

THE NATURE AND EXTENT OF LOSSES
TO BONDHOLDERS IN CORPO-
RATE REORGANIZATION
AND LIQUIDATION

1919 - 1928

A DISSERTATION

IN ECONOMICS

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APPENDIX I

FOOTNOTES TO TABLE NUMBER VI, CHAPTER I, P. 28

- (1) Five bond issues which were reported as in default were reinstated, viz.:
 1. Yosemite Valley Railroad Company, 1st sinking fund gold 5's, 1936; interest paid about 6 months late from 1919 to 1924, at which time and after, interest was paid when due.
 2. Algoma Eastern Railway (Canada), 50 year 1st mortgage 5's, 1961; interest was deferred and is being paid late.
 3. Atlanta, Birmingham and Atlantic Railway Company, 6% equipment trusts, 1935; all arrears in interest are being paid and likewise payments on account of principal in accordance with agreement between receiver for road and United States Government which holds all of above notes.
 4. Minneapolis and St. Louis Railway Company, 1st gold 7's, 1927; on which interest was not defaulted, but bonds were extended from June 1, 1927 to June 1, 1932, with interest at 6%.
 5. Nashville Terminal Company, 1st gold 5's, 1932; on which interest was deferred but paid about 6 months late since 1916. Since July 1, 1928, interest has been paid when due.
- (2) Five bond issues which were reported as in default were reinstated, viz.:
 1. Houghton County Traction Company, 1st consolidated gold 5's, 1937; all but \$6,000 of \$660,000 outstanding are owned by Central Gas and Electric Company, and interest is being paid about 2 years late.
 2. Oregon Electric Railway Company, 1st gold 5's, 1933; interest was deferred but paid late from May 1, 1923 to May 1, 1924, from which date interest has been paid when due.
 3. Biloxi Electric Railway and Power Company, 1st gold 6's, 1924; principal was defaulted January 1, 1924. On January 1, 1925 the Mississippi Power Company purchased the properties, assumed the bonds, and subsequently retired them with all interest accrued at 106.
 4. Gulfport and Mississippi Coast Traction Company, 1st gold 6's, 1935; defaulted interest October 1, 1924. On January 1, 1925, the Mississippi Power Company purchased the properties, assumed the bonds, paid arrears in interest and subsequently retired the bonds at 105.
 5. Clinton Street Railway Company, 1st gold 5's, 1926; defaulted principal March 31, 1926. Interest has been paid regularly to and including October 1, 1930. No reorganization has been undertaken.
- (3) Ten bond issues which were reported as in default were reinstated, viz.:
 1. Brooklyn City and Newtown Railroad, consolidated 1st gold 5's, 1939; defaulted interest July 1, 1919 to July 1, 1921, with interest at 6%, to April 15, 1922, on overdue amounts was paid and these bonds were not disturbed in the reorganization of the Brooklyn Rapid Transit Company.

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2. Brooklyn, Queens County and Suburban Railroad Company, 1st 5's; defaulted interest July 1, 1919. The defaulted interest was paid in cash (\$225 per \$1000 bond) and the bonds reinstated under the reorganization plan of the Brooklyn Rapid Transit Company.
 3. Brooklyn, Queens County and Suburban Railroad Company, 1st consolidated 5's; defaulted interest November 1, 1919. The defaulted interest (\$200 per \$1000 bond) was paid, \$50 in cash and \$150 in 6% preferred stock of the Brooklyn-Manhattan Transit Corporation, and the bonds were reinstated under the reorganization plan of the Brooklyn Rapid Transit Company.
 4. Coney Island and Brooklyn Railroad, 1st consolidated mortgage 4's; defaulted interest July 1, 1919. All interest due was paid in cash (\$180 per \$1000 bond) and bonds were reinstated under the reorganization plan of the Brooklyn Rapid Transit Company.
 5. Jamaica and Brooklyn Railroad Company, 1st 5's; defaulted interest July 1, 1919. All arrears in interest paid in cash and bonds reinstated under Brooklyn Rapid Transit Company reorganization plan.
 6. Nassau Electric Railroad, 1st mortgage 5's, 1944; defaulted interest October 1, 1919. All arrears in interest (\$200 per \$1000 bond) was paid in cash and bonds were reinstated under the reorganization plan of Brooklyn Rapid Transit Company.
 7. Nassau Electric Railroad, 1st consolidated 4's, 1951; defaulted interest July 1, 1919. All arrears in interest (\$180 per \$1000 bond) was paid (\$40 in cash and \$140 in 6% preferred stock of Brooklyn-Manhattan Transit Corporation) and bonds were reinstated under the reorganization plan of Brooklyn Rapid Transit Company. Both this issue and No. 5 above were assumed by the Brooklyn and Queens Transit Corporation in 1929.
 8. Hoosac Valley Street Railway, refunding gold 7's, 1924; defaulted interest September 1, 1919. All arrears in interest paid and in 1924 bonds were extended to 1929 and on November 2, 1929 were extended to September 1, 1939 at 6% interest.
 9. Atlantic Avenue Railroad, improvement gold 5's, 1934; defaulted interest January 1, 1920. All arrears in interest (\$200 per \$1000 bond) was paid in cash and bonds were reinstated under the Brooklyn Rapid Transit Company reorganization. Bonds were assumed in 1929 by the Brooklyn and Queens Transit Corporation.
 10. United Railways Company of St. Louis, 1st general gold 4's, 1934; interest defaulted July 1, 1924. All arrears in interest were paid by receiver on order of the court and bonds were undisturbed in the reorganization of the United Railways Company of St. Louis in 1927, and were assumed by the new company—St. Louis Public Service Company.
- (4) Four bond issues reported as in default were reinstated, viz.:
1. Equitable Gas Light Company (Memphis, Tenn.), 1st 5's, 1929; de-

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faulted interest May 1, 1920, which was paid June 17, 1920 with interest thereon. Subsequent interest paid and bonds redeemed at par at maturity.

2. Pittsburgh and Allegheny Telephone Company, 1st 5's, 1949; defaulted interest June 1, 1921. In November 1922, the Bell Telephone Company of Pennsylvania purchased the assets of this company, assumed the bonds, and guaranteed them as to principal and interest, and paid the defaulted interest with interest thereon at 6% which amounted to \$106.50 per \$1000 bond on April 1, 1923.
 3. Western Quebec Power Company, Ltd., 1st 6½'s, 1931; defaulted interest January 1, 1924, which was paid before April, 1924, and on July 1, 1924 the bonds were called for redemption at 105 and interest.
 4. Albia Light and Railway Company, 1st gold 5's, 1941; defaulted interest January 1, 1925, which was paid a few weeks later and regularly thereafter to date (1929).
- (5) Six bond issues reported as in default were reinstated, viz.:
1. Atlas Crucible Steel Company, 1st gold 8's, series A, 1931; defaulted interest January 1, 1924. About 1926 arrears in interest paid and interest rate reduced to 6%, which rate was paid until early in 1929 when bonds were retired at 102 and interest.
 2. J. H. Williams and Company, 5 year sinking fund gold 7's, series A, 1925; defaulted principal and interest June 15, 1925. Subsequently (December 15, 1925) the company paid 20% on the principal and issued a new series of bonds for the remaining 80% under a new indenture dated June 15, 1925, which bonds were to mature June 15, 1930. This entire issue was called for redemption December 15, 1927 at par and accrued interest and paid.
 3. Dominion Iron and Steel Company, Ltd., 1st gold 5's, 1929; defaulted interest July 1, 1926. The Supreme Court of Nova Scotia ordered the trustee to pay all arrears of interest on July 2, 1927, and in June, 1929, ordered the trustee to pay the principal at maturity (July 1, 1929).
 4. Dominion Iron and Steel Company, Ltd., consolidated 5's, 1939; defaulted interest September 1, 1926. In March, 1928, the protective committee for these bonds sold the deposited bonds for 87½% of principal plus interest unpaid from March 1, 1926 to January 31, 1928, plus a sum sufficient to cover committee expenses. Holders received \$970.83 per \$1000 bond.
 5. Nova Scotia Steel and Coal Company, Ltd., 1st mortgage sinking fund gold 5's, 1959; defaulted interest July 1, 1926. On November 2, 1926, and subsequently to January 1, 1929, interest due on these bonds was deposited by British Empire Steel Corporation which controls the company, and the interest was paid. Since January 1, 1929, the interest has been paid later. Sinking fund retirement also

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continuing although interest charges are not being earned by the company.

6. Nova Scotia Steel and Coal Company, Ltd., 6% perpetual debenture stock; defaulted interest July 1, 1926. All interest has been paid although in recent years it is being paid late.
- (6) One bond issue which defaulted was reinstated, viz.:
 1. Sapulpa Refining Company, 1st sinking fund gold 8's, 1931; defaulted interest May 1, 1924, subsequently paid, and interest rate reduced to 6½% starting May 1, 1924, at which rate it was paid until November 1, 1929 when all the outstanding bonds were called for payment at 100 and interest.
- (7) Two bond issues which defaulted were reinstated, viz.:
 1. Lincoln Mills Ltd., 1st sinking fund gold 7½'s, 1942; defaulted interest August 1, 1924. All arrears in interest were paid and interest is being paid currently when due.
 2. Continental Paper and Bag Mills Corporation, 1st and refunding 6½'s, series A, 1944; defaulted interest February 1, 1928. Defaulted interest was paid in March, 1928, and all subsequent coupons have been provided for on their respective dates.
- (8) Three bond issues which defaulted were reinstated, viz.:
 1. Flanders Apartment Hotel (Chicago), 1st mortgage 6½'s, due serially to 1944 inclusive; defaulted interest September 15, 1925. Hotel is being operated under a receiver and all interest and serial payments have been made; funds to make up deficiencies due bondholders for interest and principal are being advanced by S. W. Straus & Company, Chicago, Illinois;
 2. Post Office Square Company (Boston), general and refunding gold 6½'s, 1943; defaulted interest December 1, 1926. Interest is being paid about two and one-half years late.
 3. Ritz Carleton Hotel Company of Montreal, Ltd., 2nd gold 6's, due serially to October 1, 1923, extended to 1943; defaulted interest October 1, 1926, which was paid April 1, 1927. By end of 1927 interest was paid when due and has since been paid when due.
- (9) One bond issue which defaulted was reinstated, viz.:
 1. Seneca Copper Corporation, convertible 1st gold 7's 1933; defaulted interest July 1, 1927. Sufficient waivers were obtained to prevent foreclosure and arrears in interest were paid, usually late. January 1, 1931 interest in default.

APPENDIX II

CAPITAL LOSS TO BONDHOLDERS RESULTING FROM STEAM RAILROAD REORGANIZATION

1. Colorado Springs & Cripple Creek District Ry., 1st gold 5's, 1930.
Purchase price \$900; time elapsed 4½ years; loss in interest \$225; received in reorganization: \$250 in cash. Distribution of proceeds of sale of property pro rata to bondholders.¹ Capital loss per \$1000 bond \$650.
2. Brinson Ry Co., 1st gold 5's 1935.
Purchase price \$960; time elapsed 9 years; loss in interest \$450; received in reorganization; 10 shares Savannah & Atlanta Ry. Co., \$5 preferred stock (par \$100), 5 shares Savannah & Atlanta Ry. Co., common stock and right to subscribe to \$1000 Savannah & Atlanta Ry. Co., 1st mortg. bonds with a bonus of 5 shares of common stock. Plan not completed by December, 1930.²
3. Atlantic & Birmingham Ry. Co., 1st gold 5's 1934.
Purchase price \$1010; time elapsed 6½ years; loss in interest \$325; received in reorganization: \$600 par value Atlanta, Birmingham & Coast Ry. Co., 5% guaranteed cumulative preferred stock. Initial dividend 2½% paid July 2, 1928. Price range, preferred stock 1928 104-99¼.³ Capital loss per \$1000 bond \$386.
4. Laramie, Hahn's Peak & Pacific Ry. Co., 1st gold 6's 1929.
Purchase price \$900; time elapsed 2 years; loss in interest \$120; received in reorganization: \$1100 par value Laramie, North Park & Western R. R. Co., 6% class A preferred stock non-cumulative from July 1, 1923 to July 1, 1928, cumulative thereafter. No dividends paid to December 31, 1928.⁴
5. Colorado, Wyoming & Eastern Ry. Co., 1st & refunding gold 6's 1934.
Purchase price \$900; time elapsed 2 years; loss in interest \$120; received in reorganization: \$1000 par value Laramie, North Park & Western R. R. Co., 6% class B preferred stock, non-cumulative from July 1, 1923 to July 1, 1928, cumulative thereafter. No dividends paid to December 31, 1928.⁵
6. Mason City & Fort Dodge R. R. Co., 1st gold 4's 1955.
Purchase price \$920; time elapsed 1½ years; loss in interest \$60; received

1. Poor R. R. 1923, p. 727; also C. & F. Chron. Ry. & Ind. Supplement May 1924, p. 43.

2. Standard Statistics.

3. Moody, R. R., 1926, pp. 12-15.

4. Moody, R. R. 1924, pp. 1444-45; Moody, R. R. 1929, p. 65.

5. Poor, R. R. 1926, p. 1507; Moody, R. R. 1929, p. 65.

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in reorganization: \$795 par value Chicago Great Western R. R. Co., 1st mortgage 4's, \$265 par value Chicago Great Western R. R. Co., 4% cumulative preferred stock.⁵

Price Range Chicago Great Western 1st 4's

1923	— 56-44½
1924	— 62¾-48¾
1925	— 68½-59¾
1926	— 70½-64½
1927	— 74½-69¼
1928	— 74¾-66

Between December 1, 1922 and March 1, 1924 interest on these bonds paid in bonds instead of cash.

Price Range Chicago Great Western 4% cum. Preferred Stock

1923	— 17-6½
1924	— 31¾-10½
1925	— 32¾-19¾
1926	— 31½-16¼
1927	— 44¾-23¼
1928	— 50½-20½

No dividends paid to June 30, 1929. Total accumulation 53%. Capital loss per \$1000 bond \$194.25.

7. Kansas City & Pacific R. R. Co., 1st gold 4's 1990.

Purchase price \$900; time elapsed eleven months; loss in interest \$36.67; received in reorganization: \$36.67 in cash, \$500 Missouri Kansas & Texas R. R. Co., ser. A 5's January 1, 1922-1962, \$500 Missouri Kansas & Texas R. R. Co., ser. B 4's January 1, 1922-1962.⁷

Price Range	Ser. A 5's	Ser. B 4's
1923	83½-74¾	67½-61½
1924	87¾-78¾	74 -65
1925	94¼-86	80¾-71¼
1926	103 -96¼	86¼-80½
1927	105¼-101	98½-85½
1928	104¾-99	92¼-89

No capital loss. If bonds were sold at high points gain of \$118.75.

8. Keokuk & Des Moines Ry. Co., 1st 5's 1923.

Purchase price \$900; time elapsed six months; loss in interest \$25; received in reorganization: \$20 in cash, \$1000 Chicago Rock Island & Pacific Ry. Co., 1st & refunding 4's of 1934, interest to start April 1, 1924.⁸

6. Poor, R. R. 1926, p. 1507.

7. Moody R. R. 1929, p. 1412; also Stand. Statistics.

8. Poor R. R. 1924, p. 2084; Poor R. R. 1929, p. 866.

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Price Range	1924	1925	1926	1927
1st & ref. 4's	85 $\frac{3}{8}$ -73 $\frac{5}{8}$	89 $\frac{7}{8}$ -83 $\frac{1}{4}$	92 $\frac{1}{2}$ -87 $\frac{1}{2}$	97 $\frac{1}{2}$ -92 $\frac{1}{2}$
	1928	1929		
1st & ref. 4's	96 $\frac{3}{4}$ -93 $\frac{1}{4}$	95 $\frac{7}{8}$ -91 $\frac{1}{2}$		

No capital loss. Gain of \$75 if sold at high point.

9. Potomac, Fredericksburg & Piedmont R. R. Co., 1st gold 4's, 1949.
No detailed information available. See text for explanation p. 39.
10. Chicago, Milwaukee & Puget Sound Ry. Co., 1st gold 4's 1949.
Purchase price \$955; time elapsed four months; loss in interest none received in reorganization: \$200 Chicago, Milwaukee, St. Paul & Pacific R. R. Co., 50 year ser. A gold mortg. 5's, \$800 Chicago, Milwaukee St. Paul & Pacific R. R. Co., adjustment mortg. 5's, (both income bonds).⁹

Price Range	1927	1928
50 yr. ser. A 5's	96 $\frac{1}{2}$ -91	98 $\frac{1}{2}$ -92 $\frac{1}{4}$
Adj. mortg. 5's	64 $\frac{7}{8}$ -54 $\frac{3}{4}$	79 $\frac{3}{4}$ -61 $\frac{1}{8}$

Interest on ser. A 5's paid regularly starting February 1, 1925. Total interest of 7% paid on adj. mortg. 5's from February 1, 1925 to April 1, 1929. Capital loss \$120. Serious loss in income if bonds not sold.

11. Potosi & Rio Verde Ry Co., 1st extended sinking fund gold 6's 1928
Purchase price \$900; time elapsed 3 years; loss in interest \$840 due to fact that eleven years interest previously paid in scrip also defaulted received in reorganization: \$750 in cash from American Smelting & Refining Co. for each \$1000 principal. Over 98% of the bonds were purchased.¹⁰
Capital loss \$150.
12. Baltimore, Chesapeake & Atlantic Ry. Co., 1st gold 5's 1934.
Purchase price \$900; time elapsed ten months; loss in interest \$41.67 received in reorganization: \$408.04 in cash, representing proceeds of sale of bonds to Penna. R. R. Co. at \$500 per \$1000 bond less committee expenses.¹¹ Capital loss \$491.96.
13. Bolivia Ry. Co., 1st gold 5's 1937.
Purchase price \$900; time elapsed 4 years; loss in interest \$80; received in reorganization: \$1000 Bolivia Ry. Co., 40 year non-cumulative income mortg. 5's dated January 1, 1927. New bonds had not been issued to October 1, 1930. Depositing bondholders received 3% interest per annum for years 1927 to 1930 inclusive, less reorganization expenses of 3s. 2d. per 20 pound bond. Non-depositing bondholders received interest at rate of 2.438% for like periods.¹²

9. Poor, R. R. 1926, p. 1502; Poor, R. R. 1929, p. 896.

10. Standard Statistics, Stand. Corp. Records, p. 6160.

11. Poor, R. R. 1928, p. 1011.

12. Standard Statistics, Bond Descrip. A-F Pink, p. 1029.

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14. Bloomsburg & Sullivan R. R. Co., 1st gold 5's 1928.
Complete information could not be obtained regarding subsequent history. See text p. 39 for explanation.

15. Savannah & Atlanta Ry., 1st & consol. conv. gold 6s 1935.
Purchase price \$1000; time elapsed 9 years: loss in interest \$540; received in reorganization: 2 shares Savannah & Atlanta Ry. Co., \$5 pref. stock (par \$100), 1 share Savannah & Atlanta Ry. Co., common stock, and right to subscribe to \$200 principal amount of Savannah & Atlanta Ry. Co., 1st mortg. bonds with a bonus of 1 share of common. Plan not completed by December 30, 1930.¹³

16. Denver & Rio Grande R. R. Co., 1st & refunding 5's 1935.
Purchase price \$925; time elapsed 2 years; loss in interest \$100; received in reorganization: \$725 Denver & Rio Grande Western R. R. Co., gen'l 5's February 1, 1924-August 1, 1955. These are income bonds up to February 1, 1929, interest payable only if earned and declared for five years. Also received \$400 Denver & Rio Grande Western R. R. Co., 6% cum. pfd. stock cumulative from February 1, 1924.

Price Range	1924	1925	1926	1927
Gen'l 5's	61¾-50½	70 -55	76¾-62	89¾-73¾
6% cum. pfd.	43½-42½	60 -35	47 -37½	67¾-41½
	1928	1929		
Gen'l 5's	97 -87	98 -82		
6% cum. pfd.	65¾-50½	77¾-49		

No capital loss, but a gain of \$96.50 if sold at high points.¹⁴

17. Fitchburg R. R. Co., general mortg. 4's 1925.
Purchase price \$900; time elapsed none; loss in interest none; received in reorganization: \$100 Boston & Maine R. R. Co., gen'l mortg. gold ser. R 5's, interest rate increased from 4% to 5% and debt extended to May 1, 1940.

Price Range	1926	1927	1928
	96½ bid	95½ bid	100¼ bid

No capital loss, gain of \$125 if sold at high point.¹⁵

18. Boston & Main R. R. Co., gen'l mortg. 3½'s 1925.
Purchase price \$900; time elapsed none; loss in interest none; received in reorganization: \$1000 Boston & Main R. R. Co., gen'l mortg. gold ser. Q 5's. Interest rate increased from 3½% to 5% and debt extended to February 2, 1940.

Price Range	1926	1927	1928
	96½ bid	95½ bid	100¼ bid

No capital loss, gain of \$125 if sold at high point.¹⁶

13. Standard Statistics.

14. Moody, R. R. 1924, p. 1354; also Standard Statistics.

15. Poor, R. R. 1929, p. 1081; also Poor, R. R. 1926, p. 1389.

16. Poor, R. R. 1929, p. 1081; also Poor, R. R. 1926, p. 1389.

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19. Chicago, Milwaukee & St. Paul Ry. Co., convert. gold $4\frac{1}{2}$'s 1932.
Purchase price \$1000; time elapsed 4 months; loss in interest none; received in reorganization: \$200 Chicago Milwaukee St. Paul & Pacific R. R. Co., 50 yr. gold mortg. 5's, \$800 Chicago Milwaukee St. Paul & Pacific R. R. Co., adjustment mortg. 5's.
Price Range 1927 1928
50 yr. Gold 5's 96 $\frac{1}{2}$ -91 98 $\frac{1}{2}$ -92 $\frac{1}{4}$ Int. paid starting February 1, 1925.
Adj. Mortg. 5's 64 $\frac{7}{8}$ -54 $\frac{3}{4}$ 79 $\frac{3}{4}$ -61 $\frac{7}{8}$ 7% int. received from February 1, 1925 to April 1, 1929.

