (full power and authority being hereby given for that purpose), to enter into and upon all and singular the premises hereby conveyed or intended to be, and each and every part thereof; and to have, hold, and use the same for the benefit of the holders of said bonds issued under these presents, to pay the interest thereon, operating by themselves, or by their or his Superintendent, Managers, Receivers, or Servants, or other Attorneys or Agents, the said railway, and conducting the business thereof, and making from time to time all repairs and replacements, and such alterations, additions and improvements thereto, as may seem to them to be judicious and proper, for the

best interest of all parties concerned, and to collect and receive all tolls, freights, incomes, rents, issues and profits of the same, and every part thereof; and from the proceeds of such receipts, after paying all the expenses and charges of operating the said railway and conducting its business and all of the said repairs and replacements, alterations, additions and improvements, and all taxes and assessments, said Trustees shall pay the interest due and unpaid on said bonds, in the order in which such interest became due and payable, ratably to the persons entitled thereto; and after paying all interest on said bonds, of which default was made by said railway company, and all interest which shall fall due on said bonds thereafter, so that no interest shall remain unpaid and no default shall exist in anything herein required to be done or kept by said railway company, said party of the first part, then the Trustees shall restore the possession of the property, railway franchises, and appurtenances to the said railway company and its successors; and as often thereafter as said company shall so make default in the payment of interest or in anything to be done or kept by said company, on such further request of said bondholders in number and amount as herein stated, said Trustees shall take possession of all the property and effects hereby mortgaged, or intended so to be, and operate said railway and property as hereinbefore stated, and pay the interest in default of payment as provided.

And it is further stipulated and provided, for the purpose of giving an additional and further security and guarantee to insure prompt payment of the interest of said bonds, as it shall mature and become due and payable according to the tenor of said bonds, as follows, viz. : That in case default shall be made at any time in the payment of any interest on any of said bonds issued under these presents, then the holders of said bonds or any ten or more of them, acting for themselves and others representing in the aggregate one million of dollars of said bonds, shall have the right at any time after six months

have elapsed after such default shall have been made in the payment of interest, and said default then existing, to elect and declare the principal of all of said bonds due and payable, and that then and in such case the principal of said bonds shall then be deemed due and payable to all intents and purposes the same as though said bonds were all due and payable by the terms thereof, anything contained in said bonds or herein to the contrary notwithstanding, and that in such case, or in case default shall be made in the payment of the principal of said bonds issued or to be issued under these presents, when the same shall become due and payable according to the terms thereof, at the request of said bondholders to the said number and amount, the said Trustees shall immediately elect and declare the principal of all of said bonds to be then due and payable, and shall foreclose this mortgage deed of trust for the principal of all said bonds issued under these presents and the interest unpaid thereon, and enforce payment thereof as speedily as possible, instead of operating said railway and conducting the business thereof as herein provided for in case of default being made in the payment of interest, and such default continued for a period of three months.

And the said Chicago and Canada Southern Railway Company, party of the first part, in such case doth hereby irrevocably authorize and empower the said trustees on such request to make sale of all and singular the property hereby conveyed or intended to be conveyed, or so much as may be necessary to pay off the said bonds issued under these presents, and the accrued interest thereon then unpaid. Such sale shall be at public auction at the north door of the Court House in the City of Chicago, Illinois, or at such other place as the said Trustees may select, to the highest bidder or bidders, first giving notice by publication in one or more leading newspapers of general circulation in each of the Cities of Chicago, Detroit and New York, for ninety consecutive days before the day of the sale, setting forth the time

and place and terms of such sale and the property to be sold; and on such sale said Trustees may convey to the purchaser or purchasers, by good and sufficient conveyance, all the property so sold, which sale and conveyance shall be without redemption and without any right or claim of the party of the first part to the benefit of any valuation or appraisement laws; and such sale and conveyance shall be a perpetual bar to all claims or right of said party of the first part of and to said property, and every part thereof, both in law and equity, and to all parties claiming from or under the said party of the first part forever; and such sale and conveyance shall vest in the purchaser or purchasers, his or their heirs and assigns, full and absolute title to all the property so sold forever. The said party of the first part, to that end hereby waiving all right and equity of redemption then existing under the laws of the States of Illinois, Indiana, Ohio and Michigan, or any one or more of said States, and also hereby waiving all rights whatsoever under appraisal and valuation laws then existing in said States or any of them.

