

THE CITY RECORD.

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THE CITY RECORD.

OFFICIAL JOURNAL OF THE CITY OF NEW YORK.

Published Under Authority of Section 1526, Greater New York Charter, by the

BOARD OF CITY RECORD.

WILLIAM J. GAYNOR, Mayor.

ARCHIBALD R. WATSON, CORPORATION COUNSEL. WILLIAM A. PRENDERGAST, COMPTROLLER.

DAVID FERGUSON, SUPERVISOR.

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EXECUTIVE DEPARTMENT.

HEARINGS BY THE MAYOR ON LEGISLATIVE BILLS.

Pursuant to statutory requirement, notice is hereby given that an act, Senate Bill No. 1215, Int., Rec. No. 148, has been passed by both branches of the Legislature, entitled:

An act to amend the Greater New York Charter in relation to the Board of City Record.

Further notice is hereby given that a public hearing upon such bill will be held at the Mayor's office in the City Hall in the City of New York, on Tuesday, April 15, 1913, at 11 o'clock a. m.

Dated City Hall, New York, April 10, 1913.

a12,14 WILLIAM J. GAYNOR, Mayor.

Pursuant to statutory requirement, notice is hereby given that an act, Senate No. 1018, Int. No. 319, has been passed by both branches of the Legislature, entitled:

An act to amend chapter 235 of the Laws of 1896, entitled: "An act to authorize the city of Brooklyn to establish and maintain a disciplinary training school for boys, and to authorize the commitment thereto by Magistrates and Courts of boys under the age of fourteen years who shall be vagrants or convicted of certain offenses in said city," in relation to the acquirement of a site for said school within or without the city limits.

Further notice is hereby given that a public hearing upon such bill will be held at the Mayor's office in the City Hall in the City of New York, on Tuesday, April 15, 1913, at 11 o'clock a. m.

Dated City Hall, New York, April 10, 1913.

a12,14 WILLIAM J. GAYNOR, Mayor.

Pursuant to statutory requirement, notice is hereby given that an act, Senate Bill No. 1440, Int. No. 1250, has been passed by both branches of the Legislature, entitled:

An act to amend the Greater New York Charter, in relation to the construction of wharf structures and making repairs to wharf property in said City.

Further notice is hereby given that a public hearing upon such bill will be held at the Mayor's office in the City Hall in the City of New York, on Tuesday, April 15, 1913, at 11 o'clock a. m.

Dated City Hall, New York, April 11, 1913.

a12,14 WILLIAM J. GAYNOR, Mayor.

BOARD OF ALDERMEN.

HEARING BY THE BUILDING COMMITTEE.

Public notice is hereby given that the Building Committee of the Board of Aldermen will hold a public hearing on Monday, April 14, 1913, at 51 Chambers st., in room No. 928, at 2:30 o'clock p. m., on the following matter:

Cinder concrete (fireproof floor arches). (See minutes of April 23, 1912, page 198.)

This hearing will be confined to a strict discussion of this subject, and those

who desire to appear must arrange for their appearance by advising the Chairman of the Committee in advance.

All persons interested in the above matter are respectfully invited to attend.

a9,14

P. J. SCULLY, City Clerk and Clerk of the Board of Aldermen.

MUNICIPAL CIVIL SERVICE COMMISSION.

COMPETITIVE ELIGIBLE LISTS PROMULGATED APRIL 9, 1913.