Capital loss \$165. Serious loss in income if bonds not sold.¹⁷

20. Chicago Milwaukee & St. Paul Ry. Co., 4% 15 yr. gold bonds 1935.
Purchase price \$960; time elapsed 4 months; loss in interest none; received in reorganization: \$200 Chicago Milwaukee St. Paul & Pacific R. R. Co., 50 yr. gold mortg. 5's, \$800 Chicago Milwaukee St. Paul & Pacific R. R. Co., adjustment mortg. 5's. For price range see No. 19 above.
Capital loss \$125. Serious loss in income if bonds not sold.¹⁸
21. Chicago Milwaukee & St. Paul Ry. Co., gen'l & ref. $4\frac{1}{2}$'s ser. A 2014.
Purchase price \$965; time elapsed 6 months; loss in interest none; received in reorganization: \$200 Chicago Milwaukee St. Paul & Pacific R. R. Co., 50 yr. gold mortg. 5's, \$800 Chicago Milwaukee St. Paul & Pacific R. R. Co., adjustment mortg. 5's For price range see No. 19 above.¹⁹
Capital loss \$130. Serious loss in income if bonds not sold.
22. Chicago Milwaukee & St. Paul Ry. Co., gen'l & ref. conv. 5's ser. B.
Purchase price \$1000; time elapsed 2 months; loss in interest none; received in reorganization: \$200 Chicago Milwaukee St. Paul & Pacific R. R. Co., 50 yr. gold mortg. 5's; \$800 Chicago Milwaukee St. Paul & Pacific R. R. Co., adjustment mortg. 5's. For price range see No. 19 above.²⁰
Capital loss \$165. Serious loss in income if bonds not sold.
23. Chicago Milwaukee & St. Paul Ry. Co., 25 yr. gold 4's 1934.
Purchase price \$1005; time elapsed 3 months; loss in interest none; received in reorganization: \$200 Chicago Milwaukee St. Paul & Pacific R. R. Co., 50 yr. gold mortg. 5's, \$800 Chicago Milwaukee St. Paul & Pacific R. R. Co., adjustment mortg. 5's. For price range see No. 19 above.²¹
Capital loss \$170. Serious loss in income if bonds not sold.

17. Poor, R. R. 1926, p. 1507.

18. Poor, R. R. 1926, p. 1507.

19. Poor, R. R. 1926, p. 1505.

20. Poor, R. R. 1926, p. 1505.

21. Poor, R. R. 1926, p. 1507.

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24. Chicago Milwaukee & St. Paul Ry. Co., gold 4's.
Purchase price \$900; time elapsed 4 months; loss in interest none; received in reorganization: \$200 Chicago Milwaukee St. Paul & Pacific R. R. Co., 50 yr. gold mortg. 5's, \$800 Chicago Milwaukee St. Paul & Pacific R. R. Co., adjustment mortg. 5's. For price range see No. 19 above.²²
Capital loss \$65. Serious loss in income if bonds not sold.
25. Bloomsburg & Sullivan R. R. Co., 2nd income non-cum. 5's 1928.
Complete information could not be obtained regarding subsequent history. See text p. 39 for explanation.

APPENDIX IIIa

CAPITAL LOSS TO BONDHOLDERS RESULTING FROM LIQUIDATION OF INTERURBAN ELECTRIC RAILWAY BONDS

1. Cleveland & Erie Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 2 years; loss in interest \$100; liquidation payment nothing; capital loss \$900. Defaulted August 1, 1920. Operations discontinued September 1922 and property sold to Buffalo House Wrecking Company for \$76,000 at receiver's sale in September 1922 (C. & F. Chron., Vol. 114, p. 2115). In July 1930 the trustee wrote that the proceeds were "insufficient to pay anything on account of the principal of these bonds."
 2. Washington, Alexandria & Mt. Vernon Ry. Co., 1st gold 5's.
Purchase price \$1025; time elapsed 7 years; loss in interest \$350; Liquidation payment—non-depositing holders \$127.09, depositing holders \$100. Capital loss—non-depositing \$897.91, depositing \$925. Defaulted interest September 1, 1920. Property sold at public auction in May 1927 for \$300,000, and line subsequently scrapped.²³ Over 95% of the bondholders had deposited with the committee. They have received one \$50 payment and another of like amount is expected in 1931. (Letter from bondholders committee dated June 23, 1930).
 3. Morris County Traction Company, 1st gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; liquidation payment depositing holders \$30; capital loss depositing \$870. Defaulted interest December 15, 1922. In June 1927 court ordered sale of all the property which was held in October 1922. Bondholders committee bought it for \$280,000 and trolley equipment was scrapped.²⁴ In June 1929 a distribution of 3% on principal was made on account of deposited bonds. No intimation as to when an additional distribution may be made. (Letter from Trustee, September 17, 1930.)
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22. Poor, R. R. 1926, p. 1508.
 1. Stand. Corp. Records, T-2 Buff. p. 5358.
 2. Moody, P. U. 1927, p. 1669.

4. Dayton, Covington & Piqua Traction Company, 1st gold 5's.
Purchase price \$900; time elapsed 6 years; loss in interest \$300; liquidation payment \$50; capital loss \$850. Defaulted interest and principal April 1, 1922. Receivers petitioned court in October 1926 to abandon operations which was done in November 1926. Road was junked and sold in parcels finally bringing about \$115,000.³ The proceeds of sale were insufficient to pay more than \$50 per \$1000 1st mortgage bond, leaving nothing for 2nd mortgage bondholders. (Letter from First National Bank of Boston, September 26, 1930, also letter from Old Colony Trust Company, Boston, September 25, 1930).
5. Chicago & Interurban Traction Company, 1st gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; liquidation payment \$130; capital loss \$770. Defaulted interest July 1, 1922. Operations discontinued in April 1927.⁴ Foreclosure sale in August 1927. Road was junked and property sold in parcels. "The bondholders will receive about 13 cents on the dollar." (Letter from secretary of protective committee, September 25, 1930).
6. Boise & Interurban Rwy., Ltd., 1st 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; liquidation payment not given; capital loss probably 100%. Defaulted interest April 1, 1923. As late as 1928, the bondholders had refrained from taking any action looking to the appointment of a receiver. In May 1928 the operations of the company were discontinued entirely and the road abandoned. All securities of the company were cancelled.⁵
7. Boise Valley Traction, 1st mortgage 5% notes of 1925.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; liquidation payment not given; capital loss probably 100%. Defaulted interest January 1, 1923, and principal August 24, 1925. This company an affiliate of the Boise & Interurban Railway, Ltd.⁶
8. Mesabe Railway Company, 1st gold 5's.
Purchase price \$900; time elapsed 3 years; loss in interest \$150; liquidation payment—non-depositing holders \$118.83, depositing holders \$134.50; capital loss—non-depositing \$781.17, depositing \$765.50. Defaulted interest March 1, 1924. Operations discontinued in April 1927 and the property was dismantled and sold in parcels.⁷ 93% of the bonds were deposited with the committee and both depositing and non-depositing holders received the amount given above. (Letter from secretary, protective committee, September 24, 1930).

3. C. & F. Chron. Vol. 123, p. 3037.

4. Moody, P. U. 1927, p. 768.

5. Moody, P. U. 1928, p. 435.

6. Moody, P. U. 1928, p. 435.

7. C. & F. Chron. P. U., Suppl., Oct. 1927, p. 237.

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9. Grand Rapids, Holland & Lake Michigan Rapid Ry. Co., 1st gold 5's extended from 1920 to 1924 at 7%.

Purchase price \$900; time elapsed 2½ years; loss in interest \$175; liquidation payment \$70.63; capital loss \$829.37. Defaulted interest and principal February 1, 1924. In October 1926 road was sold at auction to a junk dealer for \$227,500. Road was scrapped and rolling stock disposed of. Bondholders received as final distribution 7.06277%. At this rate the outstanding bonds received a total of \$105,000 out of sale price of \$227,500, the balance \$122,500 being consumed by prior claims, expenses of receivership, fees, etc.⁸

10. Northern Cambria Rwy., 1st mortgage 5's.

Purchase price \$1000; time elapsed 2 years; loss in interest \$100. liquidation payment \$141.50; capital loss \$858.50. Defaulted interest November 1, 1924. At request of receiver the road was abandoned and all property and equipment disposed of at auction for about \$37,900 in November 1926. Work on removing tracks started immediately.⁹ The sale of the property netted the bondholders 14.15% or \$141.50 per \$1000 bond. (Letter—Cambria Title & Trust Co., Ebensburg, Pa., January 28, 1931.)

11. Detroit, Ypsilanti, Ann Arbor & Jackson Ry. Co., 1st consol gold 5's.

Purchase price \$1000; time elapsed 4 years; loss in interest \$200; liquidation payment—non-depositing holders \$56.03, depositing holders \$200; capital loss—non-depositing \$943.97, depositing \$800 (approx.). Defaulted interest August 1, 1925 and principal February 1, 1926. In June 1928 court ordered sale of assets to satisfy claims of bondholders. In September 1929 depositing bondholders notified of plan to liquidate and readjust debt. At foreclosure sale the property brought \$503,000. Terms of sale made it possible to pay off non-depositing bondholders as above. (Letter—Detroit & Security Trust Co., Detroit, January 28, 1931). Secretary of protective committee advised on February 4, 1931 that property had not yet been disposed of, but if any market improvement for real estate occurred, the depositing bondholders should receive about \$200 per \$1000 bond.

12. Detroit & Port Huron Shore Line Rwy. Co., 1st gold 5's.

Purchase price \$900; time elapsed 4½ years; loss in interest \$225; liquidation payment \$67.04; capital loss \$832.96. Defaulted interest July 1, 1925. In December 1929 a plan was adopted to foreclose the mortgage and bid in the property by protective committee and resell it subsequently. Operation was discontinued in January 1930, and at the sale property was bought for \$300,000. In May 1930 final dis-

8. Poor, P. U. 1928, p. 2223.

9. C. & F. Chron. Vol. 123, p. 2900.

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tribution was announced as follows: Each \$1000 bond with coupons due July 1, 1925 to and including January 1, 1927, \$67.04.¹⁰

13. Detroit, Jackson & Chicago Rwy. Co., 1st consolidated gold 5's. Purchase price \$900; time elapsed 4 years; loss in interest \$200; liquidation payment nothing to January 1931; capital loss probably \$900. Defaulted interest August 1, 1925. Property sold at auction to bondholders in October 1929 for \$476,000. Service was discontinued in September 1929 by court order. Road and equipment was scrapped immediately.¹¹ There has never been any distribution to the bondholders, and at this time there is very little prospect that anything will be realized out of the property. (Letter from Detroit & Security Trust Co., Detroit, January 29, 1931).
14. Detroit, Almont & Northern Ry. Co., 1st gold 6's. Purchase price \$1000; time elapsed 4 years; loss in interest \$240; liquidation payment not given; capital loss —. Defaulted interest August 1, 1925. No provision made for these bonds in reorganization of Detroit United Ry. Co., guarantor of bonds. Poor P. U. 1929, p. 1773, says the road was sold for scrap. No other information could be obtained. Bondholders probably lost most of their investment.
15. Illinois Central Elec. Ry. Co., 1st gold 5's. Purchase price \$900; time elapsed 3 years; loss in interest \$150; liquidation payment \$146.78 to non-depositing bondholders; capital loss \$753.22 (non-depos.). Defaulted interest August 1, 1925. In July 1928 property was sold at auction to a representative of bondholders for \$50,000. Non-depos. bondholders received \$146.78 per \$1000 bond.¹² No information as to payment to depositing bondholders. Property was dismantled in 1928.¹³
16. Auburn & Syracuse Electric R. R. Co., 1st & ref. 5's. Purchase price \$900; time elapsed 4 years; loss in interest \$200; liquidation payment \$221.21; capital loss \$678.79. Defaulted interest April 1, 1926. In September 1930 N. Y. Pub. Serv. Comm. granted application of the company to voluntarily dissolve. In March 1930 property was sold at foreclosure for \$250,000. Road was abandoned and track and power lines sold to a scrap company.¹⁴ Bondholders will receive \$221.21 on each \$1000 bond with accum. int. or approximately 17 cents on the dollar.¹⁵
17. Geneva Seneca Falls & Auburn R. R. Co., 1st gold 5's. Purchase price \$900; time elapsed 1½ years; loss in interest \$125 to

10. Standard Statistics Bond Bull., Sec., p. 2067.

11. Stand. Corp. Rec., p. 45.

12. Stand. Bond Bull. Sec., p. 2100.

13. Poor P. U. 1929, p. 2224.

14. Stand. Corp. Records A-B, p. 3053.

15. Stand. Statistics S. F. Notices, p. 625.

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January 1, 1928; liquidation payment not given; capital loss —. Defaulted interest January 1, 1926, whereupon bondholders agreed to a reduction of interest to 3% for 5 years, and thereafter to 3½%. Company was unable to meet its interest obligations even at reduced rate and foreclosure action was begun in 1928. Part of road had previously been abandoned.¹⁶ No later information obtainable.

18. Lowell & Fitchburg St. Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 4 years; loss in interest \$175; liquidation payment \$101.11; capital loss \$798.89. Defaulted interest January 1, 1926, later paid 50% in cash and 50% in notes; subsequent interest not paid. Bonds matured January 1, 1926 and were extended for 5 years at 3%. In March 1929, protective committee sued in equity to foreclose the mortgage.¹⁷ In July 1929 court approved sale of the property to Allite Corp. for \$31,000 and in October 1929 bondholders were notified that final distribution of proceeds of sale would be \$101.1084 per \$1000 bond. (Letter from Amer. Tr. Co., Boston, January 28, 1931).
19. Olean, Bradford & Salamanca Ry. Co., 1st & ref. 7's ser. A.
Purchase price \$900; time elapsed 2 years; loss in interest \$140; liquidation payment \$75.36 to non-depositing holders and \$250 to depositing holders; capital loss—\$824.64 non-depos., \$650 depos. Defaulted interest September 1, 1926. Property sold at foreclosure sale in 1928. There was no reorganization. Road was scrapped and property sold in parcels. Operation of the road was hopeless. (Letter from Prov. Tr. Co. of Phila., February 9, 1931.) The receiver for company advised that non-depos. holders received \$75.36 and depos. holders \$250 per \$1000 bond, and that the latter will receive more when some parcels of real estate are sold. (Letter from receiver February 24, 1931.)
20. Shawnee-Tecumseh Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 20 years; loss in interest—defaulted principal June 1, 1926. No interest paid from December 1, 1911; liquidation payment not given. Information very meagre. In 1927 Company substituted buses for trolleys on all lines. Company showed large deficit. Trustee for bonds advised that a satisfaction of the mortgage was executed in February 1928, all of these bonds having been surrendered and cancelled. The company ceased operation on January 20, 1931, and its equipment will be sold as soon as possible.
21. New Bedford & Onset St. Ry Co., 1st gold 5's.
Purchase price \$900; time elapsed —; loss in interest not obtainable; liquidation payment not given. Bonds matured in 1922 and were extended to 1927 with interest at 6%. Defaulted interest January 1, 1926 and principal January 1, 1927. Company in hands of a committee of

16. Poor P. U. 1928, p. 1302.

17. Poor P. U. 1929, p. 993.

- bondholders with power to operate or sell. Operations discontinued and property scrapped some time after 1927.¹⁸ Trustee advises that all the bonds were surrendered for cancellation by protec. comm. but they did not know what settlement was made with the holders. (Letter—First Nat. Bank of Boston, February 2, 1931.)
22. Puget Sound Electric Ry. Co., 1st consol. gold 5's.
Purchase price \$900; time elapsed 4 years to February 1, 1931; loss in interest \$200; liquidation payment not given. Defaulted interest August 1, 1927. Operation ordered discontinued and property sold in December 1928. By June 1930 property and equipment was sold for a total of \$348,750.¹⁹ Trustee advised that no distribution has yet been made to the bondholders and that it may be some time before any is made. (Letter—Old Colony Tr. Co., Boston, January 29, 1931.)
 23. Illinois Central Electric Ry. Co., 2d gold 5's.
Purchase price \$900; time elapsed 3 years; loss in interest \$150; liquidation payment nothing; capital loss 100%. Defaulted interest August 1, 1925. Property sold in July 1928 on behalf of 1st mortgage bondholders. Nothing remained for 2d mortgage bondholders.
 24. Dayton, Covington & Piqua Traction Co., 2d gold 6's.
Purchase price \$900; time elapsed 6 years; loss in interest \$360; liquidation payment nothing; capital loss 100%. These bonds originally matured in 1919 and were not paid. Then defaulted interest March 1, 1922. Road was junked and sold in parcels in 1928. Proceeds of sale were insufficient to pay 1st mortgage bonds in full, leaving nothing for above bondholders. (Letter—First Nat'l Bank of Boston, September 26, 1930.)

APPENDIX IIIb

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF INTERURBAN ELECTRIC RAILROAD REORGANIZATIONS

1. Humboldt Transportation Co., 1st gold 5's.
Purchase price \$900; time elapsed 2¼ years; loss in interest \$112.50; received in reorganization: \$500 probably in cash. Defaulted interest October 1, 1919. Mortgage foreclosed December 20, 1921. Trustee was informed that the commissioner appointed by court had endorsed on each bond a statement that \$500 was paid thereon, and on coupons pertaining thereto. (Letter from Wells Fargo Bank & Tr. Co., San Francisco, October 4, 1930).
Capital loss per \$1000 bond, \$400.
2. Northampton Easton & Washington Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 3½ years; loss in interest \$175; received in reorganization: \$1000 face value New Jersey Interurban Co.,

18. Poor P. U. 1927, p. 660.

19. Stand. Bond Bull. sec., p. 1155.

income mortgage gold 5's. Interest defaulted November 1, 1919. Foreclosure sale in June 1921, and property purchased on behalf of bondholders. Property turned over to new company in May 1923, and new bonds issued. In February 1925 the N. J. Interurban Coach Co. incorporated to acquire the rights of N. J. Interurban Co. and income bondholders received stock in exchange for bonds. New company has paid no dividends to January 1, 1930. Balance sheet for December 31, 1929 showed deficit of \$43,117 and excess of current liabilities over current assets of \$23,457.¹ Non-depositing bondholders received nothing, since proceeds of original foreclosure sale did not cover claims prior to first mortgage bonds. (Letter—Bankers Tr. Co., N. Y., September 24, 1930.)
No price available for new securities.

3. Rhode Island Suburban Ry., 1st gold 4's.

Purchase price \$900; time elapsed 1½ years; loss in interest \$60; received in reorganization:

\$400 United Elec. Rys. Co., prior lien ser. B. 4's dated Jan. 1, 1921.

\$500 United Elec. Rys. Co., gen'l & ref. mtge. ser. B. 4's dated Jan. 1, 1921.

\$100 United Elec. Rys. Co., capital stock, par \$100.²

Prices for these securities since issue not obtained but Standard Statistics rates them as follows: prior lien mortgage 4's ser. B.B1 = Good. Gen'l & ref. mtge. 4's ser. B-B = Semi-speculative. Fixed charges of company for 7 years 1922 to 1928 incl. have been earned 1.33 times. Earnings have been declining since 1928.³

Prices for new securities not available.

4. Columbus Buckeye Lake & Newark Traction Co., 1st 5's.

Purchase price \$900; time elapsed 4½ years; loss in interest \$225; received in reorganization by paying \$252.50; \$250 Sou. Ohio Public Serv. Co., first mtge. ser. A. 6's; \$250 Sou. Ohio Public Service Co., ser. A. 7% cum. pfd. stock; \$950 Sou. Ohio Public Service Co., common V.T.C.'s. By paying \$20, received \$600 Southern Ohio Public Service Co. common V.T.C.s.⁴

The first mtge. ser. A. 6's, retired April 15, 1927 at 105 and interest and cancelled. No dividends paid on preferred or common stock from 1926 to 1928 incl. fixed charges have been earned for 1926 to 1928 incl., 0.98 times. In 1929, 95% of pref. & common stock owned by Southern Ohio Public Service Corp., in turn controlled by the American Gas & Electric Co.⁵

Prices for new securities not available.