It is further provided, and by and on the part of the party of the first part, it is agreed that in case said Trustees shall deem it advisable for the interest of the bondholders to resort to judicial proceedings to foreclose this mortgage rather than to advertise and sell as herein provided, then, in that case, said Trustees may proceed in any Court, State or Federal, having jurisdiction in either of the States of Illinois, Indiana, Ohio or Michigan, to foreclose the same, and the equity of redemption of the party of the first part in said property, and enforce a sale thereof by judicial process; to pay and satisfy the whole amount of said bonds with accrued interest thereon in the same manner as though said bonds were all due and payable by the terms thereof, which sale shall be absolute and without redemption, and shall be a perpetual bar to all right or claim whatever of said party of the first part, of, in and to said property, and to every

part thereof. The said party of the first part doth hereby waive all right and equity of redemption existing under the laws of the States of Illinois, Indiana, Ohio and Michigan or any one or more of them, and also all right whatever under appraisal or valuation laws then existing in said States, or any of them, to the end that full, absolute and perfect title may be made to the purchaser or purchasers at such sale, in and to said property so sold under judicial proceedings as provided for herein.

Third.—The said Chicago and Canada Southern Railway Company, shall, from time to time, and at all times hereafter, and as often as requested by the said Trustees, execute, acknowledge and deliver all such further deeds, conveyances and assurances in the law, for the better assuring unto the said Trustees, upon the trusts herein expressed, the said railway, the equipments and appurtenances hereinbefore mentioned, and all other property and effects whatsoever, which may at any time hereafter be acquired for use in connection with the said railway or any part thereof, and all franchises now held or hereafter acquired by said railway company, as by the Trustees or by their or his counsel shall be reasonably advised, devised or required.

In case of any sale of the property under the trust, as herein provided, and all the outstanding bonds issued under the provisions hereof shall not be represented at such sale, then said trustees shall represent such of the bondholders as are not otherwise represented, so that no preference or advantage can be gained by one or more of the bondholders over other holders of said bonds on such sale of the property under these presents. And at any such sale, under these presents, the said trustees, parties of the second part, may at the request of a majority in value of the said bondholders, bid in or purchase the said property for the benefit of said bondholders, in proportion to their respective interests.

Fourth.—The Board of Directors of the Chicago and Canada Southern Railway Company may from time to time, by resolution, require said Trustees, by way of release or otherwise, to discharge from the operation of these presents, any lands acquired or held for the purpose of stations, depots, shops or other buildings or premises connected therewith, or which may be held for the supply of fuel, gravel or other materials, or any lands which may have become disused by reason of a deviation in the said line or of a change of the location of any station-house, depot, shop or other building or premises, or any lands which the said Board of Directors may deem it expedient to disuse or abandon, by reason of such deviation or change, and which lands respectively shall, by resolution of said Board, be declared to be unnecessary for the purpose and business of said Company; and in every such case, the said Trustees, when so required, shall execute such releases and discharges accordingly; and it is hereby declared, that any lands which may be acquired in substitution for lands so released or discharged, as well as any lands subsequently acquired by said company, for the use or convenience of its railway, or in connection therewith, shall be deemed to come within the operation of these presents, and to be included therein, and shall be conveyed to and held by said Trustees upon the trust of these presents; and it is further declared that said Company may, from time to time, sell or dispose of any part of the equipment, rolling stock, machinery, implements or material, at any time held or acquired, for the use or purposes of said railway, as may, by resolution of the Board of Directors, be declared to be no longer useful or necessary for the said company's business, and any new or subsequently acquired equipments, rolling stock, machinery, implements or materials shall come within and be subject to these presents.