1	Monash, Samuel, 14 W. 115th st.	Chemist, Department of Health.	79.60
2	Novarine, John L., 531 Fulton st., Jamaica, L. I.	Chemist, Bureau of Highways.	77.00
1	Link, John H., 139 W. 69th st.	Junior Fuel Engineering Chemist.	82.80
2	Monash, Samuel, 14 W. 115th st.	Junior Fuel Engineering Chemist.	82.60
3	Kelly, Edw. J., 165 E. 3d st., Mt. Vernon, N. Y.	Junior Fuel Engineering Chemist.	76.60
4	Miller, Reginald, 55 E. 32d st., Brooklyn	Junior Fuel Engineering Chemist.	73.00
1	Tschudy, Edw. A., 138 W. 120th st.	Fuel Engineering Chemist.	87.40
2	Link, John H., 139 W. 69th st.	Fuel Engineering Chemist.	83.60
3	Phipps, Charles B., East Rockaway, L. I.	Fuel Engineering Chemist.	82.80
4	Winslow, William S., Hartley Hall, Columbia University	Fuel Engineering Chemist.	81.00
5	Gegenheimer, Ralph E., 134 Ft. Greene place, Brooklyn	Fuel Engineering Chemist.	80.00
6	Muer, Henry F., 450 St. Johns place, Brooklyn	Fuel Engineering Chemist.	77.60
7	Monash, Samuel, 14 W. 115th st.	Fuel Engineering Chemist.	77.20
8	Jones, Wilbur L., 7 Maple st., Yonkers, N. Y.	Fuel Engineering Chemist.	76.20
9	St. John, Archibald D., 341 Edgecombe ave.	Fuel Engineering Chemist.	76.20
10	Gluck, Harry J., 78 Rush st., Brooklyn	Fuel Engineering Chemist.	74.80
11	Kelly, Edw. J., 165 E. 3d st., Mt. Vernon, N. Y.	Fuel Engineering Chemist.	73.60
1	Link, John H., 139 W. 69th st.	Cable Tester.	82.20
2	Tschudy, Edw. A., 138 W. 120th st.	Cable Tester.	81.20
3	Monash, Samuel, 14 W. 115th st.	Cable Tester.	79.00
4	Gegenheimer, Ralph E., 134 Ft. Greene place, Brooklyn	Cable Tester.	76.40
5	Jones, Wilbur L., 7 Maple st., Yonkers, N. Y.	Cable Tester.	74.20
1	Hohn, Emil T., 2083 Clinton ave., The Bronx	100.00	
2	Hanson, Samuel F., 302 Forest ave., Ridgewood, L. I.	85.20	
3	Neumann, Anthony, 212 W. 104th st.	84.80	
4	Lasch, John S., 917 Brook ave., The Bronx	80.80	
5	Mahan, Walter, 354 5th st., Brooklyn	79.20	
6	Berger, Maurice, 1830 Vineyard place, The Bronx	78.60	
7	Buckley, Ambrose T., 752 Monroe st., Brooklyn	76.80	
8	Connor, Cornelius M., Jr., 229 71st st., Brooklyn	73.40	
9	Borner, Louis, Jr., 130 Glen st., Brooklyn	70.00	

Board of City Record.

Abstract of transactions for the week ending March 8, 1913:

cash sales of CITY RECORD, \$82.26; interest on daily balances, 88 cents; subpoena fee, 25 cents; total, \$427.49.

Requisitions Drawn on Comptroller—

Statements of moneys received—Subscriptions to the CITY RECORD, \$344.10; total, \$19,028.25.

Open Market Orders Issued After Competitive Bidding.

Name of Lowest Bidder.	Number of Orders.	Printing.	Stationery.	Books.	Total.
W. F. Albers	6	\$12.82	\$565.25	\$565.25	\$565.25
H. Bainbridge & Co.	4	\$31.75	270.80	12.82	302.55
M. B. Brown Ptg. & Bdg. Co.	31	521.04	91.42	588.60	1,201.06
J. Cassidy Co.	2	41.40 .....	.....	.....	41.40
Jordan S. & P. Co.	2 .....	.....	63.42 .....	.....	63.42
J. J. Little & Ives Co.	3	406.05 .....	.....	.....	406.05
C. S. Nathan	4	1,325.00 .....	.....	.....	1,325.00
The J. W. Pratt Co.	9	127.00	39.02 .....	.....	166.02
E. D. St. George Co.	1 .....	.....	32.00 .....	.....	32.00
	67	\$2,452.24	\$238.68	\$1,424.65	\$4,115.57

DAVID FERGUSON, Supervisor of the City Record.

Abstract of transactions for the week ending March 15, 1913:

cash sales of CITY RECORD, \$80.46; total, \$370.31.

Requisitions Drawn on Comptroller—

Statements of moneys received—Subscriptions to the CITY RECORD, \$289.85; total, \$20,489.61; total, \$27,546.91.

Open Market Orders Issued After Competitive Bidding.

Name of Lowest Bidder.	Number of Orders.	Printing.	Stationery.	Books.	Total.

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BOARD OF ESTIMATE AND APPORTIONMENT

Minutes of Meeting of Board of Estimate and Apportionment, Held in Room 16, City Hall, Tuesday, March 18, 1913, at 3 P. M.

The Board met in pursuance of an adjournment.

Present—William J. Gaynor, Mayor; William A. Prendergast, Comptroller; John Purroy Mitchel, President, Board of Aldermen; George McAneny, President, Borough of Manhattan; Alfred E. Steers, President, Borough of Brooklyn; Cyrus C. Miller, President, Borough of The Bronx; Maurice E. Connolly, President, Borough of Queens; and George Cromwell, President, Borough of Richmond.

The Mayor, Hon. William J. Gaynor, presided.

FRANCHISE MATTERS.

Rapid Transit Railways.

In the matter of the communication dated March 4, 1913, from the Public Service Commission for the First District, submitting for the approval and consent of this Board proposed certificates, proposed contracts and proposed agreements.

At the meeting of March 17, 1913, action was deferred until this day.