1. Moody P. U. 1924, p. 1300; also Standard Statistics.

2. C. & F. Chron. Vol. 112, p. 564.

3. Standard Statistics.

4. Moody P. U. 1925, p. 1555.

5. Standard Statistics.

5. Fort Wayne, VanWert & Lima Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 7 years; loss in interest \$350; received in reorganization: \$300 Ft. Wayne, Lima R. R. Co., 30 yr. gen'l mtge. 5's, dated January 1, 1927; 7 sh. Ft. Wayne, Lima R. R. Co., no-par com. stock, V.T.C's.^a
Interest has been paid on the new bonds at 5% but about a year late. No dividends on common stock to June 1929. Company has earned enough to show a growing profit and loss surplus from 1927 to 1929, incl.⁷
Prices for new securities not available.
 6. Toledo & Western R. R. Co., 1st 5's.
Purchase price \$900; time elapsed 8½ years; loss in interest \$340 (see note herewith); received in reorganization: \$250 in cash, paid late in 1923.^b \$16.37 in cash paid in March, 1929.
This company was reorganized and bondholders received \$600,000 from sale of property so that each bondholder received \$250 in 1923. Court ordered final distribution to be made in March 1929, which amounted to \$16.37 per \$1000 bond.
Capital loss per \$1000 bond, \$633.63.
 7. Washington, Arlington & Falls Church Rwy. Co., 1st gold 6's.
Purchase price \$900; time elapsed 7 years; loss in interest \$420; received in reorganization: This company was a subsidiary of the Washington-Virginia Rwy. Co., which was reorganized in 1927. These bondholders purchased the property which secured them at foreclosure sale and subsequently sold it to another corporation (Arlington & Fairfax Rwy. Co.) organized to operate the road.^c Could not find out what they received in reorganization. Interest had been defaulted July 1, 1920 and principal July 1, 1925.
 8. Western Ohio Ry. Co., 1st gold 5's.
Purchase price \$945; time elapsed 1¼ years; loss in interest \$62.50; received in reorganization:
\$614, Western Ohio Co., 5% debentures dated February 1, 1928.
\$250, Western Ohio Co., 30 year notes dated February 1, 1928.
5 sh. Western Ohio Co., no-par common stock.
All of these securities were issued by a holding company which controls by ownership of all the securities, the Western Ohio Ry. & Power Corp. which acquired the property of the Western Ohio Ry. Co. after it was sold at foreclosure and ceased operation in May 1928. The debenture bonds above have been distributed to the former bondholders, but the 30 year notes and stock are held in a voting trust. Interest has been
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6. Moody P. U. 1927, p. 799.
 7. Standard Statistics.
 8. Moody P. U. 1924, p. 998.
 9. C. & F. Chron. Vol. 125, p. 184.

paid on the debenture bonds but they are rated as highly speculative.¹⁰ Non-depositing bondholders received about \$200 per \$1000 bond. The property was subsequently sold for cash and netted the depositing bondholders about \$600 in cash per \$1000 bond.¹¹

Capital loss per \$1000 bond: Non-depos., \$745; Depos., \$345.

9. Lima, Findlay & Toledo Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 1 year; loss in interest \$50; received in reorganization: This company was owned by the Western Ohio Ry. Co. As a result of the reorganization and subsequent sale of the property, these bondholders were paid off as follows:

Non-depositing, \$267.68 per \$1000 bond in cash.

Depositing, \$671.29 per \$1000 bond in cash.

(Letter—The Union Tr. Co., Cleveland, January 30, 1931).

Capital loss per \$1000 bond: Non-depos. 632.32; Depos. \$228.71.

10. Dayton, Springfield & Urbana Ry. Co., 1st gold 5's.
These bonds provided for under the reorganization of the Cincinnati, Hamilton & Dayton Ry. Co., plan adopted in March 1929, each \$1000 bond received \$750 C. H. & D. Ry. Co., first & ref. 6's ser. A. A pro rata share of distribution of cash held by the trustee under mortgage, and an additional sum equal to unpaid interest on each bond to date of settlement at rate of 5% per annum less an amount equal to accrued interest from next preceding interest date to date of settlement, upon the \$750 principal amount of bonds to be exchanged.¹² No prices could be obtained for new bonds, nor could the amount of cash distribution be ascertained.

Prices for new securities not available.

11. Dayton, Springfield & Xenia Southern R. R. Co., 1st gold 5's.
Purchase price \$900; time elapsed 2 years; loss in interest \$100; received in reorganization: Non-depositing bondholders, some time after July 23, 1926, received about \$300 in cash. (Letter—First Wisconsin Tr. Co., Milwaukee, September 23, 1930.) Depositing bondholders received securities of Dayton-Xenia Ry. Co. organized in July 1926, to take over the property sold at foreclosure at that time. Capitalization of the new company substantially reduced but distribution to old bondholders not given.¹³

Capital loss per \$1000 bond, \$600. (Non-depos.)

12. Indianapolis & Cincinnati Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; received in reorganization: \$100 in cash August 1928. Property was sold at foreclosure in April 1928 and two new companies were formed, one to oper-

10. Moody P. U. 1929, p. 1341; also Standard Statistics.

11. C. & F. Chron. P. U. Suppl. May 1930, p. 176.

12. Moody P. U. 1929, p. 992.

13. C. & F. Chron. Vol. 123, p. 841.

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ate traction lines and the other the power distribution business. Bonds of this company and of Indianapolis, Shelbyville & Southeastern Traction Co. and of Indianapolis & Southeastern Traction Co. were taken up at 10% of face value as part of reorganization plan.¹⁴

Capital loss per \$1000 bond, \$800.

13. Indianapolis, Shelbyville and Southeastern Traction Co., 1st 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; received in reorganization: \$100 in cash August 1928. See No. 12 above for explanation.
Capital loss per \$1000 bond, \$800.
14. Indianapolis & Southeastern Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; received in reorganization: \$100 in cash August 1928. See No. 12 above for explanation.
Capital loss per \$1000 bond, \$800.
15. Frankford, Tacony & Holmesburg Street Ry. Co., 1st gold 4's.
Purchase price \$900; time elapsed 3 years; loss in interest \$120; received in reorganization: Depositing bondholders \$500 in cash; Non-depositing bondholders \$633 in cash (approx.). (Letter from the County Tr. Co. of Phila., Holmesburg, Pa., September 10, 1930).
Capital loss per \$1000 bond; Depositing, \$400; Non. depositing, \$267.
16. Groton & Stonington Street Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 3 years; loss in interest \$150; received in reorganization:
\$500, Groton & Stonington Trac. Co., 6% 20 yr. income bonds dated January 1, 1927.
10 sh. Groton & Stonington Trac. Co. capital stock, par \$100.
Prices not available for new bonds or stock. Interest was paid in 1927. No dividends paid on stock to 1929.¹⁵
Prices for new securities not available.
17. Joplin & Pittsburgh Ry. Co., 1st gold 5's.
Purchase price \$970; time elapsed 5 years; loss in interest \$250; received in reorganization: nothing: All property and assets sold May 14, 1929 for \$115,000 with approval of court to certain Pittsburgh interests.¹⁶
After payment of taxes, receivers debts and counsel feels there was nothing left for bondholders.¹⁷
Capital loss per \$1000 bond, \$970.
18. Kansas City, Kaw Valley & Western Ry. Co., 1st gold 6's.
Purchase price \$1010; time elapsed 3½ years; loss in interest \$210; received in reorganization: \$750 Kansas City, Kaw Valley & Western R. R.

14. Standard Corp. Records, White, p. 3796.

15. Poor P. U. 1929, pp. 1145-46.

16. Poor P. U. 1929, p. 2245.

17. Standard Bond Bull. Section, p. 2109.

Co., 1st mortg. 20 yr. 4's dated October 1, 1927. Interest not to start until April 1, 1928, which coupon to be returned to company and cancelled, to provide working capital; \$250 Kansas City, Kaw Valley & Western R. R. Co., non-cum. 6% pref. stock, par \$25; 10 shares Kansas City, Kaw Valley & Western R. R. Co., common stock V.T.C's., no-par.¹⁸
 No prices obtainable for new securities. Interest has been paid on bonds but no dividends on either stock. Interest was not one-quarter earned for 1928 and 1929.¹⁹

19. Michigan R. R. Co., 1st gold 6's.
 Purchase price \$950; time elapsed $5\frac{1}{4}$ years; loss in interest \$315; received in reorganization: \$44.34 in cash, payable after August 14, 1929. This road has probably been abandoned since that time. Original reorganization plan declared operative in 1924. Threatened suits caused abandonment of plan, and property subsequently sold for cash.²⁰
 Capital loss per \$1000 bond, \$905.66.
20. Binghamton Ry. Co., 1st con. gold 5's.
 Purchase price \$900; time elapsed $3\frac{3}{4}$ years; loss in interest \$187.50; received in reorganization: \$875.95 in cash, payable after January 24, 1930. Property sold at foreclosure sale in May 1929, a new corporation operating property.²¹ (Letter—M. & T. Trust Co., Buffalo, January 26, 1931.) This company has more than earned interest charges from 1923 to 1928, inclusive.
 Capital loss per \$1000 bond, \$24.05.
21. Binghamton R. R. Co., 1st gold 6's.
 Purchase price \$900; time elapsed —; loss in interest none; received in reorganization: \$1000 and all accrued interest about January 1930. These bonds defaulted in principal and interest July 1, 1925.²²
 Capital loss per \$1000 bond, nothing.
22. Binghamton, Lestershire & Union R. R. Co., 1st gold 5's.
 Purchase price \$900; loss in interest none; received in reorganization: \$1000 and all accrued interest about January 1930. These bonds defaulted in principal June 1, 1925, and interest June 1, 1927.²³
 Capital loss per \$1000 bond, nothing.
23. Detroit United Ry. Co., 1st mortg. & coll. tr. S. F. 6's.
 Purchase price \$990; time elapsed 3 years; loss in interest \$180; received in reorganization: \$310 in cash by all bondholders as reduction of principal between 1922 and July 1, 1927 from proceeds of payments by City of Detroit under a purchase contract. Following reorganization, depositing

18. C. & F. Chron. Vol. 125, p. 1708.

19. Standard Statistics.

20. Poor P. U. 1925, p. 2018; also Standard Statistics.

21. Poor P. U. 1929, pp. 100 and 2244.

22. Stand. Corp. Records, A. B. White, p. 358.

23. Stand. Corp. Records, A. B. White, p. 358.

bondholders received \$50 in cash, \$550 Eastern Michigan Rys.; 6% adjustment mortg. bonds dated July 1, 1928, and 4 shares Eastern Michigan Rys., no-par common stock V.T.C's. New bonds are income bonds. 5% interest paid in 1929, none previously. No dividends on common stock to date.²⁴ Non-depositing bondholders received \$157.12 in cash.²⁵

Capital loss per \$1000 bond; non-depositing, \$522.88.

24. Detroit United Ry. Co., 2 yr. mortg. coll. tr. notes.
Purchase price \$900; time elapsed 5½ years; loss in interest \$275; received in reorganization: nothing to date, February 2, 1931. Under reorganization plan of Detroit United Rys. the new companies were not responsible for payment of these notes. Noteholders will participate in proceeds of liquidation of property which has not yet been accomplished. (Letter—Treas. of Eastern Michigan System, Detroit, February 2, 1931.)
25. Detroit Monroe & Toledo Short Line Ry. Co., 1st 5's.
Purchase price \$900; time elapsed 3 years; loss in interest \$150; received in reorganization: \$600 Eastern Michigan Toledo Railroad, gen'l mortg. bonds dated July 1, 1928. Interest to start January 1, 1930 with 1% interest for 1930 gradually increasing to January 1, 1935, when interest will be fixed at 5½%. No prices available for bonds.²⁶
26. Frostburg, Eckhart & Cumberland Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 1 year; loss in interest \$50; received in reorganization:
6 sh. Cumberland & Westernport Trans. Co., no-par. pref. stock.
4 sh. Cumberland & Westernport Trans. Co., no-par common stock.
No further information obtained.²⁷
Prices for new securities not available.
27. Lonaconing, Midland & Frostburg Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 1 year; loss in interest \$50; received in reorganization:
6 sh. Cumberland & Westernport Trans. Co., no-par pref. stock.
4 sh. Cumberland & Westernport Trans. Co., no-par common stock.
No further information obtained.²⁸
Prices for new securities not available.
28. Westernport & Lonaconing Ry. Co., 1st 5's.
Purchase price \$900; time elapsed 1 year; loss in interest \$50; received in reorganization:
6 sh. Cumberland & Westernport Trans. Co., no-par pref. stock.
4 sh. Cumberland & Westernport Trans. Co., no-par common stock.

24. Poor P. U. 1928, pp. 2433-36.

25. Moody P. U. 1929, p. 2299.

26. Poor P. U. 1928, p. 2435.

27. Poor P. U. 1927, p. 1497.

28. Poor P. U. 1927, p. 1497.

No further information obtained.²⁹

Prices for new securities not available.

29. Jefferson Traction Co., 1st gold 6's.
Purchase price \$1000; time elapsed 3 years; loss in interest \$180; received in reorganization: \$150 per \$1000 bond in cash. Road finally unable to pay operating expenses. Property sold at foreclosure sale in September 1927, and after expenses were paid, bondholders received a trifle over 15 cents on the dollar. (Letter from Sec. of protective com., February 2, 1931.) This road probably abandoned.
Capital loss per \$1000 bond, \$850.
30. Michigan Electric Ry. Co., 1st & ref. gold 5's ser. A.
Purchase price \$900; time elapsed 4½ years; loss in interest \$225; received in reorganization: 10 shares Michigan Electric Shares Corp., no-par capital stock. The new company was incorporated in March 1929 to take over the properties in May of that year. Trolley lines scrapped and bus operation continued. New company affiliated with Allied Power and Light Corp. Market prices for stock not obtained.³⁰
31. Jackson Consolidated Traction Co., 1st & ref. gold 5's.
Purchase price \$900; time elapsed 4 years; loss in interest \$200; received in reorganization: 10 shares Michigan Electric Shares Corp., no-par capital stock. Provided for in reorganization of Michigan Electric Ry. Co. See No. 30 above.
Prices for new securities not available.
32. Milford Holliston & Framingham Street Ry. Co., 1st ext. 7's.
Purchase price \$900; time elapsed 3½ years; loss in interest \$245; received in reorganization: approximately \$235 in cash. Property sold in February 1928 for benefit of bondholders. Buses to replace street cars. Litigation continued until January 1929 when court ordered cash in possession of receiver to be distributed to bondholders. \$38,756 for benefit of these bonds and \$47,846 for benefit of Milford & Uxbridge St. Ry. Co. bondholders. Above cash payment is the maximum they could have received.³¹
Capital loss per \$1000 bond, \$665.
33. Milford & Uxbridge Street Ry. Co., 1st extended 7's.
Purchase price \$900; time elapsed 3½ years; loss in interest \$245; received in reorganization: approximately \$143 in cash. See No. 32 above for details.
Capital loss per \$1000 bond, \$757.
34. Minneapolis, Anoka & Cuyuna Range Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 4 years; loss in interest \$200; re-

29. Poor P. U. 1927, p. 1497.

30. Poor P. U. 1929, p. 1820.

31. Stand. Bond Bull. Sec., p. 2129.

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ceived in reorganization by non-depositing bondholders \$94.98 in cash late in 1929 or early 1930. (Letter—Amer. Tr. Co., Boston, January 28, 1931.) In November 1929 a new company was organized to take over the property sold at foreclosure in August 1929.³² No information obtained to show whether depositing bondholders received securities in new company or whether all were paid off.

Capital loss per \$1000 bond, non-depositing, \$805.02.

35. Trenton, Bristol & Philadelphia Street Ry. Co., 1st 5's.
Purchase price \$900; time elapsed $5\frac{1}{4}$ years; loss in interest \$262.50; received in reorganization: non-depos. bondholders, \$18.60 per \$1000 bond. Trustee received from sale of properties the sum of \$546 which, less advertising costs, was distributed to non-depos. bondholders pro rata as above. Depositing bondholders are to receive for each \$1000 bond 10 shares Trenton, Bristol & Phila. Ry. Co., common stock. Not distributed as yet. (Letter—Union Tr. Co. of Maryland, Baltimore, Md., January 27, 1931.) Buses are to be substituted for street cars.³³

Capital loss per \$1000 bond: non-depositing, \$881.40.

36. Union Traction Co. of Indiana, 1st gen'l ext. gold 6's.
Purchase price \$900; time elapsed $5\frac{1}{2}$ years; loss in interest \$330; received in reorganization: \$232 in cash per \$1000 bond, payable after July 30, 1930. These bonds, together with the 6 issues following, numbered 37 to 42, inclusive, were purchased by the Midland Utilities Investment Co. (now Midland United Co.) for \$3,923,933 in cash which was distributed to the bondholders as here shown. All of the protective committees accepted the offer.³⁴

Capital loss per \$1000 bond, \$668.

37. Indiana Union Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; received in reorganization: \$171.70 in cash per \$1000 bond, payable after July 30, 1930.

Capital loss per \$1000 bond, \$728.30.

38. Indiana Northern Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; received in reorganization: \$44 in cash per \$1000 bond, payable after July 30, 1930.

Capital loss per \$1000 bond, \$856.

39. Indianapolis Northern Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed $5\frac{1}{2}$ years; loss in interest \$275; received in reorganization: \$140 in cash per \$1000 bond, payable after July 30, 1930.

Capital loss per \$1000 bond, \$760.

32. Stand. Corp. Record M-Buff, p. 2266.

33. Stand. Bond Bull. Sec., p. 2203.

34. Stand. Bond Bull. Sec., p. 2205.

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40. Muncie, Hartford & Fort Wayne Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 5½ years; loss in interest \$275; received in reorganization: \$290 in cash per \$1000 bond, payable after July 30, 1930.
Capital loss per \$1000 bond, \$610.
41. Indianapolis, New Castle & Eastern Traction Co., 1st ext. gold 6's.
Purchase price \$900; time elapsed 5 years; loss in interest \$300; received in reorganization: \$290 in cash per \$1000 bond, payable after July 30, 1930.
Capital loss per \$1000 bond, \$610.
42. Muncie & Union City Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 5½ years; loss in interest \$275; received in reorganization: \$44 in cash per \$1000 bond, payable after July 30, 1930.
Capital loss per \$1000 bond, \$856.
43. Citizens Street Ry. of Muncie, Indiana, 1st gold 6's.
Purchase price \$900; loss in interest none. Defaulted principal December 1, 1927, but interest was regularly paid to and including 1929.³⁵ There were only \$36,000 face value outstanding and it is likely they were paid off in full when Union Trac. Co. of Indiana was reorganized.
Capital loss per \$1000 bond, probably none.
44. Rockford & Interurban Ry. Co., 1st gold 5's.
Purchase price \$1010; time elapsed 1 year; loss in interest \$50; received in reorganization: \$235 in cash per \$1000 bond, less expenses if any. Property sold in November 1926, under foreclosure proceedings and protective committee sold its bonds for a cash consideration of 23½% of face value, less any expenses.³⁶
Capital loss per \$1000 bond, \$775.
45. Rockford & Freeport Electric Ry. Co., 1st ext. gold 5's.
Purchase price \$900; time elapsed 1 year; loss in interest \$50; received in reorganization: \$102 in cash per \$1000 bond. Property sold in December 1926 under foreclosure proceedings and protective committee sold its bonds for cash consideration of 10½% of face value.³⁷
Capital loss per \$1000 bond, \$798.
46. Rockford, Beloit & Janesville R. R. Co., 1st gold 5's.
Purchase price \$900. The road securing these bonds was sold at foreclosure sale December 6, 1926, for \$52,000. (There was \$907,000 face value of bonds outstanding.) This was the only bid for the property and was made in accordance with an arrangement under which T. M. Ellis, Jr. (purchaser of Nos. 44 and 45 above), became owner of the

35. Poor P. U. 1929, p. 2120.

36. Poor P. U. 1929, p. 1866.

37. Poor P. U. 1929, p. 1866.

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road.³⁸ No information could be obtained from trustee as to cash distribution to bondholders. They probably received very little if anything.

47. Schuylkill Ry. Co., 1st consol. gold 5's.
Purchase price \$900; time elapsed 2½ years; loss in interest \$125; received in reorganization: \$141.25 face value Schuylkill Trans. Co. 1st 50 yr. gold 5's and 2 6/10 sh. (no-par) Schuylkill Trans. Co. Class B stock. Interest was defaulted April 1, 1926. The interest due April 1, and October 1, 1918 was never paid, and only ¾ of face value of coupons due April 1, 1925 was paid. Reorganization plan was adopted in September 1928, under which above new securities were distributed. (Letter—Fidelity-Phila. Tr. Co., Phila., February 9, 1931.) Market prices for new securities could not be obtained.
48. Schuylkill Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 1½ years; loss in interest \$75; received in reorganization: \$300 Schuylkill Trans. Co., 1st 50 yr. gold 5's and 2 8/10 sh. Schuylkill Trans. Co., class B no-par stock.³⁹ Same reorganization as No. 47 above. Prices for new securities not available.
49. Lakeside Ry. Co., 1st gold 6's.
Purchase price \$900; time elapsed 1 year; loss in interest \$60; results of reorganization to these bonds could not be obtained. Defaulted interest November 1, 1927. Must have participated in reorganization of Schuylkill Ry. Co., No. 47 above.⁴⁰
50. LaPorte & Michigan City Traction Co., 1st gold 5's.
Purchase price \$900; time elapsed 2½ years; loss in interest \$125; received in reorganization: \$287.50 Northern Indiana Ry. Inc., 1st & ref. gold 5's dated January 1, 1930, and 15 shares Northern Indiana Ry. Inc., no-par stock.⁴¹ Market prices could not be obtained for new securities. The new bonds are rated C1 = Highly speculative, by Standard Statistics. Non-depos. bondholders received a small cash distribution; amount not stated in Standard Statistics.
51. South Bend & Southern Michigan Ry. Co., 1st gold 5's.
Purchase price \$900; time elapsed 2¼ years; loss in interest \$112.50; received in reorganization: \$200 Northern Indiana Ry. Inc., 1st & ref. gold 5's dated January 1, 1930 and 9 shares Northern Indiana Ry. Inc., no-par stock. Non-depos. bondholders received \$17.01 per \$1000 bond in cash.⁴² Same reorganization as No. 50 above.
Capital loss per \$1000 bond: non-depositing, \$882.99. Prices for new securities not available.