Fifth.—If the said Chicago and Canada Southern Railway Company shall well and truly pay the bonds

issued under these presents required to be paid by said Company, and all interest thereon, according to the tenor and effect of said bonds, and shall well and truly keep and perform all things herein required to be kept or performed by the said Company, according to the true intent and meaning of these presents, then, in that case, the estate, right, title and interest of the said parties of the second part, and of their successors in the trust hereby created, and all the equity of bondholders in said property shall cease and determine and become void without any release by said Trustees, but it shall be the duty of said Trustees to reconvey the property to the party of the first part, by deed of release. Otherwise these presents shall be and remain in full force and virtue.

Sixth.—It is mutually agreed by and between the parties hereto, that the word “Trustees,” as used in these presents, shall be construed to mean the Trustees for the time being, whether one or both be original or new, and whenever a vacancy shall exist, to mean the survivor or continuing Trustee; and such Trustee shall, during such vacancy, be competent to exercise all the powers granted by these presents to the parties of the second part. And it is mutually agreed by and between the parties hereto, as a condition on which the parties of the second part have assented to these presents, that the said Trustees shall not, in any manner, be responsible for any default or misconduct of each other; and that said Trustees shall be entitled to just compensation for all services which they may hereafter render in their trust, to be paid by the said Company, and that either of the said Trustees, or any successor, may resign and discharge himself of and from the trust created by these presents, by notice, in writing, to the Chicago and Canada Southern Railway Company, and to the existing Trustee, if there be such, ninety days before such resignation shall take effect, or such shorter notice as they may accept as adequate notice; and that the said Trus-

tees, or either of them, and their or his successor or successors, may be removed by the vote of a majority in interest of the holders of the aforesaid bonds then outstanding, the said vote being had at a meeting called by the holders of at least five hundred thousand dollars of said bonds, by advertisement published for thirty days in a daily newspaper of large circulation in each of the cities of Chicago, Detroit and New York, respectively; and at said meeting said bondholders may vote in person or by proxy, and their said vote shall be attested by an instrument under the hands and seals of the persons so voting. And in case a vacancy shall occur in said Trusteeship by death, resignation or otherwise, or in case said Trusteeship become entirely vacant, the same may be filled by said bondholders at any time within ninety days after the same shall occur, at a meeting called by the same number of bondholders and in the same manner as provided above for the removal of a Trustee, and the proceedings at such meeting and the attestation thereof shall be the same as is above provided in case of a meeting for the removal of trustees, and in case said vacancy is not so filled within said ninety days, then either the remaining Trustee, if there be one, or the Board of Directors of said Railway Company may apply to any Court, State or Federal, having chancery jurisdiction, in either of the States of Illinois, Indiana, Ohio or Michigan, for the appointment of a new Trustee, giving such notice to the other as the Court may direct. And such Trustee or Trustees so appointed shall have all the right and title, and be clothed with all the power and subject to all the duties herein mentioned in the same manner and to the same extent as if named in this Mortgage as such Trustee or Trustees.

Seventh.—It is further provided and agreed, on the part of the party of the first part, that in case the said Trustees shall neglect or refuse to perform any duty under this trust, as to taking possession of the property and making sale thereof as herein provided, or to fore-

close this Mortgage Deed of Trust in any Court having jurisdiction thereof in either of said States, as herein provided, on demand of ten or more of the said bondholders as herein provided, then in such case of neglect or refusal, said bondholders, or any ten or more of them, holding an amount in the aggregate of one million of dollars, shall have the right and power irrevocable to institute such proceedings in any Court, State or Federal, having jurisdiction of the subject matter in either of the States of Illinois, Indiana, Ohio or Michigan, through which said railway may be constructed, in their names, for themselves and all other holders of said bonds issued under and secured by these presents, as may or will protect the holders of said bonds, and insure a decree of foreclosure and sale of the property, and a closing of said trust; to pay and satisfy the interest due and unpaid on said bonds, or the principal thereon, to the full protection of the holders of said bonds in all things under these presents, making said Trustees parties defendant, and charging such neglect or refusal.

And it is further agreed that the holders of any of said bonds, after registration thereof, as provided in said bonds, may from time to time transfer the same on the books of the Company, as provided in said bonds.