The Secretary presented the following:

City of New York, Law Department, Office of the Corporation Counsel, New York, March 10, 1913.

Board of Estimate and Apportionment, 277 Broadway, New York City:

Sirs—A communication from the Secretary of your Board, dated March 6, 1913, has been received. It reads as follows:

"I transmit herewith certified copy of resolution this day adopted by the Board of Estimate and Apportionment, fixing Tuesday, March 11, 1913, at 10.30 o'clock a. m., as the date for consideration of the communication dated March 4, 1913, from the Public Service Commission for the First District to this Board, transmitting for approval proposed certificates, contracts and supplementary agreements for the construction, maintenance and operation of certain elevated railroad extensions, additional tracks and the construction, maintenance, equipment and operation, of additional rapid transit railroads and future extensions to the same in the several Boroughs of the City; and referring said communication and the accompanying instruments to the Corporation Counsel for his examination and to the Committee on Pending Transit Proposals for report.

"I transmit herewith a copy of the communication and accompanying instruments.

"I would request that you endorse your approval on each of the contracts, certificates and supplementary agreements and return same to this office as speedily as possible so that they may be ready for action by the Board at the meeting of March 11, 1913."

I return said contracts endorsed approved as to form. Yours truly,

JOHN L. O'BRIEN, Acting Corporation Counsel.

The President of the Borough of Manhattan, Chairman of the Committee on Pending Transit Proposals, on behalf of said Committee made the following statement:

When, on May 24 last, the Board of Estimate adopted the report of the Conference Committee setting forth the terms upon which contracts for the operating companies would be approved, the committee was continued "for the purpose of further conference with the Public Service Commission with relation to any questions of detail that may arise between the two bodies affecting the forms of contracts to be prepared." Under this authority, the committee continued to confer with the Public Service Commission upon various questions of policy, and of construction of the terms of the report that arose during the summer. When the first drafts of the contracts were presented for public hearing, on December 31, 1912, they were carefully examined by the committee, and various questions raised with relation to details in which they did not appear to conform to the report of May. Some of these questions upon which the Commission had been unable to agree with the companies had been held deliberately by the Commission until the conferees of the two bodies might pass upon them. The result of the further negotiations that followed was that every proposed clause that did not conform to the report of May was either eliminated or properly modified. The contracts as now presented for approval are little more, therefore, than the expression in exact contractual terms of the general transit plan to which the Board has already subscribed. The Conference Committee does not deem it necessary to rehearse the various terms which were stated in detail in its previous reports, and it now recommends the adoption of the several contracts, certificates and agreements as they stand.

The formal resolutions of approval that the committee now submits incorporate the express reservation of borrowing capacity sufficient to cover the city's share in the construction of all the lines embraced within the Dual Plan. The estimates submitted in May covering the contributions of both the city and the companies, whether for construction or equipment, and including also the item of real estate, reached a total of \$301,860,000. The third tracking and extensions of the Manhattan elevated system adds approximately \$25,000,000 more. The estimates as they have since been carefully revised, and as now resubmitted, are but \$67,000 beneath this figure. They are distributed as follows:

Interborough System—

City funds	\$63,335,637 00
Company, for construction	56,260,000 00
Company, for equipment	21,000,000 00
	<hr/>
	\$140,595,637 00

Brooklyn System—

City funds for new work	\$72,005,991 00
City funds for Fourth avenue and Centre street loop lines	28,496,000 00
Company funds for the construction of city-owned lines	13,695,000 00
Company funds for improvements to its existing system	21,000,000 00
Company funds for equipment	26,000,000 00
	<hr/>
	\$161,196,991 00

Interborough System

Brooklyn System	\$140,595,637 00
	<hr/>
	161,196,991 00

Grand total

The sum total of the required investment of the City is, therefore, \$163,837,628. Deducting the cost of the Fourth avenue and Centre Street Loop lines, the City's share for the new work will be \$135,341,628. This is \$1,030,572 less than the estimates of the City's share on account of both systems presented in last May.

Since the adoption of the first report of the conferees, in June, 1911, contracts have been let and work has proceeded upon certain of the trunk lines, embraced within the Dual Plan; and more recently upon the extension of the Fourth avenue line in Brooklyn. These contracts which, having been duly registered, are already charged against the debt limit, amount to \$48,259,847. The contracts let within the past three or four years for the Fourth avenue and Centre street loop lines amount to \$24,453,450; and the contracts for the elevated lines to Corona and Astoria in northern Queens, which were registered to-day, add \$2,924,331 to the City's present commitment, bringing the total to \$75,637,628. Deducting this from the estimated total of the City's share in the entire work, there remains in round numbers \$88,200,000 still to be appropriated. The committee presents resolutions covering the appropriation of this amount, carrying \$60,000,000 still to be devoted to the construction of the Brooklyn company's lines and \$28,200,000 for the Interborough Company.