38. Poor P. U. 1929, p. 1866.

39. Stand. Bond Book O-Z pink, p. 7627.

40. Moody P. U. 1929, p. 2078.

41. Standard. Corp. Records L-O Buff, p. 2244.

42. Stand. Bond Bull. Sec., p. 1169.

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52. Cincinnati Georgetown & Portsmouth R. R. Co., 1st gold 5's.
Purchase price \$900; time elapsed 2 years; loss in interest \$100; received in reorganization: \$172.17 in cash per \$1000 bond. March 16, 1929, Standard Statistics reported that the above represented the pro rata share of the proceeds of sale of the property per \$1000 original amount of bonds.⁴⁵

Capital loss per \$1000 bond, \$727.83.

53. Aurora, Elgin & Chicago R. R. Co., 1st & ref. 5's.
Purchase price \$960; time elapsed 3¼ years; loss in interest \$162.50; received in reorganization: pay \$35 cash for expenses and receive \$500 Chicago, Aurora & Elgin Corp., 6% deb. bond dated April 1, 1922. Purchase for \$200 cash: \$200 Chicago, Aurora & Elgin R. R., 7% ref. & imp. bonds dated April 1, 1922; \$700 Chicago, Aurora & Elgin Corp., 6% deb. bond; 3 shares Chicago, Aurora & Elgin Corp., common stock V.T.C's.⁴⁶ No provision made in plan for non-depositing bondholders. No interest paid on debenture 6's of C. A. & E. Corp. to January 2, 1930. Interest due prior to July 1, 1924 null and void. Subsequent interest is cumulative.

Price Range—Deb. 6's:

	1925	1926	1927	1928	1929
High	52B	59B	53B	48B	21B
Low	20B	55B	40B	20B	7B

(B = bid price.)

Common stock C. A. & E. Corp. paid no dividends to January 2, 1930. The C. A. & E. R. R. Co., ref. & imp. 7's were called in 1925 @ 101. Market prices for the stock could not be obtained.⁴⁶

Capital loss per \$1000 bond \$285. (This would be reduced by sale of 3 sh. of C. A. & E. Corp., common stock.)

54. Western N. Y. & Penna. Traction Co., 1st & ref. gold 5's.
Purchase price \$900; time elapsed 1¾ years; loss in interest \$87.50; received in reorganization: \$200 face value, Olean, Bradford & Salamanca Ry. Co., common stock. In addition, if each \$1000 bondholder pays \$200 in cash he receives:

\$100 Olean, Brad. & Sal. Ry. Co., 1st & ref. gold 7's ser. A.

\$500 Olean, Brad. & Sal. Ry. Co., 7% non-cum. pref. stock.

\$1000 Olean, Brad. & Sal. Ry. Co., common stock.⁴⁶

The new bonds above defaulted interest September 1, 1926. No dividends have been paid on common or pref. stock.⁴⁷ Prices not obtained for new securities.

43. Stand. Bond Bull. Sec., p. 1046.

44. C. & F. Chron. Vol. 114, pp. 736 & 737.

45. Standard Statistics.

46. Moody P. U. 1924, p. 338.

47. Moody P. U. 1927, p. 63.

55. Michigan United Rys., 1st & ref. gold 6's.
Purchase price \$900; time elapsed 1 1/6 years; loss in interest \$70; received in reorganization: \$500 Michigan Electric Ry. Co., 1st & ref. gold 5's dated January 1, 1923 and \$500 Michigan Electric Ry. Co., 5% cum. pref. stock.⁴⁸ Interest on new bonds defaulted July 1, 1925. No dividends were paid on pref. stock. In reorganization of Michigan Electric Ry. Co. in May 1929 \$500 of above bonds received 5 shares of Mich. Elec. Shares Corp., common stock. By 1930, practically all electric railway operation abandoned and equipment scrapped. Buses and trucks being operated.⁴⁹ Prices not obtained for new securities.
56. Indiana, Columbus & Eastern Traction Co., gen'l & ref. gold 5's.
Purchase price \$900; time elapsed 9½ years; loss in interest \$475; received in reorganization: 2 shares Cincinnati, Hamilton & Dayton Ry. Co., no-par \$7 cum. pfd. stock, class A, and 5 shares Cincinnati, Hamilton & Dayton Ry. Co., \$6 non-cum. pfd. stock, class B, no-par.⁵⁰ Because of time required to consummate the C. H. & D. Ry. Co. reorganization, the new stocks above had not been issued up to January 1, 1930.⁵¹
57. Southern Ohio Traction Co., gen'l gold 5s.
Purchase price \$900; time elapsed 7 years; loss in interest \$350; received in reorganization:
\$500 Cincinnati, Hamilton & Dayton Corp., adjust. income gold 6's.
2 sh. Cincinnati, Hamilton & Dayton Corp., no-par common stock.
To purchase for \$250 in cash:
\$50 Hamilton & Lindenwold bonds (no further details available).
\$200 C. H. & D. Ry. Co., 1st & ref. mtge. ser. A. 6's.
\$500 C. H. & D. Ry. Co., prior lien debt gold bonds.
4 sh. C. H. & D. Ry. Co., no-par common stock.⁵²
C. H. & D. Corp., adj. income gold 6's, no interest paid to December 1929; common stock, no dividends paid to December 1929.⁵³
58. Columbus, Newark & Zanesville Electric Ry., gen'l gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250; received in reorganization by paying \$250 in cash:
\$250 Ohio Pub. Serv. Co., 1st mortg. 6's ser. A.
\$250 Ohio Pub. Serv. Co., 7% cum. pfd. stock ser. A.
\$500 Ohio Pub. Serv. Co., no-par common stock V.T.C's.
By paying \$20 in cash: \$500 Ohio Pub. Serv. Co. no-par common stock V.T.C's.⁵⁴ The new bonds were retired April 15, 1927 at 105, and inter-
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48. Moody P. U. 1923, p. 1569.
49. Standard Statistics.
50. C. & F. Chron. Vol. 128, p. 1395.
51. Standard Statistics.
52. Moody P. U. 1926, p. 1920.
53. Moody P. U. 1929, p. 992.
54. Moody P. U. 1925, p. 1555.

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est and cancelled. No dividends paid on preferred or common stock, 1926 to 1928, inclusive. Prices not obtained for stocks. Company sold its transportation system in 1929.⁵⁵ Prices for new securities not available.

59. Southern Cambria Ry. Co., gen'l gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250. Property of this company was sold in foreclosure on behalf of first mortgage bondholders in December 1928. The general mortg. bonds took their place on the record as a second lien and did not participate in the proceeds from the sale. In other words, the general mortgage bonds received nothing. (Letter—Title Tr. & Guarantee Co., Johnstown, Pa., January 29, 1931). Capital loss per \$1000 bond, \$900.
60. Joplin & Pittsburgh Ry. Co., gen'l gold 6's ext. to April 1, 1930 @ 7%.
Purchase price \$900; time elapsed 5 years; loss in interest \$350; received in reorganization: nothing. All property and assets sold May 14, 1929. After payment of taxes, receivers' debts and counsel fees, there was nothing left for bondholders.⁵⁶
Capital loss per \$1000 bond, \$900.
61. Kansas City Kaw Valley & Western Ry. Co., gen'l gold 6's.
Purchase price \$900; time elapsed 3 years; loss in interest \$180. These bonds defaulted principal August 1, 1924. In the reorganization of the company no provision was made for these bonds and they received nothing.⁵⁷
Capital loss per \$1000 bond, \$900.
62. Schuylkill Traction Co., consol. gold 4½'s.
Purchase price \$900; time elapsed 8 years; loss in interest \$360. Schuylkill Traction Co. was reorganized in September 1928. The entire amount of these bonds outstanding was deposited by interest connected with the reorganization and no new securities were issued which could be directly chargeable to the deposited bonds. (Letter—Fidelity-Phila. Tr. Co., Phila., February 9, 1931).
Capital loss per \$1000 bond, \$900.
63. Chicago, South Bend & Northern Indiana Ry. Co., consol. mtge. gold 5's.
Purchase price \$900; time elapsed 3 years; loss in interest \$150; received in reorganization: \$345 Northern Indiana Ry. Inc., 1st & ref. gold 5's dated January 1, 1930 and 23 shares Northern Indiana Ry. Inc., no-par stock. Non-depositing bondholders paid in cash, amount not given.⁵⁸ Prices for new bonds not obtained. New bonds rated C1 = highly speculative by Standard Statistics.

55. Standard Statistics.

56. Stand. Bond Bull. Sec., p. 2109.

57. C. & F. Chron. Vol. 125, p. 1708.

58. Stand. Corp. Records C-E Buff, p. 4804.

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64. Northern Indiana Ry. Co., 1st consol. gold 5's.
Purchase price \$900; time elapsed 3 years; loss in interest \$150; received in reorganization: \$460 Northern Indiana Ry. Inc., 1st & ref. gold 5's dated January 1, 1930 and 17 shares Northern Indiana Ry. Inc., no-par stock.⁵⁹ Same reorganization as No. 63 above. Prices of new securities not available.
65. Aurora, Elgin & Chicago R. R. Co., 3 year 7½% coll. tr. notes.
Purchase price \$900; time elapsed 3 years; loss in interest \$225.
Received in reorganization:
Pay \$50 cash for expenses and receive:
\$700 Chicago, Aurora & Elgin Corp., 6% deb. bond dated April 1, 1922.
Purchase for \$300 cash:
\$300 Chicago, Aurora & Elgin R. R. Co., 7% ref. & imp. bonds dated April 1, 1922.
\$900 Chicago, Aurora & Elgin Corp., 6% deb. bond.
4 shares Chicago, Aurora & Elgin Corp., common stock V.T.C's.⁶⁰
No provision made in plan for non-depositing bondholders. No interest paid on debenture 6's of C. A. & E. Corp. to January 2, 1930. Interest due to July 1, 1924 null and void. Subsequent interest is cumulative.

Price Range—Deb. 6's:

Deb. 6's	1925	1926	1927	1928	1929
High	52B	59B	53B	48B	21B
Low	20B	55B	40B	20B	7B

(B = bid price.)

Common stock of C. A. & E. Corp. paid no dividends to January 2, 1930. The C. A. & E. R. R. Co., ref. & imp. 7's were called in 1925 @ 101. Market prices for the stock not obtained.⁶¹ Capital loss per \$1000 bond, none. A small gain if 4 shares of C. A. & E. Corp. common stock were sold. If more than \$900 was paid for the original notes, a loss was probably suffered.

59. Stand. Bond Descrips. G-N Pink, p. 4116.

60. C. & F. Chron. Vol. 114, pp. 736, 737.

61. Standard Statistics.

APPENDIX IV

CAPITAL LOSS TO BONDBOLDERS AS A RESULT OF URBAN ELECTRIC RAILWAY REORGANIZATION

1. Brooklyn Rapid Transit Co., 50 yr. first 5's.

Purchase price \$900; time elapsed 4½ yrs; loss in interest \$187.50. (Total unpaid to July 1, 1923, \$237.50.) Received in reorganization: \$50 in cash; \$900 Brooklyn-Manhattan Transit Corp., Rap. Trans. Sec. gold 6's; \$125 Brooklyn-Manhattan Transit Corp., 6% cum. pfd. stock V.T.C's; 1.625 sh. Brooklyn-Manhattan Transit Corp., no-par common stock V.T.C's.¹

Price range—New Securities of B.-M.T. Corp.:

Rapid Trans. Sec. Gold 6's

	1923	1924	1925	1926	1927	1928
High	74¾	84¾	92¾	99¾	101¾	100¾
Low	65¼	72¾	82¼	92¼	95½	96¼

(Interest began July 1, 1923)

6% Cum. Pfd.

High	49¾	75¾	83¾	89¾	88	95¾
Low	34½	48¾	72¾	78	78¾	82

(Initial dividend May 1, 1924)

Common

High	18¾	41¾	64	77¾	70¾	77¾
Low	9¼	13½	35¾	54¾	53	53¾

(Paid \$3 January 20, 1926 and \$4 per year thereafter)

Gain on \$900 purchase price of \$312.64. This would more than make up loss in interest. If all new securities retained, gain in interest of \$17.90 per year.

2. Brooklyn Rapid Trans. Co., 1st refunding 4's.

Purchase price \$900; time elapsed 4¼ years; loss in interest \$140. (Total unpaid to July 1, 1923, \$180.) Received in reorganization: \$40 in cash; \$720 Brooklyn-Manhattan Transit Corp., Rapid Trans. Sec. gold 6's; \$100 Brooklyn-Manhattan Transit Corp., 6% cum. pfd. stock V.T.C's; 3.2 sh. Brooklyn-Manhattan Transit Corp., no-par common stock V.T.C's. If all new securities retained, gain in interest of \$22 per year. For prices of new securities, see above.² Gain on \$900 purchase price of \$218.27. Would more than make up loss in interest.

3. Butte Electric Ry. Co. 1st gold 5's.

Purchase price \$900. These bonds defaulted interest March 1, 1919. They matured March 1, 1925, and were retired at that time. All were

1. C. & F. Chron. Elec. Ry. Suppl. Apr. 28, 1923, p. 15 et seq.
2. C. & F. Chron. Elec. Ry. Suppl. Apr. 28, 1923, p. 15 et seq.

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owned by Anaconda Copper Co. No information obtained to show if defaulted interest was paid when bonds were retired.³ No loss in principal.

4. New York Municipal Ry. Corp., 1st gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$200. (Total unpaid to July 1, 1923, \$250.) Received in reorganization: \$50 in cash; \$1100 Brooklyn-Manhattan Transit Corp., Rap. Trans. Sec. gold 6's; \$100 Brooklyn-Manhattan Transit Corp., 6% cum. pfd. stock V.T.C's. Only \$1,997,000 of these bonds held by public and treated as above in reorganization.⁴ If all new securities retained, gain in interest of \$22 per year. Gain on \$900 purchase price \$366. Would more than make up loss in interest.
5. Kansas City Rys. Co., 1st gold 5's.
Purchase price \$900; time elapsed 7 years; loss in interest \$300; received in reorganization: non-depos., \$519.89 in cash, in accordance with court orders of September 3, 1925, and November 4, 1926.⁵ Depositing, \$400 Kansas City Pub. Serv. Co., 1st gold 6's ser. A dated July 1, 1926; 3 sh. Kans. City Pub. Serv. Co., no-par \$7 cum. pfd. A. stock; 7 sh. Kans. City Pub. Serv. Co., no-par common stock.

Price Range—New Securities:

First Gold 6's

	1926	1927	1928	1929
High	88B	93 $\frac{3}{4}$ B	94B	81
Low	88B	88B	80B	61

(B = bid price.)

(Interest regularly paid starting July 1, 1926)

Pfd. Stock

High	85	72 $\frac{1}{2}$	40 $\frac{5}{8}$
Low	68	43 $\frac{1}{2}$	21 $\frac{1}{8}$

Initial dividend \$1.75 paid Nov. 10, 1927, regularly paid to July 1, 1928, incl.; thereafter at rate of \$4.

Common

High	22	15 $\frac{1}{2}$	9
Low	12 $\frac{1}{2}$	7	1

No divs. paid on common to May 24, 1930.⁶

Margin of earnings over interest requirements has been downward since 1927. This is reflected in above prices.

Capital loss per \$1000 bond: non-depos., \$380.11; depos., \$115.

3. Moody P. U. 1929, p. 1801; also C. & F. Chron. Vol. 120, p. 1089.
4. C. & F. Chron. Elec. Ry. Suppl. Apr. 28, 1923, p. 15 et seq.
5. Moody P. U. 1929, p. 1000.
6. Moody P. U. 1929, p. 1000.

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6. Columbus & Ninth Avenue R. R. Co., 1st gold 5's.

Purchase price \$900; time elapsed 6 years; loss in interest \$300; received in reorganization:

\$416.66 par val. New York Rys. Corp., 40 yr. cum. income 6's dated Jan. 1, 1925.

2½ shares New York Rys. Corp., pref. stock V.T.C's.⁷

Price Range—New Securities:

Income Bonds

	1925	1926	1927	1928
High	32	30⅞	36½	32⅝
Low	13⅝	11⅞	22	20⅞

No interest paid on bonds through April 1, 1929—24% accumulation.

Pref. Stock

High	12	20¼	15¾	13
Low	5	6	4⅞	3

No dividends paid since reorganization. None can be paid while interest is in arrears.

Earnings of new company steadily declining. Bonds are rated C = Uncertain.⁸

Capital loss per \$1000 bond: \$697.30 complete loss in income if new securities are not sold.

7. Denver, Northwestern Ry. Co., 1st & coll. tr. 5's.

Purchase price \$900; time elapsed 5¼ years; loss in interest \$262.50; received in reorganization:

\$500 Denver Tramway Corp., gen'l & ref. 5's ser. A. dated July 1, 1925.

\$758.33 Denver Tramway Corp., 7% (5% cum.) pref. stock.

Price Range—New Securities:⁹

Gen'l & Ref. 5's

	1926	1927	1928	1929
High	70B	71½B	71B	66B
Low	50B	52B	60B	45B

(B = bid price.)

Interest regularly paid on new bonds.

Pref. Stock.

High	40⅞	43	23¼
Low	26	36½	22

Regular dividends of 5% paid October 1, 1925 to October 1, 1927, incl. January 1, 1928, ¾% quarterly thereafter to July 1, 1929. Accumulation 3½%.

Gross revenues declined from 1926 to 1929 incl. also margin over fixed

7. C. & F. Chron. P. U. Suppl. Oct. 1925, p. 61.

8. Standard Statistics.

9. Moody P. U. 1925, p. 76.

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charges. New bonds are rated B = Semi-speculative.¹⁰

Capital loss per \$1000 bond, \$216.42.

8. Denver City Tramway Co., 1st ref. S. F. 5's.

Purchase price \$900; time elapsed $4\frac{1}{4}$ years; loss in interest \$212.50; received in reorganization: the same amount of new securities as No. 7 above.¹¹

Capital loss per \$1000 bond, \$216.42.

9. Lexington Avenue & Pavonia Ferry R. R. Co., 1st 5's.

Purchase price \$900; time elapsed $4\frac{1}{2}$ years; loss in interest \$216.67; received in reorganization: \$660 New York Rys. Corp., 40 yr. cum. income 6's dated January 1, 1925 and \$400 (4 sh.) Pavonia Bldg. Corp., capital stock.¹²

For prices of new bonds, see No. 6 above. No interest has been paid thereon through April 1, 1929. Earnings are steadily declining. Fixed charges have not been earned for 1926, 1927 or 1928. New bonds are rated C = Uncertain.¹³

Capital loss per \$1000 bond, approximately \$700. Prices for stock not available.

10. Flushing & College Point, Electric Ry. Co., 1st gold 5's.

Purchase price \$900; time elapsed $5\frac{1}{2}$ years; loss in interest \$275. On February 1, 1926 receiver for the company acquired the entire issue with all interest coupons attached for \$850 cash per \$1000 bond.¹⁴

Capital loss per \$1000 bond, \$50.

11. Newton Ry., 1st gold 5's.

Purchase price \$900; time elapsed $4\frac{1}{2}$ years; loss in interest \$216.67. In September 1925 receiver acquired entire issue with all interest coupons attached, and bonds were retired.¹⁵ Purchase price could not be obtained. It may have been the same as for No. 10 above. Capital loss per \$1000 bond, probably \$50.

12. Syracuse & Suburban R. R. Co., 1st gold 5's.

Purchase price \$900; time elapsed 2 years approximately; loss of interest \$100; received in reorganization: Pay an assessment of \$100 in cash and receive: \$1000 Syracuse & Eastern R. R., 1st mortg. 5's, no date given. \$187.50 Syracuse & Eastern R. R. ($1\frac{1}{4}$ sh.) common stock V.T.C's.¹⁶ Moody P. U. 1925, p. 1400 gives bonded indebtedness of new company as income 6's. From 1924 to 1928 incl. deficit had grown from \$4,748 to \$20,436. In December 1929 Syracuse advices said that the

10. Standard Statistics.

11. Moody P. U. 1925, p. 76.

12. C. & F. Chron. Pub. Util. Suppl. Nov. 1924, p. 38.

13. Standard Statistics.

14. Standard Statistics; also Moody P. U. 1926, p. 1311.

15. Moody P. U. 1926, p. 1311.

16. Moody P. U. 1923, p. 1746.

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new company had offered to sell its right of way to municipality for \$150,000 cash and a bus franchise.¹⁷ New bonds and stock probably worth very little. Prices for new securities not available.