Eighth.—The said Chicago and Canada Southern Railway Company, party of the first part, hereby covenants and agrees that said Company shall and will pay the principal and interest of said bonds to the several holders and owners thereof, when and as the same shall become due and payable according to the tenor and effect thereof, and shall and will assume and pay all taxes that may be assessed upon said bonds from time to time by the government of the United States, and also all taxes assessed upon said mortgaged property or any part thereof, both general and special, in the several States through which said railway extends, so that said property mortgaged shall be free from all liens or charges for taxes or

assessments in said States of whatever kind or nature. Said bonds, or any of them, at the option of the holder, will be made sterling bonds, on application at the agency of the Company in New York, principal and interest payable at the Company's agency in London, England, or in the City of New York, at the rate of two hundred pounds sterling for the principal of the bond, and seven pounds sterling for each coupon.

Ninth.—And the Chicago and Canada Southern Railway Company hereby covenants and agrees to and with the said party of the second part, that said Company shall establish a Sinking Fund adequate for the redemption and retiring at par of all of said bonds in the gold coin of the United States of America at the maturity thereof; and that said Sinking Fund shall be used for such redemption and retiring of said bonds and for no other purpose; and that said Company will commence establishing and creating said Sinking Fund, and pay into said fund on or before the first day of April, one thousand eight hundred and seventy-eight (1878), one hundred thousand dollars, and will continue to pay into said Sinking Fund, on the first day of April of each year, an amount increased each succeeding year, so that said Sinking Fund shall be adequate to redeem and retire all of said bonds by the time they mature by the terms thereof; that is to say, said Company will pay into said Sinking Fund for the use and purpose aforesaid the several sums, and at or before the dates as follows, viz. :

On the first day of April, in the year A. D.	
1878, the sum of.....	\$100,000
On the first day of April, in the year A. D.	
1879, the sum of.....	\$118,000
On the first day of April, in the year A. D.	
1880, the sum of.....	\$136,000
On the first day of April, in the year A. D.	
1881, the sum of.....	\$156,000

On the first day of April, in the year A. D. 1882, the sum of.....	\$173,000
On the first day of April, in the year A. D. 1883, the sum of.....	\$191,000
On the first day of April, in the year A. D. 1884, the sum of.....	\$210,000
On the first day of April, in the year A. D. 1885, the sum of.....	\$228,000
On the first day of April, in the year A. D. 1886, the sum of.....	\$246,000
On the first day of April, in the year A. D. 1887, the sum of.....	\$265,000
On the first day of April, in the year A. D. 1888, the sum of.....	\$283,000
On the first day of April, in the year A. D. 1889, the sum of.....	\$301,000
On the first day of April, in the year A. D. 1890, the sum of.....	\$321,000
On the first day of April, in the year A. D. 1891, the sum of.....	\$338,000
On the first day of April, in the year A. D. 1892, the sum of.....	\$356,000
On the first day of April, in the year A. D. 1893, the sum of.....	\$376,000
On the first day of April, in the year A. D. 1894, the sum of.....	\$393,000
On the first day of April, in the year A. D. 1895, the sum of.....	\$411,000
On the first day of April, in the year A. D. 1896, the sum of.....	\$431,000
On the first day of April, in the year A. D. 1897, the sum of.....	\$448,000
On the first day of April, in the year A. D. 1898, the sum of.....	\$466,000
On the first day of April, in the year A. D. 1899, the sum of.....	\$486,000

	On the first day of April, in the year A. D.	
\$73,000	1900, the sum of.....	\$503,000
	On the first day of April, in the year A. D.	
\$91,000	1901, the sum of....	\$522,000
	On the first day of April, in the year A. D.	
\$10,000	1902, the sum of.....	\$542,000

Amounting in the aggregate to \$8,000,000 ; and the amount hereby appropriated for the redemption of said bonds shall be applied as thus appropriated to the purchase of bonds issued under these presents at the lowest rates at which said bonds can be purchased, not however exceeding the par value thereof and the accumulated interest thereon, and to effect this the Board of Directors of said company will, by public advertisement each year, solicit offers of such bonds to the amount appropriated in each respective year for this purpose. But if such bonds cannot be purchased at par, the said Board of Directors will be at liberty to purchase said bonds at their market value, or to invest the amount thus appropriated in any other way, which in their judgment will be most for the interest of the Sinking Fund. The bonds of said company so purchased, together with the coupons attached, shall immediately upon the purchase thereof be cancelled.