The constitutional margin of the city's borrowing capacity on March 1, after allowing for outstanding authorizations of every description, was \$14,813,445. Deducting from this the amount of all commitments for subway purposes to-day, including those that will be authorized upon the adoption of the resolutions now presented, there will remain for general purposes \$23,689,114. To this sum there may be added outstanding authorizations for subway and other purposes that are no longer required and which may immediately be rescinded, amounting to \$7,200,000. The margin of borrowing capacity for other than transit purposes that may readily be realized within the next several weeks is, therefore, in round numbers, \$31,000,000.

New York Municipal Railway Corporation.
Proposed certificate to lay, maintain and operate certain additional tracks on its Broadway Elevated Line, Fulton Street Elevated Line and Myrtle Avenue Elevated Line, in the Borough of Brooklyn.

The secretary presented the following:

Public Service Commission for the First District, New York, March 4, 1913.

To the Board of Estimate and Apportionment of The City of New York:
As stated in a communication of this date from the Chairman and Secretary of this Commission, there is transmitted herewith a copy of the proposed certificate to be granted by the Commission to the New York Municipal Railway Corporation for Broadway, Fulton street and Myrtle avenue additional tracks.

I also transmit herewith a certified copy of a motion amending the said certificate, together with a certified copy of the resolution approving and adopting such contract as amended. Yours very truly, TRAVIS H. WHITNEY, Secretary.

Commissioner Williams moved to amend the certificate to the New York Municipal Railway Corporation for additional elevated tracks in the following respects:

Page 22, line 5; omit "and" and insert "or."

Page 22, line 9; omit "and" and insert "or."

State of New York, County of New York, ss.:
I, Travis H. Whitney, Secretary of the Public Service for the First District, do hereby certify that I have compared the above with the original adopted by said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the Commission, this fourth day of March, 1913.

[SEAL]

TRAVIS H. WHITNEY, Secretary.

Whereas, Counsel to the Commission has presented a form of proposed certificate to New York Municipal Railway Corporation for laying additional tracks upon its Broadway Line, its Fulton Street Line and its Myrtle Avenue Line;

Resolved, That the form of the proposed certificate now submitted by Counsel as amended be and the same hereby is approved and adopted and that the Secretary be and hereby is authorized and directed to transmit the same to the Board of Estimate and Apportionment for appropriate action on its part under the Rapid Transit Act.

Resolved, That, if and when said certificate has been approved by said Board of Estimate and Apportionment and the construction and operation of the Railroads therein described have been consented to by said Board of Estimate and Apportionment and by the Mayor, the Chairman be and hereby is authorized and directed to execute said certificate for the Commission in five identical originals and that the Secretary be and hereby is authorized and directed to attest the said certificate and to affix thereto the seal of the Commission.

State of New York, County of New York, ss.:
I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify, that I have compared the above resolution with the original adopted by the said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the said Commission, this 4th day of March, 1913.

[SEAL]

TRAVIS H. WHITNEY, Secretary.

Whereas, The Public Service Commission for the First District has fixed and determined the location and plans of construction and proposes to authorize the New York Municipal Railway Corporation to lay an additional track or tracks on, above or contiguous to portions of the route or routes of its Broadway elevated line, Fulton street elevated line, Myrtle avenue elevated line, within the City of New York, and has fixed the times within which they shall be respectively constructed and the compensation to be made therefor to the City by the railroad company; and

Whereas, The Public Service Commission for the First District has transmitted to the Board of Estimate and Apportionment a proposed certificate in respect thereof, to be issued to the New York Municipal Railway Corporation, subject to certain terms, conditions and requirements, all as set forth in said proposed certificate; and

Whereas, Said proposed certificate was received by the Board of Estimate and Apportionment on the 6th day of March, 1913, at a meeting of said Board of Estimate and Apportionment, duly held on said day; and

Whereas, The proposed certificate and the terms, conditions and requirements therein contained are as follows:

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT TO NEW YORK MUNICIPAL RAILWAY CORPORATION, CERTIFICATE.

1913.

The Public Service Commission For The First District does hereby certify as follows:

The word "City" as used herein means The City of New York, and any other corporation or division of government to which the ownership, rights, powers and privileges of The City of New York under the Rapid Transit Act shall hereafter come, belong or appertain.

The words "New York" as used herein mean the City of New York according to its boundaries as now or hereafter fixed.

The word "Commission" to mean the Public Service Commission for the First District, in so far as it acts herein as the agent of the City, and any other board, body, official or officials, to which or to whom the powers belonging to the Commission under the Rapid Transit Act shall, by virtue of any act or acts, hereafter pass or be held to appertain.