13. Birmingham-Tidewater Ry. Co., 1st gold 5's.
Purchase price \$900. In February 1923, protective committee for these bonds announced that over 75% of the bonds had been deposited with it and had authorized the acceptance of an offer made them to purchase their bonds at 68% of the principal, flat, i. e., without allowance for accrued and unpaid interest. 65% was to be paid net to the bondholders and 3% was to compensate the committee. The sale was declared effective.¹⁸ The Empire Tr. Co. of N. Y., trustee, advised by letter on January 30, 1931, that these bonds were redeemed at 106.81 as of April 30, 1923, on which date the mortgage was satisfied. This would indicate that 75% of the bondholders received \$650 per \$1000 bond from the sale, the purchaser afterwards obtaining \$1068.10 per \$1000 bond when they were redeemed.
Capital loss per \$1000 bond: by depos., \$250; non-depos., gain of \$168.10 on \$900 purchase price.
14. St. Louis & Suburban Ry. Co., consol. 1st ext. 8's.
Purchase price \$900; paid interest continuously to January 1, 1928; received in reorganization: \$1000 in cash and all accrued interest on or after January 1, 1928. Retirement provided for under plan of reorganization of United Rep. Co. of St. Louis dated October 1, 1924, effective October 11, 1927. Because of above arrangement, market prices for these bonds did not fall below 97½ and went as high as 115 between 1923 and 1926, incl.¹⁹ These bonds had defaulted principal October 1, 1923. Gain of \$100 on \$900 purchase price.
15. Lindell Ry. Co., 1st gold 8's.
Purchase price \$900; interest paid continuously to April 1, 1926; received in reorganization: \$1000 in cash and all accrued interest on or after April 1, 1926. Retirement provided for under plan of reorganization of United Rys. Co. of St. Louis, dated October 1, 1924.²⁰ These bonds had defaulted principal October 1, 1923. Gain of \$100 on \$900 purchase price.
16. Cass Avenue & Fair Grounds Ry. Co., 1st gold 6's.
Purchase price \$900; interest paid continuously to April 1, 1926; received in reorganization: \$1000 in cash and all accrued interest on or after April 1, 1926. Provided for same as No. 15 above.²¹ These bonds had defaulted principal October 1, 1923. Gain of \$100 on \$900 purchase price.

17. Standard Statistics.

18. C. & F. Chron. El. Ry. Suppl. Apr. 1924, p. 11.

19. Moody P. U. 1927, p. 595; also C & F. Chron. Vol. 125, p. 3643.

20. Moody P. U. 1926, p. 1946.

21. Moody P. U. 1926, p. 1946.

17. Compton Hts. Union Depot & Merch. Terr. R. R. Co., 1st 5's.
Purchase price \$900; interest paid continuously to April 1, 1926; received in reorganization: \$1000 in cash and all accrued interest on or after April 1, 1926. Provided for same as No. 15 above.²² Gain of \$100 on \$900 purchase price.
18. Christopher & Tenth Street R. R. Co., 1st 4's.
Purchase price \$900; loss in interest \$180. The New York Rys. Co. which had assumed these bonds made arrangements to purchase them in 1918. Subsequently, this was done. Moody P. U. 1928, p. 602 reports all of the bonds paid as to principal, there still remaining unpaid interest from April 1, 1919 to September 30, 1923. The bonds originally matured October 1, 1918, but were extended to October 1, 1923.
Capital loss per \$1000 bond, none.
19. New York Rys. Co., 1st real estate & ref. 4's.
Purchase price \$900; time elapsed 6 years; loss in interest \$240; received in reorganization: \$770 New York Ry. Corp., 6% cum. income bonds dated January 1, 1925. One participation receipt representing pro rata interest in assets held by trustee for liquidation for pro rata benefit of all bondholders. 5 sh. New York Ry. Corp., common stock V.T.C.'s.²³ Each bondholder received \$210 cash as result of the participation distribution and \$100 face amount of New York Rys. Corp., prior lien 6% bonds.²⁴

Price Range 6% Cum. Income Bonds:

	1925	1926	1927	1928	1929
High	32 $\frac{5}{8}$	36 $\frac{1}{2}$	30 $\frac{7}{8}$	32	24 $\frac{1}{2}$
Low	20 $\frac{7}{8}$	22	11 $\frac{1}{8}$	13 $\frac{5}{8}$	4

No interest paid on these bonds to April 1, 1930—accumulated 30%. In December 1926 Fifth Avenue Coach Co. purchased all the common stock of new company at \$10 per share.

Price Range—Prior Lien 6's:

	1926	1927	1928
High	88 $\frac{7}{8}$	85 $\frac{1}{4}$	94 $\frac{1}{2}$
Low	81 $\frac{1}{2}$	74	75 $\frac{3}{8}$

Interest on these bonds being regularly paid although earnings are steadily declining and fixed charges exclusive of income bond interest were barely covered in 1929.²⁵

Capital loss per \$1000 bond, \$264.45.

20. United Rys. Co. of St. Louis, 1st gen'l gold 4's.
Purchase price \$925; no interest lost. Interest due July 1, 1924 to
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22. Moody P. U. 1926, p. 1946.
23. Moody P. U. 1924, pp. 1805-06.
24. Moody P. U. 1926, p. 121 and 1927, p. 1726.
25. Stand. Bond Descrip. G-N Pink, pp. 4186 and 4227.

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July 1, 1927 paid by receiver. These bonds were not disturbed in the reorganization of the United Rys. Co. of St. Louis in 1927 and were assumed by the St. Louis Pub. Serv. Co. which took over the property after foreclosure sale.

Price Range:

	1920	1921	1922	1923	1924	1925	1926	1927	1928
High ..	50	51½	69¼	64½	77	74¾	79	85½	85½
Low ..	47¾	47	51½	56½	61¾	67½	73	76	80
	1929	1930							
High ..	84½	74							
Low ..	69	68¾							

Traffic has declined steadily in the last few years, reduction amounting to 4.85% in 1929, but gross has been more or less steady due to fare increases obtained at and since reorganization in 1927. The higher fares resulted in greater net earnings, but they are not yet sufficient to afford these bonds much safety. Standard rating C1 plus = Speculative.²⁶

Capital loss per \$1000 bond, \$70 if sold at high point.

21. St. Louis & Suburban Ry. Co., gen'l gold 5's.

Purchase price \$900; time elapsed 7¼ years; loss in interest \$66.67. Interest not paid from October 1, 1926 to January 1, 1928; received in reorganization: by non-depositing bondholders, \$553.21 cash per \$1000 bond and unpaid interest; by depositing bondholders, \$1000 City & Suburban Pub. Service Co., 1st gold 5's ser. A. dated January 1, 1928.

Price Range—New Bonds:

	1928	1929
High	93B	90½B
Low	90¼	80B

(B = bid price.)

Interest being paid but earnings declining. See explanation under No. 20 above.²⁷

Capital loss per \$1000 bond: Non-depos., \$346.79; depos., gain of \$30 on \$900 purchase price.

22. St. Louis Transit Co., improvement gold 5's.

Purchase price \$900; time elapsed 3½ years; loss in interest \$175; received: by depositing bondholders, \$175 in cash; 5½ shares St. Louis Pub. Service Co., ser. A. \$7 cum. pref. stock; 10 sh. St. Louis Pub. Service Co., common stock; by non-depositing bondholders, \$515.01 in cash. Initial dividend paid on preferred stock April 2, 1928 and regularly thereafter. No dividends have been paid on common.²⁸

26. Standard Statistics.

27. Moody P. U. 1927, p. 596; also Moody P. U. 1929, p. 137.

28. Moody P. U. 1927, p. 596; also Moody P. U. 1929, p. 137.

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Price Range—Pref. Stock:

	1928	1929	1930
High	89	81	60
Low	78	60	50

Price Range—Common Stock:

	1928	1929	1930
High	32¾	24	10
Low	19	10	2

Depos., gain of \$97 on \$900 purchase price.

Capital loss per \$1000 bond, non-depos., \$384.99.

23. New Orleans Ry. & Light Co., gen'l mortg. 4½'s.
Purchase price \$900; time elapsed 1¼ years; loss in interest \$56.25; received in reorganization: \$250 in cash and \$750 New Orleans Pub. Service Inc., gen'l lien gold 4½'s dated October 1, 1922.²⁹

Price Range—New Bonds:

	1923	1924	1925	1926	1927	1928
High	75¾	85¾	88½	91½	94¾	96¾
Low	71½	72	83½	86¾	90	92

Fixed charges have been earned by the new company 1.77 times for 6 year average 1923 to 1928, incl. New company operates under an agreement with the City of New Orleans arranged in 1922, which permits rates for various public services sufficient to return 7½% on property values after operating expenses, taxes, and renewal and replacement reserves. City has an option to purchase any or all of the operating divisions (elec. light, gas, street railway) at a price equivalent to the current rate base valuation.³⁰

Gain of \$71.87 on \$900 purchase price.

24. Kansas City Rys. Co., 2nd mortg. ser. A. 6's and ser. B. 5's.
Purchase price: (Issued under a previous reorganization plan); time elapsed 8 years; lost interest from July 1, 1919 on. Under the reorganization plan dated June 1, 1925 (these bondholders having refused to accept the offers of the reorganization committee made to them) no provision was made for these bonds. The second mortgage interests were excluded from membership in the reorganization committee, and from participation because there was no equity in value above the first mortgage indebtedness. This decision was handed down by the U. S. Circuit Court of Appeals after eight years of litigation. (Letter—New York Tr. Co., Trustee, July 21, 1930.)

Capital loss per \$1000 bond, \$1000.

25. Chicago Elevated Rys. Co., coll. tr. 2 yr. ext. 6% gold notes.
Purchase price \$900; time elapsed 4½ years; loss in interest \$270; received in reorganization:

29. Moody P. U. 1922, p. 1483.

30. Standard Statistics.

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\$100 Chicago Rapid Transit Co., 1st lien & ref. gold 6's ser. A. dated July 1, 1923.

\$1170 Chicago Rapid Transit Co., adj. deb. 6's dated July 1, 1923.

\$350 Chicago Rapid Transit Co., common stock (par \$100) V.T.C's.³¹

Price Range—First Lien & Ref. 6's Ser. A:

	1926	1927	1928	1929
High	87B	92½B	97¼	84
Low	82B	86½B	80	76

(B = bid price.)

Interest is being regularly paid. Standard rating B1 = Fair.

Price Range—Adj. Deb. 6's:

High	52¼	50½B	52
Low	30¾B	37 B	28

(B = bid price.)

Interest is cumulative from July 1, 1924 at 4% but none has been paid to date. Standard rating C1 plus = Speculative.

Price Range—Common Stock:

High	8¾	14¾	16
Low	Bid	Bid	Bid

No dividends have been paid to date. Common stock showed a book value Dec. 31, 1929 of 115.12 per share.³²

Capital loss per \$1000 bond, \$135.43.

26. Chicago Elevated Rys. Co., coll. tr. 6% 10 yr. debs.

Purchase price \$900; time elapsed 4½ years; loss in interest \$270; received in reorganization: \$700 Chicago Rapid Transit Co., common stock (par \$100) V.T.C's.³³ For price range, dividend records, etc., see No. 25 above.

Capital loss per \$1000 bond, \$778.

27. Interborough Metropolitan Co., coll. tr. 4½'s.

Purchase price \$900; time elapsed 4 years; loss in interest \$180; received in reorganization:

\$160 Interborough Rapid Trans. Co., 10 yr. 6% gold notes dated Oct. 1, 1922.

5.25 sh. Interborough Rapid Trans. Co., capital stock V.T.C's.

5 sh. Fifth Ave. Bus Securities Corp., capital stock V.T.C's.

No dividends can be paid on Interborough stock for 5 years, and can never exceed 7%.

Price Range—Ten Year Notes:

	1922	1923	1924	1925	1926	1927	1928
High	98¾	94¾	94	95	100	99¼	103¼
Low	93½	82	82½	85	85¾	96¾	96¼

Interest regularly paid.

31. C. & F. Chron. Vol. 117, p. 324.

32. Standard Statistics.

33. C. & F. Chron. Vol. 117, p. 324.

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Price Range—Capital Stock:

	1926	1927	1928
High	53¾	52⅞	62
Low	24½	30½	29

No dividend paid to date.

Price Range—Fifth Ave. Bus Stock:

	1922	1923	1924	1925	1926	1927	1928
High	10⅝	10⅜	13⅜	17¾	21⅝	14⅞	15¼
Low	8¾	7¾	9½	12	14	10	11¼

Initial div. February 15, 1923. Paying 64 cents per year since then.³⁴
Capital loss per \$1000 bond, \$301.18.

28. United Traction & Electric Co. (Prov. R. I.), 1st coll. 5's.
Purchase price \$900; received in reorganization: \$900 United Elec. Rys. Co., gen'l & ref. mtge. ser. A. 5's dated January 1, 1921; \$100 United Elec. Rys. Co., capital stock. In August 1926 holders of the new bonds were given right to exchange their bonds to and including January 10, 1929, for class A stock of the Rhode Island Pub. Serv. Co. on basis of 9 shares for each \$1000 bond.³⁵

United Elec. Rys., Capital stock paid dividends as follows:

1922, 2½%; 1923, 4%; 1927, 2%; 1928, 5%.

Price Range—New Bonds:

	1922	1923	1924	1925	1926	1927	1928
High	80	61	52	65	78	83¼	81
Low	Bid	Bid	Ask	Bid	Bid	80	75

Capital stock had been almost entirely acquired by Rhode Island Public Service Co. by 1930. Price range not obtained.

Capital loss per \$1000 bond, probably very little. Bonds alone could have been sold for \$749.25.

29. Denver Tramway Co., 7% coll. tr. gold notes.
Purchase price \$900; time elapsed 5¼ years; loss in interest \$367.50; received in reorganization:

\$500 Denver Tramway Corp., gen'l & ref. 5's ser. A. dated July 1, 1925; \$732.69 Denver Tramway Corp., 7% (5% cum.) pref. stock.

\$189.39 cash, the result of liquidating the balance of collateral security for the secured notes.³⁶

Price Range—New Bonds:

	1926	1927	1928	1929
High	70B	71½B	71B	66B
Low	50B	52B	60B	45B

(B = bid price.)

34. Poor P. U. 1929, p. 1654 et seq.; also Poor P. U. 1929, p. 979.

35. Moody P. U. 1929, pp. 1083-84.

36. Moody P. U. 1925, p. 76.

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Interest has been regularly paid. Fixed charges being earned more than 1½ times. Standard rating, B = Semi-speculative.

Price Range—Pref. Stock:

	1925	1926	1927	1928
High	47	40⅞	43	23¼
Low	35½	26	36½	22

Dividends at 5% paid from Oct. 1, 1925 to Oct. 1, 1927, incl. Jan. 1, 1928, ¾% and quarterly thereafter to July 1, 1929, when arrears amounted to 3½%.³⁷

Capital loss per \$1000 bond, \$8.75 on \$900 purchase price.

30. Memphis St. Ry. Co., 2 yr. 6% coll. gold notes.
Purchase price \$900; receivership lasted over 4 years; no loss in interest—arrears were paid. Under plan and agreement of reorganization dated April 8, 1922, there was distributed to holders of deposited notes on May 4, 1922, \$400. New notes were given for the 60% balance due. In April 1923 \$600 cash was distributed, thus cancelling the notes. Interest was regularly paid on notes. (Letter—New York Trust Co., N. Y., Trustee, August 6, 1930.)
Capital loss per \$1000 bond, nothing.
 31. Brooklyn Rapid Trans. Co., 30 yr. 7% secured gold notes 1921.
Purchase price \$900; time elapsed 4¾ years; loss in interest \$350; received in reorganization: \$70 in cash; \$1100 Brooklyn-Manhattan Trans. Corp., Rapid Trans. Sec. gold 6's; and \$180 Brooklyn-Manhattan Trans. Corp., 6% cum. pfd. stock V.T.C.'s.³⁸ For price range on new securities, see No. 1 above.
Gain on \$900 purchase price of \$462.29.
 32. Brooklyn Rapid Trans. Co., 6 yr. 5% secured gold notes 1918.
Purchase price \$900; time elapsed 4¾ years; loss in interest \$250; received in reorganization: \$50 in cash; \$1100 Brooklyn-Manhattan Trans. Corp., Rapid Trans. Sec. gold 6's; and \$100 Brooklyn-Manhattan Trans. Corp., 6% cum. pfd. stock V.T.C.'s.³⁹ For price ranges on new securities see No. 1 above.
Gain on \$900 purchase price of \$365.99.
 33. Kansas City Rys. Co., 3 yr. 7% coll. gold notes ser. A.
Purchase price \$980; time elapsed 7 1/6 years; loss in interest \$501.66; received in reorganization: Non-depositing, \$668.69 in cash, in accordance with court orders of Sept. 3, 1925 and November 4, 1926.⁴⁰ Depositing, \$521.60 Kansas City Pub. Serv. Co., 1st gold 6's ser. A., dated July 1, 1926; 3.912 sh. Kansas City Pub. Serv. Co., no-par \$7 cum. pfd. stock;
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37. Moody P. U. 1929, p. 1582.
 38. C. & F. Chron. Elec. Ry. Suppl. Apr. 28, 1923, p. 15 et seq.
 39. C. & F. Chron. Elec. Ry. Suppl. Apr. 28, 1923, p. 15 et seq.
 40. Moody P. U. 1929, p. 1000.

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and 7.824 sh. Kansas City Pub. Serv. Co., no-par common stock. For price range on new securities and other data, see No. 5 above.

Capital loss per \$1000 bond: Non-depos., \$311.31; Depos., gain of \$14.95.

34. Kansas City Rys. Co., 2 yr. 6% coll. gold notes. Purchase price \$977.50; time elapsed 7 1/6 years; loss in interest \$430; received in reorganization: Non-depositing, \$650.14 in cash, in accordance with court orders of September 3, 1925 and November 4, 1926.⁴¹ Depositing, \$487.84 Kansas City Pub. Serv. Co., 1st gold 6's ser. A., dated July 1, 1926, and 3.659 sh. Kansas City Pub. Serv. Co., no-par \$7 cum. pfd. stock, and 7.317 sh. Kansas City Pub. Serv. Co., no-par common stock. For price range on new securities and other data, see No. 5 above. Capital loss per \$1000 bond: Non-depos., \$327.36; depos., \$46.95.
35. New Orleans Ry. & Light Co., 1 yr. 7% gold notes. Purchase price \$900; time elapsed 4 5/6 years; loss in interest \$338.30, accrued from date of default to date when dividends began on new stock, all paid. Received in reorganization: \$1000 New Orleans Pub. Serv. Inc., 7% cum. pref. stock (par \$100); and \$338.30 New Orleans Pub. Serv. Inc., 7% cum. pref. stock (par \$100); which represented interest accrued on notes from December 1, 1918 to October 1, 1923 when dividends began on new stock.⁴² Pref. dividends have been regularly paid to 1931.

Price Range—Pref. Stock:

	1922	1923	1924	1925	1926	1927	1928
High	75¼	88	100	102	105	110	110
Low	67	73½	90	94	100	103	105½

Gain on \$900 purchase price of \$110. Loss on income also more than made up.

36. Plymouth & Brockton St. Ry. Co., income gold 6's. Purchase price \$900; time elapsed 8 years to January 1, 1931; loss in interest \$480. On June 28, 1928 electric car service was permanently discontinued, and all property formerly used in railway operation (except real estate) was subsequently sold and proceeds deposited with trustee for first mortgage bonds. Company now operates motor buses. Company has been earning only about one-half its fixed charges from 1926 to 1929, incl.⁴³ In answer to an inquiry, the trustee for these bonds advised that they know of no plan of reorganization or liquidation in respect to these bonds. (Letter—Old Colony Tr. Co., Boston, September 25, 1930.) The bonds will probably be worthless. Capital loss per \$1000 bond, probably total loss.

41. Moody P. U. 1929, p. 1000.

42. C. & F. Chron. Vol. 114, p. 2825; also Elec. Ry. Suppl. October 1922, p. 85.

43. Poor P. U. 1929, p. 79.

37. Second Avenue R. R. Co., 6% receivers' certificates.
 Purchase price \$900; time elapsed 9 years to May 1, 1928; loss in interest \$540; received in reorganization: 10 sh. Second Ave. R. R. Corp., capital stock V.T.C's. A receiver was appointed for this company in September 1908 and operated the road independently until 1928 when a plan of reorganization was worked out and the new company formed to take over the property. Delay was largely due to dissention between the city and state transit bodies of New York. There had been various issues and retirements of receivers certificates from 1909 to 1919 when default occurred in interest on \$3,140,000 outstanding.⁴⁴ The new company is operating at a deficit so that the stock probably has little value. Market prices not obtained.

APPENDIX V

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF ELECTRIC LIGHT, GAS AND POWER COMPANY REORGANIZATIONS

1. Washington-Idaho Water, Light & Power Co., 1st gold 6's.
 Purchase price \$900; time elapsed 1 $\frac{3}{4}$ years to date of reorganization; loss in interest approximately \$100; received in reorganization: \$850 in cash to depositing bondholders. The plan of reorganization was dated January, 1923, and was adopted by all committees. Under this plan the committee for these bonds sold them at 85, the purchaser assuming the obligations and expenses of the committee. This price was net to the bondholders. This payment was final.¹
 Capital loss per \$1000 bond, \$50.
2. South Carolina Light, Power & Rys. Co., 1st gold 5's.
 Purchase price \$790; time elapsed 1 $\frac{11}{12}$ years; loss in interest \$95.83; received in reorganization: \$1000 S. Carolina Gas & Elec. Co., 1st gold 6's dated September 15, 1922. On October 1, 1922 this new company acquired the franchises and rights of old company after foreclosure sale, and began operation.²

Price Range—New Bonds:

	1925	1926	1927
High	93	97	96 $\frac{1}{2}$
Low	87	78	Bid

The new bonds defaulted interest March 15, 1928. In July, 1928 the protective committee announced it had agreed to sell all deposited bonds at 99 plus interest without deduction for committee expenses. Any withdrawing bondholders to pay 5% of par of bonds for committee expenses.³

44. Poor P. U. 1928, p. 1989.

1. Moody P. U. 1923, p. 1787.

2. Poor P. U. 1923, p. 2534.

3. Moody P. U. 1928, p. 1075.

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Capital gain per \$1000 bond: \$180 if sold before 1928; \$200 at final sale in 1928.