The bonds secured by this mortgage deed of trust are stamped when issued as required by the United States Internal Revenue laws.

In testimony whereof, and in pursuance of a resolution of the Board of Directors of the said Chicago and Canada Southern Railway Company, passed on the twenty-fourth day of January, in the year one thousand eight hundred and seventy-two, the said Railway Company of the first part has caused its corporate seal to be affixed to these presents, at its office in the City of Chicago, in the State of Illinois, and the same to be attested by the signature of its President and the signature of its

Secretary, and the said Trustees have hereunto set their respective hands and seals to testify their acceptance of the said trust, the day and year first above written.

Attested by

.....
President of said Company.

Attested by

.....
Secretary of the Company.

The undersigned hereby accept said Trust.

....., [SEAL.]

....., [SEAL.]

Trustees.

Signed, sealed and
delivered in presence of

}

g
r



Chicago and Canada Southern
RAILWAY COMPANY.

First Mortgage, 7 Per Cent. Sinking Fund Bond.

\$1,000.

Payable, Principal & Interest in U. S. Gold Coin.

INTEREST PAYABLE

April 1st and October 1st in each Year,

IN NEW YORK.

TRUSTEES' CERTIFICATE.

We hereby certify that the within Bond is one of the series of Bonds secured by the Mortgage or Deed of Trust mentioned therein, and delivered to us as Trustees, which has been duly recorded in the proper Counties in the States of Illinois, Indiana, Ohio and Michigan.

..... } Trustees.
..... }

STATES OF

AMERICA
CORPORATION

OHIO AND MICHIGAN



SEVEN PER CENT. COUPON GOLD BOND.

No. [Redacted]

Southern Railway Company.

the CHICAGO AND CANADA SOUTHERN RAILWAY COMPANY is indebted to Andrew T. Hall, Esq., of the City of New York, Trustees, or the bearer hereof, in the sum of *one thousand dollars*, which sum of *one thousand dollars*, the said Chicago and Canada Southern Railway Company, in the United States of America, on the first day of April, in the year of our Lord one thousand nine hundred and *one*, in the State of Illinois, with interest thereon, in the mean time, at the rate of seven per cent. per annum, also payable in like coin on the first day of October of each year, on the surrender of the annexed coupons as they severally become due for such interest, not exceeding eight millions of dollars, in bonds of one thousand dollars each, numbered from 1 to 8,000 inclusive, and duly executed and delivered by the Chicago and Canada Southern Railway Company, or its successors in the trust, the railway of the said company, its land, rolling stock, tolls, revenues and present and future income is made for a sinking fund to pay said bonds, and the interest thereon, as they become due. This bond at the option of the holder thereof may be registered for the time being in the Company's books, at its office in the city of Chicago, such registry being noted on the bond by the Company's transfer officer or agent. After such registry, no transfer shall be valid unless the same be noted on the bond, which transfer shall also be noted on the bond. Such registry will not restrain or change the negotiability of the bond, and have such cancellation noted on the bond, in which case the interest will be payable only to the person named on the coupon, and before the coupon shall be detached, the holder may transfer this bond on the Company's books to the bearer, and thereafter the same, as aforesaid, at the option of each holder. This bond is subject to the conditions entered hereon. This bond shall be void if not presented within six months after the date hereof.

The Company has caused its corporate seal to be hereto affixed, at its office in the city of Chicago, in the State of Illinois, and the same to be attested on the first day of April, in the year of our Lord one thousand eight hundred and seventy-two. The coupons attached to this bond, in the manner provided by vote of the Directors of said Company.

President.

COUPON NO. 53.

The Chicago and Canada Southern Railway Company

Will pay to the bearer, at its Agency in the City of New York, on the first day of April, 1901, THIRTY-FIVE DOLLARS, in United States Gold Coin, being six months' interest on Bond No.