The words "Subway Company" as used herein, mean the New York Municipal Railway Corporation, its successors, assigns, lessee, transferee, or any corporation which may hereafter succeed by consolidation or merger to the rights of the said New York Municipal Railway Corporation.

The word "Railroads" as used herein means the three sets of additional tracks and the appurtenances thereto, herein authorized and referred to as Broadway additional tracks, Fulton Street additional tracks, and Myrtle Avenue additional tracks.

The words "Rapid Transit Act" as used herein mean Chapter 4 of the Laws of 1891 as heretofore amended.

The words "Board of Estimate" as used herein mean the Board of Estimate and Apportionment of The City of New York and any other board or officer to whom or to which its powers now existing under the Rapid Transit Act may hereafter be transferred by law.

The word "Comptroller" as used herein means the Comptroller of The City of New York and the officer or board to whom or to which his powers now existing under the Rapid Transit Act may hereafter be transferred by law.

The word "Engineer" to mean the Chief Engineer of the Commission and any successor or successors duly appointed or, in the event of his absence or disability, any deputy or substitute for him or them who shall be appointed Acting Chief Engineer by the Commission or by its authority.

Whereas, the Subway Company is a railroad corporation existing under the laws of the State of New York having its principal office at No. 85 Clinton Street in the Borough of Brooklyn, City of New York, having the right and being under obligation by contract to operate a railroad in the Borough of Brooklyn wholly within the limits of New York upon the following routes hereinafter referred to as existing railroads:

An elevated railroad beginning at the foot of Broadway, East River, at the Broadway Ferry; thence on Broadway to East New York; thence on Fulton Street to Crescent Street and thence on Crescent Street to Jamaica Avenue.

An elevated railroad beginning at the foot of Fulton Street, East River; running thence upon Fulton Street to East New York; thence on Williams Place and Snediker Avenue to Pitkin Avenue; thence on Pitkin Avenue to Euclid Avenue; thence on Euclid Avenue to Liberty Avenue and thence on Liberty Avenue to the borough line between the Borough of Queens and the Borough of Brooklyn.

An elevated railroad beginning at the Brooklyn terminal of the Brooklyn Bridge; running thence on Sands Street and High Street to Adams Street; thence on Adams Street to Myrtle Avenue; thence on Myrtle Avenue to Wyckoff Avenue.

An elevated railroad beginning at Grand Avenue and Myrtle Avenue; running thence on Grand Avenue to Lexington Avenue and thence on Lexington Avenue to Broadway.

An elevated railroad beginning at Hudson Avenue and Myrtle Avenue; thence on Hudson Avenue to Flatbush Avenue; thence on Flatbush Avenue to Fifth Avenue; thence on Fifth Avenue to Thirty-eighth Street; thence on Thirty-eighth Street to Third Avenue; thence on Third Avenue to Sixty-seventh Street.

A railroad beginning at Franklin Avenue and Fulton Street; running thence substantially parallel to Franklin Avenue to Flatbush Avenue; thence continuing in a southerly direction to Church Avenue between East 15th and East 16th Streets; continuing thence southerly between East 15th Street and East 16th Street to Sheepshead Bay; continuing thence southerly to Brighton Beach and from Brighton Beach thence in a westerly direction to a point in Coney Island west of West Fifth Street.

Beginning at a point near Pitkin Avenue and Snediker Avenue; running thence southerly to the Canarsie Shore.

Beginning at a point in Fourth Avenue near Sixty-fourth Street; running thence easterly between Sixty-fifth and Sixtieth Streets to New Utrecht Avenue; continuing thence easterly and southeasterly to a point in Coney Island near Surf Avenue, and

Whereas, third or additional tracks or structures to accommodate such tracks have been in part constructed upon said routes and portions of said tracks or structures and the location thereof are described as follows:

Broadway Line.

A third track on Broadway from column J-210, located 43.8 feet easterly from the easterly line of Marcy Avenue, to column J-195, located 95 feet easterly from the easterly line of Keap Street.

A third track on Broadway from column J-64, located 57 feet westerly from the westerly line of Ditmars Street, to column J-32, located 147.3 feet easterly from the northeast corner of Broadway and DeKalb Avenue.

A third track on Broadway from column H-619, located 73 feet easterly from the northeast corner of Broadway and Gates Avenue, to column H-629, located 42.4 feet easterly from the easterly line of Woodbine Street.

A third and fourth track on Broadway from column O, located 264 feet easterly from the easterly line of Conway Street, to column 785, located 39 feet westerly from the northeast corner of Fulton Street and Alabama Avenue.

A third track on Fulton Street from column H-826, located 36.5 feet westerly from the westerly building line of Bradford Street, to column H-852, located on the easterly line of Schenck Avenue extended.