3. Lincoln County Power Co. Inc., 1st gold 6's.
Purchase price \$900; time elapsed 4 1/6 years to date of distribution; loss in interest \$250. On December 27, 1923 the entire property, franchises and assets of the company was sold by special master to Maine Central Power Co. under receivership proceedings brought to foreclose the mortgage. After deducting all expenses of foreclosure and receivership, the net amount paid to bondholders was \$732.67 per \$1000 bond. Decree for distribution dated December 3, 1924. (Letter—First Auburn Tr. Co., Trustee, January 31, 1931.)
Capital loss per \$1000 bond, \$167.33 on \$900 purchase price.
4. Vermont & Quebec Power Corp., 1st gold 5's.
Purchase price \$1000; time elapsed 3 year at least; loss in interest \$150. These bonds were guaranteed as to principal and interest by the Asbestos Corp. of America. Owing to the failure of the guarantor to fulfill its agreements after the default in interest July 1, 1923, the company was forced to go through a friendly receivership.⁴ The mortgage was foreclosed, and it was set forth in the final decree of the court that there were no assets or property available for application to the claims of unsecured and secured creditors and these bonds, therefore, had no value. (Letter—Old Colony Tr. Co., Boston, Trustee, September 25, 1930.)
Capital loss per \$1000 bond, \$1000.
5. Eastern Vermont P. U. Corp., 1st gold 5's.
Purchase price \$900; time elapsed 5¼ years to date of final decree; loss in interest \$262.50. Receiver had been appointed in July, 1923. Early in 1928 this company was acquired by the Peoples Hydro-Electric Vermont Corp., a subsidiary of the Peoples Light & Power Corp. No details obtained.⁵ In accordance with the final decree of the court dated June 27, 1928, the bondholders received payment of \$512.30 on account of face value of the bonds and interest due from April 1, 1923. (Letter—The Bank of America, N. Y., Trustee, January 26, 1931.)
Capital loss per \$1000 bond, \$387.70.
6. Hortonia Power Co., 1st gold 5's.
Purchase price \$925 plus \$20 committee costs; time elapsed 3½ years approximately; loss in interest \$175. Receiver appointed August 15, 1924. Bonds had defaulted interest February 1, 1924. Company showed a steadily mounting deficit from \$107,372 in 1921 to \$415,600 in 1925. In April 1926 protective committee for these bonds terminated its agreement and bondholders reclaimed their bonds and paid \$20 per \$1000

4. Poor P. U. 1925, p. 148.

5. Poor P. U. 1928, p. 1282.

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bond as pro rata share of expenses.⁶ On October 13, 1926 the Pub. Serv. Corp. of Vermont purchased all the assets of Hortonia Power Co. at receivers' sale for \$1,100,000. Purchaser represented the Insull interests of Chicago.⁷ In 1927, a distribution of \$293,324 was made per \$1000 bond having February 1, 1924 and subsequent coupons attached. (Letter—The Bank of America, N. Y., Trustee, February 3, 1931.)

Capital loss per \$1000 bond, \$651.69.

7. Colorado Springs Light, Heat & Power Co., 1st & ref. ext. gold 7's. Purchase price \$945; time elapsed 1½ years approximately; loss in interest \$105. Bonds defaulted interest August 1, 1924. Receiver appointed in November 1924. In August 1924 the company agreed to sell its entire electrical distribution system within the city limits for \$600,000. In June 1925 the electric light system outside the city was sold to net the company over \$200,000 in cash. These two sales provided \$800,000 applicable to holders of various bond issues. Under the plan of distribution worked out and dated May 29, 1925, the above bondholders were to receive 10 sh. of common stock of Colorado Springs Gas Co. for each \$1000 bond and to subscribe to 2 sh. of pref. stock and 2 sh. common stock for \$185. The bondholders did not subscribe to the new stock, and bankers would not underwrite the issue, so the committee sold the gas property to the city for about \$600,000. It was anticipated that these bondholders would receive about \$400 in cash.⁸
Capital loss per \$1000 bond, \$545.
8. Colorado Springs Elec. Co., 1st gold 5's ext. at 7%. Purchase price \$900; time elapsed 1½ years approximately; loss in interest \$105. This company a subsidiary of Colorado Springs Light Heat and Power Co., under the reorganization plan dated May 29, 1925, and following the sale of the gas property to the city in October 1925, these bonds were expected to receive about \$920 in cash per \$1000 bond with October 20, 1924 and subsequent coupons attached. See No. 7 above.⁹
Gain of \$20 on \$900 purchase price.
9. Colorado Springs Light & Power Co., 1st gold 5's ext. at 7%. Purchase price \$900; time elapsed 1½ years approximately; loss in interest \$105. This company was also a subsidiary of the Colorado Springs Light, Heat & Power Co. (No. 7 above). Under the same reorganization plan, these bonds were to be paid off at par and accrued interest.¹⁰
Gain of \$100 on \$900 purchase price.
10. Great Northern Power Co., Ltd., 1st gold 7's. Purchase price \$950 with a bonus of 50% common stock; time elapsed

6. Poor P. U. 1926, p. 92; also p. 2378.

7. C. & F. Chron. Vol. 123, p. 1996.

8. Moody P. U. 1925, p. 1776.

9. Moody P. U. 1925, p. 1776.

10. Moody P. U. 1925, p. 1776.

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2 years; loss in interest \$140; received in reorganization: \$35 in cash to cover coupon defaulted May 1, 1925; \$1090 Great Northern Power Corp., Ltd., 1st mortg. 20 yr. 6's, dated May 1, 1926, interest to start November 1, 1926. The extra \$90 in bonds to cover interest at 6% from May 1, 1925 to November 1, 1926; 5 sh. Great Northern Power Corp., Ltd., no-par common stock.¹¹ All of these new bonds were redeemed May 1, 1928, at 102½ and accrued interest. By 1929 the Canada Northern Power Corp., Ltd. had acquired 12,471 shares of the total of 12,500 of common stock outstanding after the reorganization. Market prices not obtained.¹²

Gain of \$75. Arrears in interest more than made up by sale of stock.

11. Canadian Light & Power Co. of Montreal, 1st gold 5's.

Purchase price \$900; time elapsed 1 year; loss in interest \$50. On January 27, 1926, holders of these bonds approved an arrangement providing for cancellation and discharge of 40% of principal amount of said bonds by exchange and conversion into full paid common stock of the company at par. Defaulted coupons July 1, 1925 and January 1, 1926 were cancelled in exchange for an additional \$40 par value of common stock. Thus each \$1000 bond received:

\$600 Canadian Light & Power Co. of Mont., 1st gold 5's dated January 1, 1926.

\$440 Canadian Light & Power Co. of Mont., common stock (par \$100)¹³

Price Range—Bonds:

	1921	1922	1923	1924	1925	1926	1927	1928	1929
High	98½	78½	74½	82	62	64	70	96	90B
Low	98½	Bid	Bid	50	36	56	63	92	84B

(B = bid price.)

Bond interest—times earned—1926, 1.00; 1927, 1.01; 1928, 1.17; 1929, 0.99.

Price Range—Stock:

	1926	1927	1928	1929
High	18¼	55	76	71
Low	16	17¼	32	38 ¹⁴

No dividends have ever been paid on the stock.

Capital loss per \$1000 bond, \$20 on \$900 purchase price. Loss in interest not entirely made up from sale of \$40 of common stock.

12. Public Light & Power Co., 1st mortg. gold 5's.

Purchase price \$900; time elapsed 3 years; loss in interest none—paid late. These bonds defaulted interest and sinking fund February 1, 1928. On February 9, 1929, bondholders notified that funds sufficient to pay February 1, 1928, coupon only, were in hand. Company furnishes light

11. Poor P. U. 1926, p. 1414.

12. Poor P. U. 1929, p. 436.

13. Poor P. U. 1926, p. 1288.

14. Standard. Corp. Records C-E, p. 5062.

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and power without competition in south central Tenn. and northern Alabama. It is controlled by Southern Cities Utilities Co. Balance sheet shows large and growing deficit for years 1926 to 1928, inclusive.¹⁵ The entire bond issue was called for payment August 1, 1930 at 105 and interest at the office of the trustee, Indust. Tr. Co., Providence, R. I.¹⁶

Gain of \$150 on \$900 purchase price.

13. S. Carolina Gas & Elec. Co., mortg. 6's.
Purchase price \$1000; loss in interest not known. These bonds defaulted interest March 15, 1928. In July 1927 this company passed into control of Duke Power Co. through the latter's subsidiary, Southern Pub. Utils. Co. In December 1928 the Southern Pub. Utils. Co. purchased certain properties of the S. Car. G. & E. Co. at foreclosure sale for \$4,200,000 and the proceeds were deposited with the trustee for the bondholders.¹⁷ No further information obtained, but it is likely that these bonds were paid off at par and interest, since an issue junior to them (No. 14 following), received \$870 per \$1000 bond in settlement.
Capital loss per \$1000 bond, nothing.
14. South Carolina Gas & Elec. Co., conv. 10 yr. mtge. gold 6's.
Purchase price \$1000; time elapsed 6 months; loss in interest none. These bonds defaulted interest December 15, 1927. They were junior to No. 13 above. On January 3, 1928, an agreement was made by the protective committee to sell the bonds deposited with it at 87 and accrued interest from June 15, 1927, to date, when committee shall receive payment.¹⁸ About $\frac{2}{3}$ of the bonds received \$870 per \$1000 bond plus interest. The non-assenting holders received \$413.03 for each \$1000 bond. (Letter—Irving Tr. Co., N. Y., Trustee, January 28, 1931.)
Capital loss per \$1000 bond: Depos., \$130; Non-depos., \$586.97.
15. Memphis Consolidated Gas & Elec. Co., consol. 5's.
Purchase price \$900; time elapsed $3\frac{1}{2}$ years; loss in interest \$175. Interest was defaulted January 1, 1920, and mortgage securing these bonds was foreclosed, decree being entered June 6, 1922. The property was sold on November 15, 1922 and under court order dated January 3, 1923, the amount of net proceeds applicable to payment of the bonds for principal and interest from July 1, 1929 to February 1, 1923 amounts to \$868.16 per \$1000 bond. (Letter—Central Hanover Bank & Trust Co., N. Y., Trustee, October 6, 1930.)
Capital loss per \$1000 bond, \$31.84.
16. Hortonia Power Co., 5 yr. 8% secured gold notes.
Purchase price \$900; time elapsed $3\frac{1}{2}$ years; loss in interest \$266.67. Interest was defaulted February 1, 1924 and principal August 1, 1926.

15. Poor P. U. 1929, p. 1836.

16. Stand. Corp. Records P-S Buff, p. 5034.

17. Poor P. U. 1929, p. 595.

18. C. & F. Chron. Vol. 126, p. 4083.

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In accordance with the final decree of the court dated December 14, 1926, a distribution was made on the first mortg. 5's of the Hortonia Power Co. (see No. 6 above), in the amount of \$293.314 per \$1000 bond with February 1, 1924 and subsequent coupons attached. The first mortg. 5's were the collateral for the 8% secured gold notes, the ratio being 150% which entitled the holders of said notes to a payment of \$432.27 per \$1000 note with February 1, 1924 and subsequent coupons attached. (Letter—The Bank of America, N. Y., Trustee, January 26, 1931.)

Capital loss per \$1000 bond, \$467.73.

17. Hortonia Power Co. 7% secured notes. Purchase price \$900; time elapsed 3 years; loss in interest \$210. Interest defaulted April 1, 1924. In addition to \$144,000 of these notes outstanding, \$106,000 were held in the company's treasury. They were secured by pledge of \$375,000 first mortg. 5's of the same company. The trustee for the notes could not furnish any information relative to the settlement made with these note holders subsequent to sale of the property, but it is likely that they fared as well, if not better than the 5 year 8% notes (No. 16 above).

Capital loss per \$1000 bond, estimated at \$467.73.

18. South Carolina Light, Power & Rys. Co., 7% gold notes. Purchase price \$900; time elapsed 2 years; loss in interest \$140. Interest defaulted June 1, 1921 and principal September 1, 1921. \$1000 S. Carolina Gas & Elec. Co., 6% convert. 10 yr. mtge. bonds, dated December 15, 1922, received in reorganization. These bonds were subject to the first mortg. 6's issued at reorganization. (See No. 2 above.)²⁰

Price Range—New Bonds:

	1925	1926	1927
High	88	85	93
Low	78	70	Bid

Company showed deficit of \$80,000 in 1925 increasing to \$436,000 in 1927. Interest was defaulted on new bonds December 15, 1927. Under a plan and agreement dated January 3, 1928 protective committee sold deposited bonds for \$820 in cash plus interest at 6% from June 15, 1927 to date of the sale, December 31, 1928. Assenting bondholders paid no committee expenses.²⁰

Gain of \$30 on \$900 purchase price if sold at high point. Loss of \$80 at second reorganization. Majority of bonds waited.

19. Poor P. U. 1923, p. 2534.

20. Moody P. U. 1928, p. 1075.

APPENDIX VIA

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF REORGANIZATION: IRON AND STEEL PRODUCERS

1. Hess Steel Corp., 1st gold 6's.
Purchase price \$900; time elapsed 6 1/6 years; loss in interest \$370; received in reorganization: \$55 in cash and a certificate of beneficial interest representing 1/375 part of the new mortgage (\$168,750) made by the Rustless Iron Corp. of America and payable \$25,000 the first year, \$25,000 the second year, and \$118,750 the third year. (Circular letter by bondholders' protective committee, dated April 23, 1926.) Final payment to the bondholders should have been made in 1929. Final total payment would amount to \$505 per \$1000 bond.
Capital loss per \$1000 bond, \$395 on \$900 purchase price.
2. H. & H. Foundry & Machine Co., Inc., 1st serial 8's.
Purchase price \$985; time elapsed 1 1/2 years; loss in interest \$120; received in reorganization: by depositing bondholders, \$750 Kings County Iron Foundry Co. bonds (no details); 10 sh. Kings County Iron Foundry Co. stock. (Letter—The Bridgeport City Trust Co., Bridgeport, Conn., Trustee, January 31, 1931.) Received by Non-depositing bondholders, \$75 in cash per \$1000 bond. Prices for new securities not available. Capital loss per \$1000 bond, non-depositing, \$910.
3. Struthers Furnace Co., 1st gold 8's.
Purchase price \$1000; time elapsed 3 1/2 years; loss in interest \$280; received in reorganization: \$1000 Struthers Iron & Steel Co., 6% pref. stock; \$280 Struthers Iron & Steel Co., 6% pref. stock to cover arrears in interest from May 1, 1924 to November 2, 1927. To purchase for \$10 one share no-par common stock of new company.¹ No other details available. New company began operation in December 1928 and had orders to carry it through 1929 and into 1930.
4. Charcoal Iron Co. of America, 1st gold 8's.
Purchase price \$985; time elapsed 4 years; loss in interest \$320; received in reorganization: \$250 Newberry Lumber & Chem. Co., 10 yr. 5% 1st mtge. bonds; 2 1/2 sh. Newberry Lumber & Chem. Co., pref. stock; 10 sh. Newberry Lumber & Chem. Co., class A. stock; 2 sh. Newberry Lumber & Chem. Co., class B common stock, V.T.C.'s. No details on new securities. Non-depositing bondholders received \$211.74 in cash.² Prices for new securities not available.
Capital loss per \$1000 bond, non-depositing, \$773.26.
5. Falcon Tin Plate Co., 1st gold 8's.
Purchase price \$1000; time elapsed 4 1/2 years; loss in interest \$360. On August 24, 1929 the Union Tr. Co., Cleveland, Trustee for the bonds,

1. Poor Ind. 1929, p. 3351.

2. Stand. Corp. Records, C-E, p. 232.

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announced that it had received, through foreclosure, funds to pay a liquidating dividend of 4.432% of face value of the bonds (\$44.32 per \$1000 bond). This was the complete and final payment.³ In August 1930 Canton, Ohio, advices stated that the plant had been purchased and was being renovated and would be in operation by November 1, 1930. Could not ascertain whether above payment went to all bondholders or whether depositing bondholders received securities in new company.

Capital loss per \$1000 bond, probably \$955.68.

6. Milton Mfg. Co., 1st gold 7's.
Purchase price \$1000; time elapsed 1 year; loss in interest \$75; received in reorganization: \$400 in cash—received from sale of part of real estate; \$600 Milton Mfg. Co., 1st mtge. S. F. gold 6's, dated November 1, 1927; and 7/10 of a sh. Milton Mfg. Co., 2d pref. stock.⁴ No details or prices on new securities obtained except that interest on new bonds for 1929 was earned with a fair margin.
7. Penn Steel Castings Co., 1st mtge. 15 yr. gold 7's.
Purchase price \$900; time elapsed 2½ years; loss in interest \$175. The properties of the company were sold in April 1929. The bondholders were entitled to receive a distribution of \$177.47 in respect of each \$1000 bond, with June 1, 1927 and subsequent coupons attached. Of the total amount distributable, \$83.20 represents foreclosure proceeds and \$94.27 settlement of a deficiency judgment. (Letter—The New York Trust Co., New York, Trustee, January 26, 1931.) No further details obtained.
Capital loss per \$1000 bond, probably \$722.53.
8. Rogers-Brown Iron Co., gen'l & ref. 7's.
Purchase price \$975. In reorganization depositing bondholders received 40 cents on the dollar in cash for their bonds, or \$400 per \$1000 bond. (Letter—Central Trust Co. of Ill., Chicago, Trustee, January 28, 1931.) Non-depositing bondholders received \$311.60 in cash per \$1000 bond. (Letter—The M. A. Hanna Co., Cleveland, February 5, 1931.) Exact dates of above distributions not obtained so that loss in income cannot be given.
Capital loss per \$1000 bond: Depositing, \$575; Non-depositing, \$663.40.
9. Hammond Steel Co. Inc., 10 yr. 6% conv. gold notes.
Purchase price \$900; time elapsed 1½ years; loss in interest \$90. Late in 1922 the Sizer Steel Corp. acquired the plant of this company, issuing bonds and stock of the Sizer Steel Corporation in exchange therefore. The Sizer Steel Corporation subsequently went into bankruptcy and the assets were sold for a very nominal sum. This was some time in 1924. This sum probably yielded nothing to the holders of Syracuse Sizer Steel Co. bonds. (Letter—First Trust & Deposit Co., Syracuse, N. Y., February 14, 1921.)

3. Stand. Corp. Records F-K, White, p. 3285.

4. Stand. Bond Book G-N, Pink, p. 4439.

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Capital loss per \$1000 bond, probably 100% of original investment or \$900.

10. Hydraulic Steel Co., 10 yr. 8% gold notes.
Purchase price \$925; time elapsed 5 years; loss in interest \$400. In April 1928 the Truscon Steel Co. purchased the concern and planned to operate it, as its pressed steel division. The plan of reorganization worked out by the protective committee was abandoned and the proceeds of liquidation were distributed to the noteholders. The total distribution was approximately as follows:
\$310 in cash.
4½ sh. Cleveland Welding Co., 7% pref. stock.
13½ sh. Cleveland Welding Co., common stock.⁵
No further details available. Prices for new securities not available.
11. Consolidated Steel & Iron Corporation, 5 yr. 6½% conv. gold notes.
Purchase price \$900. These notes defaulted interest May 1, 1925. On March 27, 1926 a noteholders' protective committee was formed. Two years previously, all the company's property had been deeded over to the Mid-States Steel & Iron Corporation, which company assumed these notes. The trustee advised that the notes had proved to be worthless. Foreclosure of a mortgage on the property did not yield enough to satisfy the mortgagee and the notes being unsecured, received nothing. (Letter—The First National Bank of Boston, Trustee, February 2, 1931.)
Capital loss per \$1000 bond, \$900.

APPENDIX VIb

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF REORGANIZATION: OIL PRODUCERS AND REFINERS

1. Meridian Petroleum Co., 1st conv. gold 8's.
Purchase price \$900; time elapsed 4½ years; loss in interest \$360; received in reorganization: by depositing bondholders, 10 sh. Valley Osage Oil Co., no-par common stock, issued May 3, 1926. Practically all of the bonds were deposited. Received by non-depositing bondholders, as of May 3, 1926, \$274.75 in cash. (Circular letter—bondholders' protective committee, dated September 22, 1926.) Prices for new securities not available.
Capital loss per \$1000; non-depositing, \$625.25.
2. Mass. Oil Ref. Co., partic. conv. 10 yr. gold 7's.
Purchase price \$900; time elapsed 1½ years; loss in interest \$105; received in reorganization: by depositing bondholders, \$100 in cash; \$600 Cities Service Refin. Co., pref. stock (par \$100) 6% cum. from January 1, 1924; 3 sh. Cities Service Refin. Co., no-par common stock.¹ Non-

5. Standard Statistics.

1. C. & F. Chron. Vol. 116, p. 3004.

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depositing bondholders received \$487.20 in cash or 50% of the face of the bonds, less expenses.² No dividends have been paid on either class of stock of the new company. The company has not earned interest on its funded debt since 1925, and shows a substantial deficit accumulated during recent years. Prices on the preferred stock were not obtained, but on the *common*, they ran as follows:

	1925	1926	1927	1928
High	40	49½	47	2¼
Low	37	37⅞	47	bid

Capital loss per \$1000 bond: Depositing \$200 estimated on \$900 purchase price; non-depositing, \$412.80.