..... Treasurer.

COUPON NO. 57.

The Chicago and Canada Southern Railway Company

Will pay to the bearer, at its Agency in the City of New York, on the first day of October, 1900, THIRTY-FIVE DOLLARS, in United States Gold Coin, being six months' interest on Bond No.

\$35.00 .. Treasurer.

COUPON NO. 56.

The Chicago and Canada Southern Railway Company

Will pay to the bearer, at its Agency in the City of New York, on the first day of April, 1900, THIRTY-FIVE DOLLARS, in United States Gold-Coin, being six months' interest on Bond No.

\$35.00 .. Treasurer.



Chicago and
RAILWAY

First Mortgage, 7

CONDITION.

This Bond, at the option of the holder, will be made a Sterling Bond on application at the Agency of the Company in New York: Principal and Interest payable at the Company's Agency in London, England, or in the City of New York, at the rate of two hundred pounds sterling for the principal of the Bond, and seven pounds sterling for each coupon.



Payable, Principa

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April 1st and

IN

TRUST

*We hereby cer
the series of Bonds
Trust mentioned th
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**Chicago and Canada Southern
RAILWAY COMPANY.**

First Mortgage, 7 Per Cent. Sinking Fund Bond.

\$1,000.

Payable, Principal & Interest in U. S. Gold Coin.

INTEREST PAYABLE

April 1st and October 1st in each Year,

IN NEW YORK.

TRUSTEES' CERTIFICATE.

We hereby certify that the within Bond is one of the series of Bonds secured by the Mortgage or Deed of Trust mentioned therein, and delivered to us as Trustees, which has been duly recorded in the proper Counties in the States of Illinois, Indiana, Ohio and Michigan.

..... } Trustees.
..... }

CONDITION.

A Sinking Fund will be established by this Company in pursuance of the Mortgage Deed of Trust, adequate for the redemption and retirement of all the Bonds of this series, before the maturity thereof, by paying into the same the sums mentioned below in gold coin, on or before the respective days mentioned below:

TIME OF REDEMPTION.

SUMS PROVIDED THEREFOR.

- On the first day of April, in the year A.D. 1878, the sum of \$100,000.
- On the first day of April, in the year A.D. 1879, the sum of \$118,000.
- On the first day of April, in the year A.D. 1880, the sum of \$136,000.
- On the first day of April, in the year A.D. 1881, the sum of \$156,000.
- On the first day of April, in the year A.D. 1882, the sum of \$173,000.
- On the first day of April, in the year A.D. 1883, the sum of \$191,000.
- On the first day of April, in the year A.D. 1884, the sum of \$210,000.
- On the first day of April, in the year A.D. 1885, the sum of \$228,000.
- On the first day of April, in the year A.D. 1886, the sum of \$246,000.
- On the first day of April, in the year A.D. 1887, the sum of \$265,000.
- On the first day of April, in the year A.D. 1888, the sum of \$283,000.
- On the first day of April, in the year A.D. 1889, the sum of \$301,000.
- On the first day of April, in the year A.D. 1890, the sum of \$321,000.
- On the first day of April, in the year A.D. 1891, the sum of \$338,000.
- On the first day of April, in the year A.D. 1892, the sum of \$356,000.
- On the first day of April, in the year A.D. 1893, the sum of \$376,000.
- On the first day of April, in the year A.D. 1894, the sum of \$393,000.
- On the first day of April, in the year A.D. 1895, the sum of \$411,000.
- On the first day of April, in the year A.D. 1896, the sum of \$431,000.
- On the first day of April, in the year A.D. 1897, the sum of \$448,000.
- On the first day of April, in the year A.D. 1898, the sum of \$466,000.
- On the first day of April, in the year A.D. 1899, the sum of \$486,000.
- On the first day of April, in the year A.D. 1900, the sum of \$503,000.
- On the first day of April, in the year A.D. 1901, the sum of \$522,000.
- On the first day of April, in the year A.D. 1902, the sum of \$542,000.