A third track on Crescent Street from column H-954, located 104.8 feet northerly from the northerly line of Fulton Street, to column H-986, located on the northerly line of Jardine Place extended.

Fulton Street Line.

A third track on Fulton Street from column C-134, located 47.5 feet easterly from the easterly line of Utica Avenue, to column C-90, located 25 feet westerly from the westerly line of Ralph Avenue as extended from the northerly side of Fulton Street.

A third track on Pitkin Avenue from column D-678, located 65 feet northerly from the northwesterly corner of Pitkin and Snediker Avenues, to column D-714, located 16 feet westerly from the easterly line of Pennsylvania Avenue.

A third track on Liberty Avenue from column D-904, located 6 feet westerly from the easterly line of Elderts Lane, to the Borough Line between Borough of Brooklyn and Borough of Queens.

Whereas, such Subway Company is a corporation organized under the Railroad Law for purposes specified in Subdivision 9 of Section 27 of the Rapid Transit Act and is to enter into a contract with the City (hereinafter referred to as the "subway contract"), to be delivered contemporaneously with this certificate, wherein and whereby said Subway Company agrees to equip, maintain and operate certain rapid transit railroads owned by the City (hereinafter referred to as the "Subway Railroads") in conjunction with said existing railroads and certain extensions thereof in said contract specified, wholly within New York, on the basis of a division of income, earnings or profits as in said contract provided; and

Whereas, it is affirmed by the Subway Company that by virtue of certain franchises granted under the laws of the State of New York it or the New York Consolidated Railroad Company possesses the right and the power to construct, maintain and operate in connection with said existing railroad structures third or additional tracks over and along said routes or portions thereof, but that the public interests require that a more comprehensive express service should be provided by the Subway Company than under its right and power so affirmed is specifically authorized and that third or additional tracks as hereinafter authorized should be laid along the lines of the Subway Company at points not specifically covered by said right and power so affirmed relating to additional tracks, and that the right of the Subway Company to construct, and maintain third or additional tracks throughout the entire route hereinafter described should be secured and

Whereas, the Subway Company, as the corporation having the right and being under obligation by contract to operate the railroads hereinbefore described, under the provisions of Section 24 of the Rapid Transit Act has applied to the Commission for authority to complete its facilities for an express service by the construction and maintenance of additional track or tracks upon the Broadway Line between the Brooklyn Plaza of the Williamsburg Bridge and Jamaica Avenue in the Borough of Brooklyn, upon the Fulton Street Line between the Brooklyn Bridge and the borough line between the Borough of Brooklyn and the Borough of Queens at Liberty Avenue and upon the Myrtle Avenue Line between Broadway and Wyckoff Avenue; and

Whereas, in the judgment of the Commission the public interests demand that authority should be conferred upon the Subway Company to lay down, complete, maintain and operate an additional track or tracks between the points covered by the said application of the said Company; and

Whereas, the Commission has prescribed such terms, conditions and requirements as to the Commission appear to be just and proper for the grants hereby made to the Subway Company, including the terms, conditions and requirements provided by the Rapid Transit Act, and has included in them a provision that beginning with the operation of any part of any such Railroads, in lieu of annual rental, the gross receipts derived from the operation of the "Subway Railroads" and from the operation of the Railroads shall be combined and that the City shall receive from the Subway Company as compensation at specified intervals a specified part or proportion of the income, earnings or profits of the Subway Railroads, the Railroads and of any other railroads operated in connection therewith, and also providing for readjustment of the amounts to be paid by the Subway Company if and when the Subway Company shall cease to operate the Railroads in conjunction with the Subway Railroads as aforesaid; and

Whereas, this certificate has been approved by the Board of Estimate and the construction and operation of the Railroads hereby authorized have been consented to by the Board of Estimate and the Mayor of the City.

Now, therefore, without prejudice to any right that may exist in the Subway Company to construct, maintain or operate a third or additional track, so affirmed as aforesaid, and without admitting the existence of any such right in the Subway Company, but without derogation to any existing right of the Subway Company to operate said railroads as they now exist in the event that the authorizations and licenses granted by this certificate should be terminated as hereinafter provided, the Commission has authorized and does hereby authorize, but subject, however, to the terms, conditions and requirements hereinafter set forth, the Subway Company, as follows:

To lay additional tracks on, above, or contiguous to, portions of the route or routes of its railroads within New York, viz.:

Upon the Broadway line, an additional track, hereinafter referred to as the Broadway Additional Tracks, as follows:

A third track commencing at a point at or near the Brooklyn Plaza of the Williamsburg Bridge in the Borough of Brooklyn, thence upon, over and along Broadway to a point at or about De Sales Place, thence easterly with a third and fourth track upon, over and along Broadway to East New York in the vicinity of the intersection of Broadway and Fulton Street; with a right to build a third track thence upon, over and along Fulton Street, private property and Crescent Street to Jamaica Avenue in the Borough of Brooklyn. The third and fourth tracks described above as beginning on Broadway at or about De Sales Place may begin to rise from the present grade at about this point to an elevation of not more than 20 feet above the elevation of the present tracks at or about Eastern Parkway, remaining at this relative elevation to a point on Broadway about 250 feet easterly from Conway Street, at which point connection can conveniently be made with other existing and proposed railroads. From this last mentioned point the third and fourth tracks authorized beyond that point will rise from the level of the present tracks reaching an elevation of not more than 20 feet above the level of the present tracks at a point about 300 feet westerly from the intersection of Jamaica Avenue and Broadway, from which point they will descend to the level of the existing tracks reaching that level at or about the intersection of Alabama Avenue and Fulton Street.

Upon the Fulton Street line, additional tracks and certain connection tracks, hereinafter referred to as the Fulton Street Additional Tracks, as follows:

A third track commencing at a point of connection near Brooklyn Bridge at Tillary

Street, in the Borough of Brooklyn, thence extending upon, over and along Fulton Street to a point in the vicinity of Franklin Avenue where a suitable one track connection can be made with the Brighton Beach Line, thence extending upon, over and along Fulton Street to a point about midway between Eastern Parkway and Sackman Street at East New York, thence with third and fourth tracks upon, over and along Fulton Street, rising from the grade of the existing tracks at the point where these tracks begin to a point in the vicinity of the intersection of Norman Place and Fulton Street, where the tracks will be at an elevation of not more than 20 feet above the level of the existing tracks where suitable connections can be made from this line as reconstructed with existing railroads, together with suitable reconstruction of and connections by means of two additional tracks to the present tracks along the line of Williams Place from Broadway to Atlantic Avenue, the two new tracks along the line of Williams Place rising from the level of the existing tracks in the vicinity of Atlantic Avenue to a point not more than 20 feet above the level of such existing tracks in the vicinity of the intersection of Fulton Street and Williams Place, where they will connect with the proposed Fourteenth Street-Eastern Line. From a point on Fulton Street at or near the intersection of Norman Place there will be four additional tracks passing in a general southerly direction upon, over and along private property and public streets to a point in the vicinity of the intersection of Van Sinderen Avenue and Pitkin Avenue; two of these tracks will connect with tracks at existing grade on Fulton Street and two will connect with the upper tracks of the Fulton Street Line and proposed Fourteenth Street-Eastern Line. From the intersection of Fulton Street and Norman Place two of these tracks will descend and two rise so that where this line crosses Atlantic Avenue and East New York Avenue all tracks will be substantially on the same level, from which point these tracks will continue on the same level to about Liberty street, at which point two of these tracks will descend and two rise so that at the point where these tracks approach Pitkin Avenue two of them will be at about the grade of the existing tracks on Snediker Avenue and two will be at an elevation not more than 20 feet above the level of these existing tracks, at which point a suitable connection can be made with two of these tracks to the Canarsie Line; two of the tracks connecting at this point with the present and proposed additional tracks of the Fulton Street Line along the line of Pitkin Avenue; from this last mentioned point on Pitkin Avenue and in the vicinity of Hinsdale Street the right to build a third track extending upon, over and along Pitkin Avenue, private property, Euclid Avenue, private property and Liberty Avenue to the Borough Line between the Borough of Brooklyn and the Borough of Queens; also the right to make other suitable connections only, however, upon the conditions that such connections do not contemplate any material changes in the structure, except as above authorized or as permitted by existing rights, and also upon condition that these connections must be approved by the Commission prior to the time of their construction.

Upon the Myrtle Avenue line, an additional track, hereinafter referred to as the Myrtle Avenue Additional Tracks, as follows:

A third track commencing at a point in Myrtle Avenue at or near Broadway, thence extending upon, over and along Myrtle Avenue to a point at or near Wyckoff Avenue.

At any point upon the aforesaid lines in order to provide at stations suitable construction at such points, or in order to avoid grade crossings at junctions with existing lines, any or all of the said additional tracks together with the necessary graduated approaches may arise a distance not exceeding twenty feet above the level of the existing tracks or any of the other additional tracks.