- Eastern Petrol. Co., 1st S. F. gold 6's.
Purchase price \$900; time elapsed 1¼ years; loss in interest \$75; received in reorganization: \$500 Clifton Oil & Gas Co. (W. Va.), 7% cum. pref. stock; 5 sh. Clifton Oil & Gas Co., no-par common stock.³ Dividends on pref. stock started July 1, 1924 and have continued to date (1929). No dividends have been paid on common. Price ranges not obtained.
- Republic Oil & Gas Co., 1st conv. S. F. gold 6's.
Purchase price \$900; time elapsed 10 months; loss in interest \$50; received in reorganization: \$1000 Roane County Oil Co., 1st gold 6's, dated May 1, 1924. Interest on new bonds paid regularly.⁴ Company has shown unfavorable earnings in 1927, 1928 and 1929. Interest has been earned and paid, but no dividends on stock of the new company. Bonds have been reduced by S. F. from \$385,000 in 1924 to \$289,000 in 1929.⁵ Prices for new securities not available.
- Caddo Oil & Ref. Co. of Louisiana Inc., 1st S. F. gold 6's.
Purchase price \$975; time elapsed 3 years; loss in interest \$150; received in reorganization: \$870 Crystal Oil Refining Corporation, 6% cumulative preferred stock; 10 sh. Crystal Oil Refining Corporation, no-par common stock; preferred dividends cumulative from February 1, 1926.⁶ No dividends paid on pref. or common stock to April 1, 1930. Preferred accumulations to February 1, 1930—24%. For price ranges see No. 9 following.
Capital loss per \$1000 bond, \$245.40.
- Indiahoma Refining Co., 1st conv. 8's.
Purchase price \$1000; time elapsed 3 years; loss in interest \$240. These bonds originally defaulted interest January 1, 1924. In February 1924 the company filed a voluntary petition in bankruptcy and receivers were

2. C. & F. Chron. Vol. 117, p. 1354.

3. Moody Ind. 1924, p. 1235.

4. Poor Ind. 1924, p. 2103.

5. Standard Statistics.

6. Poor Ind., 1926, p. 3362.

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appointed. Under a reorganization plan, dated July 15, 1924, a new corporation was organized to acquire and hold and conserve the assets pending permanent reorganization or liquidation. The bondholders were given par for par first mortgage bonds of the new company, which paid them no interest. In January 1926 the properties were sold and other sales took place at later dates until June 6, 1930 when final payment in cash was made. All told, the bondholders received \$686 per \$1000 bond in cash.⁷

Capital loss per \$1000 bond, \$314.

7. International Oil & Gas Corp., 1st conv. gold 7's.
Purchase price \$900. These bonds defaulted principal August 1, 1924. Interest due on February 1, 1923 and subsequently had been defaulted. Prior to default, an agreement was made with the bondholders, whereby they were given the equivalent of 150% of face value of bonds in capital stock of the Lewis Oil Corporation. Over 80% of the bonds had been exchanged by March 22, 1924. No further details available.⁸ Prices for new securities not available.
8. New England Oil Refining Co., 1st S. F. gold 8's.
Purchase price \$980; time elapsed 3 years; loss in interest \$240. Interest was defaulted September 1, 1926. In December 1928 the company's distributive system (Mayflower Oil Co.) was sold to a subsidiary of the Shell Union Oil Corporation. In February 1929 the refinery and terminal property was bought at foreclosure on behalf of above bonds and it was in turn sold to Shell Eastern Petrol. Products, Inc. Later in February, 1929 the trustee announced that an amount equal to 40½% of the principal and accrued interest was available for distribution. The bondholders received approximately \$502.20 in cash.⁹
Capital loss per \$1000 bond, \$575.
9. Caddo Central Oil & Refining Corp., 1st consol. gold 6's.
Purchase price \$900; time elapsed 2½ years; loss in interest \$150; received in reorganization: \$300 Crystal Oil Ref. Corp., 6% cum. pref. stock (par \$100); 20 sh. Crystal Oil Ref. Corp., no-par common; and dividends on pref. stock cumulative from February 1, 1926.¹⁰

Price Range—Preferred:

	1927	1928	1929
High	56	58	51½
Low	50	48	40

No dividends paid to April 1, 1930. Accumulations to February 1, 1930, 24%.

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7. Standard Statistics, Bond Bull. Sec., p. 2101; also Poor Ind. 1924, p. 2131.
 8. Standard Statistics.
 9. Standard Statistics, N106, I. P.
 10. Poor Ind. 1926, p. 3362.

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Price Range—Common:

	1927	1928	1929
High	10½	15	11¾
Low	5	7	4

No dividends paid on common. The new company's earnings have not been satisfactory. Loss of \$383,056 for year ended December 31, 1929.¹¹

10. New England Oil Refining Co., gen'l gold 8's ser. A.
Purchase price \$850 plus a large bonus; time elapsed 5 years to January 1, 1931; loss in interest \$400. Interest was defaulted July 1, 1926. The bonds were first publicly offered (\$5,000,000) in February 1923, in exchange for 8% notes of the New Eng. Oil Corp. on basis of \$1,000 of bonds and 112 shares of common stock for each \$850 of notes.¹² The trustee, in answer to our inquiry as to what these bondholders might receive, replied on January 31, 1931, that as liquidation had not been completed, an answer could not be given. Since the first gold 8's of the same company (No. 8 above) lost heavily, it is certain that these bondholders will lose more, since their lien was junior to that of the first 8's.
11. Republic Oil & Gas Co., 2nd gold 7's.
Purchase price \$900. At the time that this company defaulted on its first gold 6's (No. 4 above) it held all of these bonds itself. No details available as to dates of acquisition or purchase prices.¹³
12. Mass. Oil Refining Co., 7% partially secured gold notes.
Purchase price \$900; time elapsed 1½ years; loss in interest \$105; received in reorganization: \$133.33 in cash; \$800 Cities Service Ref. Co.; 6% cum. pref. stock, cum. from January 1, 1924; 4 sh. Cities Service Ref. Co. no-par common stock.¹⁴ See No. 2 above. These bondholders lost less than the first mortgage bonds of the same company. No dividends have been paid on the new pref. or common stock. Prices for preferred stock not available.
13. Eastern Petrol. Co., 1st coll. S. F. gold 7's.
Purchase price \$975; time elapsed 1½ years; loss in interest \$93.34; received in reorganization: \$500 Clifton Oil & Gas Co. (W. Va.), 7% cum. pref. stock; 5 sh. Clifton Oil & Gas Co., no-par common stock; and dividends on preferred stock started July 1, 1924, and have continued to date. No dividends have been paid on a common.¹⁵ Prices for new securities not available.
14. Middle States Oil Corp., 7% secured serial notes.
Purchase price \$900; time elapsed 5½ years; loss in interest \$385; re-

11. Standard Statistics.
12. Moody Ind. 1928, p. 2506.
13. Poor Ind. 1924, p. 2103.
14. C. & F. Chron. Vol. 116, p. 3004.
15. Moody Ind. 1924, p. 1235.

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ceived in reorganization: 3½ sh. Middle States Petrol. Corp., class A. no-par stock; 2 8/100 sh. Middle States Petrol. Corp., class B no-par stock. All stock in voting trust for 10 years. Reorganization plan was completed in May 1930. Plan was adopted by reorganization committee in July 1929. No dividends have been paid on either of the stocks.¹⁶

Price Range to May 20, 1930:

	Class A.	Class B.
High	117½	6
Low	7½	4½

These noteholders received so little because of controversy as to their validity. The settlement was a compromise.¹⁷

Capital loss per \$1000 bond, \$841.63 on \$900 purchase price.

15. Oil Lease Development Co., gold 8's.
Purchase price \$1000 plus 50 sh. common stock; time elapsed 5¼ years; loss in interest \$420. This company was an affiliate of the Middle States Oil Corp. Under reorganization of that company, adopted in July 1929, these noteholders received \$1000 Middle States Pet. Corp., ser. A 6½% coll. tr. bonds, dated January 1, 1930; 25 3/5 sh. Middle States Pet. Corp., class A common stock, no-par.

Price Range—New Bonds to May 20, 1930:

High	76½	Low	68½
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Price range for class A stock given above (No. 14).¹⁸

Capital gain per \$1000 bond, \$72.84, not including 50 sh. of old stock received as bonus with the notes.

16. United Oil Producers Corp., 10 yr. 1st lien 8% partic. production bonds.
Purchase price \$1000; time elapsed 5½ years; loss in interest \$440. This company was a subsidiary of the Middle States Oil Corporation, and the Imperial Oil Corporation. Under the Middle States reorganization plan, these bondholders received \$1000 Middle States Pet. Corp., ser. A 6½% coll. tr. bonds, dated January 1, 1930 and 23 7/10 sh. Middle States Pet. Corp., class A common stock, no-par. Price ranges are given in No. 14 and No. 15 above.¹⁹

Capital gain per \$1000 bond, \$50.26.

17. New England Oil Corp., 5 yr. 8% conv. gold notes.
Purchase price \$900; time elapsed 7 months; loss in interest \$46.67. These notes defaulted interest December 1, 1922. Under the reorganization plan adopted in 1922, each \$850 of notes participating in the syndicate, which purchased \$5,000,000 of New England Oil Refining Co. (the new corporation), gen'l S. F. 8's, received \$1000 New England Oil Ref.

16. Stand. Bond. Bull. Sec., p. 2128.

17. Poor Ind. 1929, p. 3112.

18. Stand. Statistics Corp. Records, L-O, p. 2128.

19. Stand. Bond. Bull. Sec., p. 2128.

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Co., gen'l S. F. gold 8's dated January 1, 1923, and 112 sh. New England Oil Ref. Co., no-par common stock. Each \$1000 of new bonds have stock warrants giving holders the right at any time up to January 1, 1933 to buy 100 shares of common stock at \$10 per share. Those note-holders not participating in the syndicate received for each \$1000 of notes:

- 10 sh. New Eng. Oil Ref. Co., 7% cum. pref. stock.
- 10 sh. New Eng. Oil Ref. Co., no-par common stock.

*Price Range*²⁰—*New Bonds:*

	1922	1923	1924	1925	1926	1927	1928
High	98	103	104	103	92	45	50
Low	bid	98	98	84	45	10	25

Price Range—*Preferred Stock:*

	1923	1924	1925	1926	1927
High	16	31¼	12	10½	4
Low	12½	6	5	3	3½

Price Range—*Common Stock:*

	1924	1925	1926	1927
High	5¾	2	.92	.25
Low	½	.20	.20	.05

These new bonds defaulted in interest July 1, 1926. See No. 10 above for results of reorganization at that time. The above plan was held to be fraudulent on April 29, 1926, but the U. S. Circuit Court of Appeals in May 1927 reversed the District Court.²¹ Participating noteholders could have made a profit of over 100% on \$900 purchase price. Non-participating noteholder's lost \$530 on \$900 purchase price. If the new securities were held until 1927 or after, both lost heavily.

18. Indiahoma Refining Co., 8% conv. S. F. debent. notes. Purchase price \$1000. These notes received nothing in reorganization, since the first mortgage bonds of the same company only received part payment in liquidation. The general creditors and the debenture note-holders received no payment on their claims. (Letter—Union Trust Company of Maryland, Baltimore, Trustee, January 26, 1931.)
Capital loss per \$1000 bond, \$1000.

20. C. & F. Chron. Vol. 116, p. 523.

21. C. & F. Chron. Vol. 124, p. 3363.

APPENDIX VIc

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF REORGANIZATION: PULP AND PAPER MANUFACTURING

1. Kaministiquia Pulp & Paper Co., 1st S. F. gold 7's.
Purchase price \$1000; time elapsed 3½ years; loss in interest \$245. Interest defaulted July 1, 1920. The company's property was sold at public auction February 21, 1922, for \$175,000 to a representative of the Consolidated Water Power & Paper Co. of Wisconsin.¹ A final distribution of 9.15% of face value of bonds is being arranged (Aug. 1923) which together with 20% already paid will make 29.15% returned.² The bondholders therefore received \$291.50 in cash.
Capital loss per \$1000 bond, \$708.50.
2. Mattagami Pulp & Paper Co., Ltd., 1st S. F. gold 6's.
Purchase price \$900; time elapsed 5½ years; loss in interest none. Interest was defaulted on November 1, 1921. On October 11, 1926, the property was sold at public auction to a representative of the debenture stockholders of the same company (see No. 11 below) for \$7,250,000.³ Subsequently the Abitibi Power & Paper Co., Ltd. acquired the properties through a subsidiary. The principal and interest on these bonds was paid in full following the sale of the property. (Letter—National Tr. Co., Ltd., Toronto, Trustee, Sept. 25, 1930.)
Capital loss per \$1000 bond, nothing. Gain of \$100 on \$900 purchase price.
3. Dryden Pulp & Paper Co., Ltd., 6% prior lien gold notes.
Purchase price \$900; time elapsed 4½ years; loss in interest none. Interest defaulted October 1, 1923. In 1927 the company paid the October 1, 1923 and all subsequent coupons to and including October 1, 1927.⁴ The notes were retired at par 100 in 1929, all interest having been paid to date of retirement.⁵ See also No. 13 below.
Capital loss per \$1000 bond, nothing. Gain of \$100 on \$900 purchase price.
4. American Writing Paper Co., 1st gold 7's, 6's.
Purchase price \$1000, issued to retired 1st gold 5's due July 1, 1919; time elapsed 3½ years; loss in interest \$210. Interest rate 7% to January 1, 1922, 6% thereafter. Defaulted interest January 1, 1924. Received in reorganization: \$500 Amer. Writ. Paper Co. Inc., 1st mtge. bonds, dated January 1, 1927; and \$680 Amer. Writ. Paper Co. Inc., 7%

1. C. & F. Chron. Vol. 114, p. 953.
2. C. & F. Chron. Vol. 117, p. 675.
3. C. & F. Chron. Vol. 123, p. 2005.
4. Moody Ind. 1928, p. 3042.
5. Standard Statistics.

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pref. stock, (par \$100) changed in November 1928 to 6.8 sh. of \$6 no-par pref. stock and 3.4 sh. of no-par common stock.

Price Range—New Bonds:

	1927	1928	1929	1930
High	95	93¼	85½	84
Low	83	83	67	69

Interest paid regularly. Rated conditional fair by Standard Statistics.

Price Range—Preferred:

	1927	1928	1929	1930
High	57½	53¾	46	44¾
Low	25¾	34	28	29½

\$3 dividend paid in 1929, none previously.

Price Range—Common:

	1927	1928	1929	1930
High	24¼	19½	16⅞	7½
Low	9⅞	10½	4	5

No dividends paid to date.⁶

Capital loss per \$1000 bond \$53.25 if sold in 1927. Greater loss if new securities were held.

- Carthage Sulphite Pulp & Paper Co., 1st S. F. gold 8's.
Purchase price \$1000; time elapsed 2 years; loss in interest \$160. Received in reorganization: \$1200 Carthage Pulp & Board Co., 7% cum. pref. stock, V.T.C's, and the right to subscribe for \$450 in cash, to \$500 Carthage Pulp & Board Co., 1st mtge. 7's and 6 sh. of no-par common stock V.T.C's.⁷ The old bonds had defaulted interest on August 1, 1924, and the reorganization plan was dated February 19, 1926. The company has been in continuous operation since reorganization, but not successfully. No dividends have been paid on the preferred stock, although interest has been paid on the new bonds sold at the time of reorganization. (Letter—Secretary of protective committee, January 30, 1931.) Prices on new preferred stock not obtained.
- Peshtigo Paper Co., 1st S. F. gold 7's.
Purchase price \$985; time elapsed 3 years; loss in interest \$210. Interest defaulted December 1, 1927. The property covered by the mortgage securing these bonds was sold at foreclosure in January 1929, and purchased on behalf of the bondholders. A reorganization was effected under the name of Badger Paper Mills, Inc., and new stock was issued in exchange for deposited bonds. (Amount not obtained.) Non-depositing bondholders received \$283.63 per \$1000 bond in cash. (Letter—First Wisconsin Trust Co., Milwaukee, Trustee, January 28, 1931.) Prices for new securities not available.

Capital loss per \$1000 bond; non-depositing bondholders, \$701.37.

6. Poor Ind. 1929, p. 1511.

7. Poor Ind. 1926, p. 3007.

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7. Riordan Co., Ltd., 1st & ref. gold 8's ser. A.
Purchase price \$900; time elapsed 2½ years; loss in interest \$200. Interest defaulted December 1, 1921. On March 2, 1925 the Canadian International Paper Ltd. acquired the assets which had been purchased on September 8, 1924 by the protective committee for these bonds. In reorganization the bondholders received \$1000 Internat. Paper Co., 30 yr. S. F. 6's, interest from December 31, 1924; and \$200 Internat. Paper Co., 7% cum. pref. stock. Dividends from December 1, 1924. Stock represented defaulted interest on old bonds.

Price Range—Bonds:

	1925	1926	1927	1928	1929	1930
High		100½	105	105¼	97	
Low		96¼	99⅝	95½	85¾	

Price Range—Preferred Stock:

High	99⅜	100	112⅝	108	95	86
Low	86	89	96½	89	77	80

Over \$1,600,000 of new bonds had been retired by S. F. at 105 to end of 1929.⁸

Capital loss per \$1000 bond, none. Gain of \$377.74, which more than offsets interest lost during default. Based on \$900 purchase price.

8. Riordan Pulp & Paper Co., Ltd., gen'l mtge. 6's.
Purchase price \$900; time elapsed 4 years; loss in interest \$240. Interest defaulted January 1, 1922. Provided for under reorganization of No. 7 above. Received in reorganization: 3 sh. Internat. Paper Co., 7% cum. pref. stock, dividends began July 15, 1925, and option to purchase for \$500, 7 additional shares of the same stock.⁹ For price range of stock, see No. 7 above.

Capital loss per \$1000 bond, \$562.14 on \$900 purchase price. If option exercised, loss reduced to \$273.80.

9. Whalen Pulp & Paper Mills, Ltd., 1st and ref. serial 6's.
Purchase price \$949; time elapsed 2½ years; loss in interest \$150; received in reorganization: \$1000 British Columbia P. & P., Ltd., 6% 1st gold 6's, interest to start November 1, 1925; and \$150 (same company) 7% cum. pref. stock, dividends to accrue from November 1, 1925.¹⁰ Price range not obtained. Initial dividend on pref. stock 8¾% (covering 15 months ended January 31, 1927) paid February 1, 1927, and regular dividends since then.¹¹ These bondholders could probably have sold without loss per \$1000 bond.

8. Standard Statistics.

9. Moody Ind. 1925, p. 1977.

10. Poor Ind. 1926, p. 2573.

11. Poor Ind. 1929, p. 1260.

10. Lincoln Mills, Ltd., mtge. debs. A & B.
Purchase price \$900; time elapsed 2 years; loss in interest: A's \$120, B's \$140. Received in reorganization:
A's—\$1000 Lincoln Mills, Ltd. (new), 7% cum. pref. stock (par \$100).
 \$120 Lincoln Mills, Ltd. (new), 7% cum. pref. stock.
B's—\$1000 Lincoln Mills, Ltd. (new), 7% cum. pref. stock.
 \$140 Lincoln Mills, Ltd. (new), 7% cum. pref. stock.
(Letter—The Royal Trust Co., Montreal, Trustee, February 16, 1931.)
Price range not obtained or record of dividend payment.
11. Mattagami Pulp & Paper Co., Ltd., 7% conv. S. F. mortgage deb. stock.
Purchase price \$900; time elapsed 5½ years; loss in interest \$385. No information could be obtained as to how these bonds fared in reorganization. The first mortgage 6's of the same company (No. 2 above) were paid off in full. The trustee for the first mortgage bonds stated that a substantial payment was also made to the second mortgage bondholders, which may be this issue.
12. Western Canada Pulp & Paper Co., Ltd., 6% deb. stock.
Purchase price \$900; information with regard to this company very meagre. Properties were sold at receiver's sale in 1922 and the bidder's price was equal to about 70 cents on the dollar on outstanding first mortgage bonds.¹² Reorganization was under way in 1923 but the plan not given. These bondholders probably lost heavily.
13. Dryden Paper Co., Ltd., 6% deb. stock.
Purchase price \$900; time elapsed 6 years to 1929; loss in interest approximately \$360. Interest was defaulted October 1, 1923. Receivership continued until December 8, 1928. In 1929 (exact date not given) the debenture stock was retired at 105, and 10,000 shares (no-par) stock of Dryden Paper Co., Ltd. were issued in lieu of interest arrears.¹³ No dividends have been paid on the common stock to the end of 1929. The highest price from 1927 to 1929 inclusive has been 56, and the lowest 9½.¹⁴
Capital gain per \$1000 bond, \$150 on \$900 purchase price.

12. C. & F. Chron. Vol. 115, p. 445.

13. Moody Ind. 1929, p. 892.

14. Standard Statistics.

APPENDIX VI

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF REORGANIZATION: COAL MINING

1. Maynard Coal Co., 1st ser. gold 7's.
Purchase price \$1000; time elapsed 1 year; loss in interest \$35. Interest and installment of principal defaulted May 1, 1924. Protective committee advanced the interest due May 1, 1924, to depositing bondholders. On January 7, 1925 the committee purchased 3 operating mines for \$50,000 and later the balance of the property was taken over.¹ In reorganization the bondholders were given \$1000 Daniel Boone Coal Corp., 1st mtge. 7's dated November 1, 1924. Prices not obtained. The new bonds defaulted interest November 1, 1927, and foreclosure proceedings were begun in November 1929, under the new mortgage.²
2. Vandalia Coal Co., 1st gold 6s.
Purchase price \$1025. Interest defaulted January 1, 1925. Information not obtained showing time elapsed from date of default to date of reorganization. Depositing bondholders received 10 sh. Vandalia Coal Corp., capital stock. Later market prices not obtained. Non-depositing bondholders (\$300) received \$44.71 in cash. (Letter—Union Trust Co. of Pittsburgh, Trustee, January 26, 1931.)
Capital loss per \$1000 bond; non-depositing, \$980.29.
3. Sullivan Pocahontas Coal Co., 1st mtge. & coll. tr. 6½'s.
Purchase price \$973.30 average on series; time elapsed 2½ years; loss in interest \$162.50. Interest and installment of principal defaulted July 1, 1925. Foreclosure sale on June 8, 1927. Received in reorganization: by depositing bondholders, \$28.70 in cash; \$750 Comago Smokeless Fuel Co., 1st mtge. & leasehold 6½'s; and 6 sh. Comago Smokeless Fuel Co. common stock. Non-depositing bondholders received (\$2000)—about 19 cents on the dollar, or \$190.³ (Letter—Union Trust Co. of Pittsburgh, Trustee, January 26, 1931.) Price range on new securities not obtained.
Capital loss per \$1000 bond; non-depositing, \$783.30.
4. Southern Gem Co., 1st ser. gold 7½'s.
Purchase price \$1000; time elapsed 2 1/6 years; loss in interest \$162.50. Interest and installment of principal defaulted September 1, 1925. Received in reorganization: by depositing bondholders, \$1000 Interstate Coal Co., gen'l mtge. S. F. 6's, dated May 19, 1927. (Letter—Contin.-Ill. Tr. Co., Chicago, Trustee, January 27, 1931.) Received by non-depositing bondholders: 105% of the par amount of their bonds, plus accrued interest to September 1, 1928. (Letter—Contin.-Ill. Bank & Tr.

1. Poor Ind. 1925, p. 1306.
2. Standard Bond Bull. Section, p. 2034.
3. Poor Ind. 1927, p. 2299.

Co., Chicago, Trustee, February 3, 1931.) Price range for new bonds not obtained.

Capital loss per \$1000 bond; non-depositing, nothing. Gain of \$50.

5. Great Western Coal Co., 1st mtge. S. F. 6½'s.
Purchase price \$990; time elapsed 1¾ years; loss in interest \$113.75. Interest defaulted April 1, 1926. Depositing bondholders received \$1000 Coal Securities Inc., 15 yr. 4% coll. tr. notes, dated July 1, 1927. (Letter—Balto. Tr. Co., Baltimore, Trustee, January 26, 1931.) Price range on new bonds not obtained.
6. West Va. Coal & Coke Co., 1st mtge. S. F. gold 6's.
Purchase price \$960; time elapsed 2 years approximately to date of reorganization; loss in interest \$120. Interest defaulted January 1, 1928. Under reorganization plan of June 5, 1929, depositing bondholders received 40 sh. West Va. Coal & Coke Corp., no-par common stock; 5 sh. (approx.) West Va. Coal & Coke Corp., no-par common stock to cover interest arrears to July 1, 1929.⁴ Depositing bondholders also given right to subscribe to new first mortgage bonds at par with a bonus of common stock. No dividends have been paid on new stock to July 10, 1930. On December 31, 1929, the stock had a book value of \$13.53 per sh.⁵ Non-depositing bondholders received on October 21, 1929 \$117.10 in cash for each \$1000 bond with January 1, 1928 and subsequent coupons attached.⁶ Prices for new securities not available.
Capital loss per \$1000 bond; non-depositing, \$842.90.
7. Vandalia Coal Co., 5-25 yr. gold 6's.
Purchase price not publicly offered. As the amount received from the sale of the properties was not sufficient to cover outstanding first mortgage bonds, the holders of 5-25 yr. gold 6's and 22 yr. S. F. gold 6's received nothing for their bonds. To the best of our knowledge, there was never a public offer of either of these issues. (Letter—The Union Tr. Co. of Pittsburgh, Trustee, January 26, 1931.) See No. 2 above.
Capital loss per \$1000 bond, entire.
8. Vandalia Coal Co., 22 yr. S. F. gold 6's.
Not publicly offered. See No. 7 and No. 2 above.
Capital loss per \$1000 bond, entire.

4. Poor Ind. 1929, p. 2640.

5. Stand. Corp. Records, T-Z Buff, p. 5563.

6. Stand. Corp. Records, T-Z Buff, p. 6233.

APPENDIX VIe

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF REORGANIZATION: REAL ESTATE AND LAND DEVELOPMENT

1. Thos. Jefferson Hotel, guar. 1st mtge. gold 6½'s.
Purchase price \$1000; time elapsed 1½ years to date of reorganization, March 16, 1928. Interest defaulted March 15, 1927. Reorganization plan dated March 16, 1928. Property was bought in under court order by Jefferson Hotel Holding Company which was formed by bondholders to acquire the property. Under terms of the foreclosure sale, non-depositing bondholders who proved their claims received 22.96% of such claims or \$229.60 per \$1000 bond. Depositing bondholders (approx. 87%) received par for par in 2nd mtge. 15 year 5's of Jefferson Hotel Holding Co. As part of the reorganization, a \$700,000 first mortgage was placed on the property in order to complete construction and retire existing liens.¹
Capital loss per \$1000 bond; non-depositing, \$770.40. Prices for new securities not available.
2. Nassau St. Holding Corp., 1st mtge. 15 yr. gold 6½'s.
Purchase price \$1000; time elapsed 1½ years; loss in interest \$97.50. Interest defaulted November 1, 1928. In November 1928 the protective committee for the bonds arranged to have the earnings from the buildings constituting the security for the loan paid to the trustee. Prior to default the company had offered the bondholders 70 cents on the dollar without interest. The offer was not accepted.² Some time in 1929 the mortgage was foreclosed and the property was bought in on behalf of the bondholders and transferred to a new company, Nassau-Beekman Realty Corp. Each \$1000 bond received \$1000 Vanderbilt Bldg. (Nassau-Beekman Realty Corp.) 20 yr. income bonds, dated November 1, 1929; and 10 sh. same company capital stock. Interest on new bonds, payable, if any, out of net income if, and in such amount, as declared by board of directors but not to exceed 5%. Earnings not reported.³
3. Natomas Co. of Calif., gen'l ref. gold 6's.
Purchase price not given; probably par for par of former issue; time elapsed 1 yr. to date of authorization for issue of new stock; loss in interest \$60. Interest defaulted July 1, 1928. Foreclosure sale was held December 22, 1928, and property bought on behalf of reorganization committee. Properties later transferred to the Natomas Co., Inc., November 13, 1928 in California for this purpose. Under the reorganization plan, the new company was authorized by the California Corporation Commission on January 3, 1929, to issue in exchange for each \$1000 bond,

1. Stand. Bond Bull. Sec., p. 1179.

2. Moody, Banks & Fin. 1929, p. 1060.

3. Standard Bond Book, O-Z, Green, p. 295.

with July 1, 1928 and subsequent coupons attached, 10 sh. Natomas Co. no-par capital stock.⁴ Initial dividend of \$5 per share was payable October 15, 1930. Payment was made from undivided profits of the company. In 1928 the company had shown a net loss of \$648,172, or a deficit of \$6.49 per share, but 1929 showed a profit of \$194,126 equal to \$1.94 per share.⁵ Prices for new securities not available.

APPENDIX VII

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF REORGANIZATION: MEAT PACKING AND FOOD PRODUCTS

1. **Internat. Prods. S. S. Co., marine equip. tr. gold 7's.**
Purchase price \$900. Interest and installment of principal defaulted July 1, 1921. The history of the company from this point on could not be obtained. On January 16, 1926, a reorganization was completed and a new corporation formed, known as the International Products Corporation. These bonds must have been provided for previously, for nothing was stated in the plan regarding them. The trustee could give no information as the files had been retired.

2. **Portland Flouring Mills Co., 1st S. F. gold 8's.**
Purchase price \$1000; time elapsed 1 1/6 years; loss in interest \$93.34. Interest defaulted August 1, 1922. Following default, the property was acquired by the Sperry Flour Company and bondholders received for \$1000 bond (conversion made in 1922) \$1000 Sperry Flour Co., 7% cum. pref. stock B.¹

Price Range—New Stock:

	1922	1923	1924	1925	1926	1927
High	99	94¾	96	97½	97	101
Low	97	90	82½	92	90	92½

Initial dividend paid April 3, 1923. In February 1929 the General Mills Inc. acquired the Sperry Flour Co. and under contract of consolidation General Mills Inc. provided cash to retire the above preferred stock at 105 and accrued dividends.²

Capital gain per \$1000 bond, \$50.

3. **Distillers Securities Corp., 1st mtge. & coll. tr. gold 5's.**
Purchase price \$900; time elapsed 6 5/6 years; loss in interest \$341.67. Interest defaulted April 1, 1922. Reorganization plan dated January 31, 1924. Each \$1000 bond received 10 sh. National Distillers Prods. Corp., \$7 cum. pref. stock, no-par value, V.T.C's. Initial dividend \$1.75 paid

4. Poor R. R. 1929, p. 3073.

5. Stand. Corp. Records, L-O, Buff, p. 1793.

1. Moody Ind. 1923, p. 365.

2. C. & F. Chron. Vol. 128, p. 896.

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August 1, 1928; and 7 sh., same company, no-par common stock, V.T.C.'s. Non-depositing bondholders received \$246.24 per \$1000 bond in cash.³

Price Range—Preferred:

	1924	1925	1926	1927	1928	1929	1930
High	54	81	73 $\frac{3}{8}$	69 $\frac{3}{4}$	71 $\frac{3}{8}$	100 $\frac{5}{8}$	
Low	30 $\frac{1}{2}$	52 $\frac{1}{2}$	37 $\frac{1}{2}$	43	51 $\frac{1}{4}$	67 $\frac{1}{2}$	

Price Range—Common:

High	16 $\frac{3}{4}$	43 $\frac{1}{2}$	34	56 $\frac{3}{8}$	58 $\frac{1}{2}$	58	39 $\frac{1}{2}$
Low	7 $\frac{1}{2}$	16 $\frac{1}{4}$	12 $\frac{1}{2}$	17	29 $\frac{1}{4}$	15	29

On August 30, 1929 all outstanding preferred stock called at 110 and accrued dividends. Initial quarterly dividend of 50 cents paid on common stock February 1, 1930. Second dividend of 50 cents paid May 1, 1930.

Capital gain per \$1000 bond; depositing, \$609.50 on \$900 purchase price. More than offsets loss in interest. Non-depositing, loss of \$653.76 on \$900 purchase price.

4. Acme Packing Co., 1st conv. gold 8's.

Purchase price \$985; time elapsed 4 $\frac{1}{2}$ years approximately; loss in interest \$360. Interest defaulted July 1, 1923. In June 1927 a meeting was held to consider the settlement of the company's financial difficulties. Some time later (exact date not obtained) these bonds were paid off as follows: Each \$1000 bond received \$193.80 cash; \$81.08 participation certificate in Atlas Warehouse & Cold Storage Co. notes; and \$724.55 notes of Acme Packing Co. for deficiency on principal amount. (Letter—Contin.-Ill. Bank & Tr. Co., Chicago, January 27, 1931.) Information as to cash value of certificate and notes not obtained.

5. C. A. Gambrill Mfg. Co., 1st S. F. gold 7's.

Purchase price \$955; time elapsed 1 year to date of interest; loss in interest \$70. Interest defaulted May 1, 1925. On March 1, 1926 assets were sold at foreclosure by trustee for these bonds and purchased by a new corporation. Each \$1000 bond with May 1, 1925 and subsequent coupons attached received \$88.44 cash and \$700 Continental Milling Co., 1st mtge. 6% S. F. bonds, dated November 1, 1925.⁴

Capital loss per \$1000 bond, \$166.56, assuming new bonds could be sold at par.

6. Atlantic Fruit Co., 7% S. F. conv. debentures.

Purchase price \$900; time elapsed 1 year to date of reorganization; loss in interest \$70. Interest defaulted December 1, 1921. Under reorganization plan of June 1, 1922 each \$1000 bond with December 1, 1921 and subsequent coupons attached received: \$1000 Atlantic Fruit & Sugar Co., income deb. gold 8's. No interest to be paid prior to December 1, 1924.

3. Moody Ind. 1924, p. 2476.

4. Stand. Bond Bull. Sec., p. 2082.

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After that date, interest to be cumulative, whether earned or not, but not to be paid unless earned in each year. No interest paid on new bonds to January 1, 1929.

Price Range:

	1924	1925	1926	1927	1928
High	36	27	33	21½	20½
Low	17	16½	17½	15¼	15⅝ ^e

Capital loss per \$1000 bond, \$540 on \$900 purchase price.

7. Wilson & Co., Inc., 10 yr. conv. S. F. gold 6's.

Purchase price \$950; time elapsed 2 5/12 years to date of first dividend on new stock; loss in interest \$145. Interest defaulted December 1, 1924. Reorganization plan, dated April 2, 1925 was approved and declared operative in June 1925. Under the plan each \$1000 bond with December 1, 1924 and subsequent coupons attached received 6 sh. Wilson & Co., Inc., 7% cum. pref. stock, cum. from November 1, 1927, (par \$100); 7½ sh. Wilson & Co., Inc., \$5 conv. class A stock, no-par; and 4.3 sh. Wilson & Co., Inc., no-par common stock. No provision made for non-depositing bondholders.

Price Range—Preferred:

	1926	1927	1928	1929
High	81¾	84¾	77¾	79
Low	42	58	63¾	35¾

Price Range—Class A:

	1926	1927	1928	1929
High	30⅝	32⅞	35	27
Low	14	16¼	22	6⅝

Price Range—Common:

	1926	1927	1928	1929
High	14¾	17⅞	16	13½
Low	6	10	11	3

Initial dividend on pref. stock November 15, 1926, \$3.50. None in 1927. \$1.75 in 1928, and \$5.25 in 1929. Unpaid accumulation to November 1, 1929, \$5.25 per share. No dividends have been paid on class A or common.⁶

Capital loss per \$1000 bond, \$103.33. Serious loss in income.

8. Wilson & Co., Inc., 10 yr. 7½% conv. gold debts.

Purchase price \$965; time elapsed 2¼ years to date of first dividend on new stock; loss in interest \$168.75. Interest defaulted February 1, 1925. These bonds were provided for under the reorganization of Wilson & Co., Inc., and received identical amounts of the same stocks of the new corporation as No. 7 above. Capital loss per \$1000 bond, \$118.23. Serious loss in income.

5. Moody Ind. 1924, p. 1760; and 1929, p. 705.

6. Moody Ind. 1925, p. 2172; also Standard Statistics.

APPENDIX VIg

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF REORGANIZATION: STEAMSHIP AND NAVIGATION

1. Downey Shipbuilding Corp., 1st S. F. ser. gold 7's.
Purchase price \$985 average; time elapsed 5 1/6 years to date of sale of property; loss in interest \$361.67. Interest defaulted January 1, 1921. Foreclosure proceedings started in May 1921. Property sold at auction on September 10, 1925, and proceeds of sale distributed to bondholders. Non-depositing bondholders received \$113.55 in cash. (Letter—The Chase Nat'l Bank of N. Y., Trustee, September 18, 1930.) Information not obtained to show what the depositing bondholders received.
Capital loss per \$1000 bond; non-depositing, \$871.45.
2. New Jersey Steamboat Co., 1st gold 5's.
Purchase price \$900; time elapsed 5 years; loss in interest \$250. Interest and principal defaulted March 1, 1921. Under plan of reorganization adopted early in 1925 each \$1000 bond received: \$1000 in cash and \$250 Hudson River Navig. Corp., 8% pref. stock, to cover accumulated interest in default.¹ Dividends on preferred stock paid as follows:
1926, \$5.33; 1927, 4%; 1928, 10%; 1929, 4% (up to April 1)
Market prices for stock not obtained.
Capital loss per \$1000 bond, nothing.
3. Green Star S. S. Corp. Marine Equip. first serial 7's, 1924.
Purchase price \$900; time elapsed 3 years approximately; loss in interest \$210. Interest and installment of principal defaulted April 15, 1921. Reorganization some time in 1923. Ser. C bonds due April 15, 1921 received: \$343.16 cash on account of principal; \$12 cash on account of coupon due April 15, 1921; and 7 sh. Planet S. S. Corp., capital stock V.T.C's. Later maturities of bonds received: \$12 cash on account of coupon due April 15, 1921 and 10 sh. Planet S. S. Corp., capital stock V.T.C's. Prices on new stock not obtained. (Letter—The Chase Nat'l Bank of N. Y., Trustee, October 6, 1930.)
4. New York & Cuba Mail S. S. Co., 1st gold 5's.
Purchase price \$900; time elapsed 1 1/2 years in receivership; loss in interest none—all arrears paid. Interest defaulted January 1, 1924, but subsequently paid. Receiver appointed December 31, 1923 and dismissed on August 31, 1925. During the period of receivership \$4,476,000 face amount of the bonds in the hands of the public was acquired by Atlantic Gulf & West Indies S. S. Lines which company controlled the N. Y. & Cuba Mail S. S. Co. through stock ownership. Bonds held by protective committee were sold at 95 with interest at 5% per year from July 1, 1923 to July 27, 1925.²

1. Moody Ind. 1925, p. 1555.

2. C. & F. Chron. Vol. 121, p. 594.

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Capital loss per \$1000 bond, nothing. Gain of \$50 on \$900 purchase price.

5. Rolph Navigation & Coal Co., 1st gold 7's.
Purchase price \$900; time elapsed 7 years to September 1, 1930; loss in interest \$147 on 30% new bonds taken in reorganization. "In March 1923 the company defaulted in the payment of interest on the original issue of bonds and through liquidation of marketable collateral security, 70 cents on the dollar was paid in cash and the balance, or 30%, was covered by a new issue of bonds. On March 15, 1924 the company again defaulted in the payment of interest on the bonds totalling \$480,300 outstanding. Since that time no effort has been made to correct the default and we do not believe there is any likelihood that the company will do so. They are attempting to purchase these bonds in the open market at about 25 cents on the dollar." (Letter—Anglo-Calif. Tr. Co., Trustee, San Francisco, February 3, 1931.)

Capital loss per \$1000 bond, \$125 based on \$900 purchase price and sale of new bonds at 25 cents on the dollar.

6. Hudson Navigation Co., gold 6's.
Purchase price \$900; time elapsed 4¼ years; loss in interest \$255. Interest defaulted August 1, 1921. Plan of reorganization adopted early in 1925. Each \$1000 bond, with August 1, 1921 and subsequent coupons attached, received: \$850 Hudson River Navig. Corp., 1st conv. gold 6½'s, dated May 1, 1926; and 4.35 sh. Hudson River Navig. Corp., common stock.³

Price Range—New Bonds:

	1927	1928
High	96B	100B.
Low	90B	90B

(B = bid price.)

Price range on stock not obtained. No dividends paid on stock to December 1930.⁴

3. Moody Ind. 1925, p. 1555.

4. Standard Statistics.

APPENDIX VII

CAPITAL LOSS TO BONDHOLDERS AS A RESULT OF REORGANIZATION: SUGAR GROWING AND REFINING

1. Santa Cecelia Sugar Corp., 1st mtge. S. F. gold 6's.
Purchase price \$900; time elapsed 2½ years to date of reorganization plan; loss in interest \$150. Principal and interest defaulted August 1, 1927. The reorganization plan was dated February 9, 1929, and amended in August 1929 under which each \$1000 bond received \$800 Ingenio Santa Cecelia S. A., 15 yr. 6% first mtge. bonds. These bonds had the same security as the old.¹ No further information obtained. Prices for new securities not available.
2. Texas Sugar Refining Co., 1st mtge. ser. gold 7's.
Purchase price \$985.50 average; time elapsed 1½ years to date of incorporation of new company; loss in interest \$35. Interest defaulted February 1, 1928. Property sold at foreclosure December 4, 1928 and conveyed to new corporation, incorporated January 2, 1929. Each \$1000 bond, with February 1, 1928 and subsequent coupons received: \$1000 Texas Sugar Refining Corp., 1st S. F. gold 6's, dated February 1, 1928.² Price range on new bonds not obtained.
3. Texas Sugar Refining Co., 2nd mtge. S. F. deb. 7's.
Purchase price \$900; time elapsed 1½ years to date of incorporation of new company; loss in interest \$105. Interest defaulted February 2, 1928. Under the reorganization (see No. 2 above) each \$1000 bond, with February 2, 1928 and subsequent coupons attached, received: 10 sh. Texas Sugar Refining Corp., cum. 7% pref. stock par \$100. No dividends reported to date.³ Prices for new securities not available.
4. Haytian-American Corp., 7% serial notes.
Purchase price \$900; time elapsed 2½ years to date of new bonds; loss in interest \$175. Interest defaulted January 1, 1921. Each \$1000 note, with January 1, 1921 and subsequent coupons attached, received: \$312.50 Haytian Corp. of Amer., 8% income debts., dated January 1, 1923; and 10 sh. same company, no-par common stock.⁴ First interest paid was on October 1, 1924. Interest regularly paid from 1925 to 1928, inclusive. No dividends paid on common stock.⁵ Prices for new securities not available.

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1. Stand. Corp. Records, P-S, G. & I. Sec., p. 907.
 2. Moody Ind. 1929, p. 2603.
 3. Moody Ind. 1929, p. 2603.
 4. Moody Ind. 1923, p. 1115.
 5. Standard Statistics.

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