Together with the authority to reconstruct or replace under existing franchises the existing structures wherever required in order to provide for or accommodate the erection of the additional tracks and stations herein authorized; to acquire, locate, build, maintain and operate within the streets, avenues and places included within the aforesaid routes or within the immediately adjacent lines of intersecting streets and avenues, all such stations, landing places, stairways, platforms, elevators, telegraph, telephone and signal devices and other appliances, including wires, cables and conduits necessary for the utilization and transmission of power, heat and light, as may be essential to the construction, operation and maintenance of the additional track or tracks; to construct, maintain and operate under and along streets, avenues, highways and public places telegraph and telephone wires, and wires, cables, conduits and ways and other appurtenances required for the construction, operation and maintenance of the additional track or tracks in conjunction with the existing railroads (provided, however, that except for the purpose of making necessary connections all such wires, cables, conduits and appurtenances when not placed upon the structure shall be placed under ground, unless otherwise directed by the Commission); to transport, over and by means of the same, passengers or freight, or both, by the power or force of electricity or compressed air so used as to involve no combustion or impurity of air in cars, or any other power of like description approved by the Commission; and to acquire and use private property for the construction, maintenance and operation of said additional track or tracks or extensions or stations or station extensions, power plant, pumping stations, stairways, elevators, or other methods of access to and from the street, and for all other purposes necessary to carry into execution the terms and authority of this grant.

The authorizations or licenses hereby granted to lay down and use the Broadway additional tracks, Fulton Street additional tracks, and Myrtle Avenue additional tracks, as hereinbefore provided and described, shall be held by the Subway Company for a period of eighty-five years from the date on which the Subway Company shall first begin operation of any part of any of the Railroads unless sooner terminated as hereinafter provided. Said date shall be evidenced by a resolution of the Commission entered in its minutes approving such date as the date of beginning operation of said Railroads and as the date from which the term of these authorizations or licenses run and from which compensation payable hereunder accrues, and also the date from which the period of ten years begins to run after which the City may terminate the authorizations or licenses hereby granted; provided, however, that if operation of any of the Railroads be first begun as to any part thereof at a later date, such date may be evidenced by a resolution of the Commission entered in its minutes approving that date as the date of beginning operation of such railroad and as the date from which the period of ten years begins to run after which the City may separately terminate this authorization or license therefor.

Provided, however, and it is expressly agreed that the authorizations or licenses hereby granted are subject to certain terms, conditions and requirements which appear to the Commission to be just and proper, and which as so subject, are prescribed in the following articles, to wit:

I.

This certificate will be executed by the Commission in five identical originals, so proved as to be entitled to be recorded in the office of the Register of the County of Kings and Clerk of the County of Queens, and to be filed in the office of the Secretary of State of the State of New York, all of which will be delivered by the Commission to the president, vice-president, secretary or treasurer of the Subway Company. The authorizations or licenses hereby granted shall be inoperative and this certificate shall be void unless within thirty (30) days after such delivery or such further period as shall be prescribed in writing by the Commission, the Subway Company shall have procured four of the said identical originals to be returned to the Commission, each of them having an acceptance of this certificate and all the terms, conditions and requirements thereof subscribed at the foot thereof by the Subway Company, such acceptance being so proved as to entitle it to be recorded and filed as aforesaid.

II.

The authorizations or licenses hereby granted, if the Commission shall so determine, after due hearing, shall (except as in this paragraph otherwise provided) become void unless within one year from the time of the acceptance of this certificate by the Subway Company that Company shall further and in due and lawful form obtain and submit to inspection by the Commission the consents of the owners of one-half in value of the property bounded on each portion of the streets, avenues or highways, upon or over which the Railroads or any part thereof are authorized to the construction and operation of the Railroads or such part thereof, or in case the consent of such property owners cannot be obtained, then the determination pursuant to law of commissioners to be appointed by the Appellate Division of the Supreme Court in the proper department that such portion of the Railroads ought to be constructed and operated, the said determination of such commissioners when confirmed by the Court, to be taken in lieu of such consent of property owners. Provided, however, and it is expressly stipulated, that the Commission shall have power, upon reasonable cause shown, to extend by written certificate either of the periods hereinbefore in this article prescribed; and provided further that if such consents shall have been given as to one or more, but not as to all, of the Railroads, the authorizations or

licenses hereby granted shall nevertheless continue in force as to such one or more of the Railroads for which such consents shall have been given.

The Subway Company covenants that it will be diligent in prosecuting applications for the consents aforesaid, but if it shall not have secured the same within the period of one year after its acceptance as aforesaid of this certificate, then and in such case the Subway Company shall, after a written notice of three months to the Commission, be released from its obligations hereunder as to one or more of the Railroads as to which such consents shall not have been given, unless within such three months or within such further period to be prescribed by the Commission, such consents shall have been given.

III.

The Subway Company shall begin the construction of each of the Railroads, except the third track on the Broadway Line from East New York to Jamaica Avenue and the third track on Fulton Street Line from East New York to the borough line at Liberty Avenue, within six (6) months after it shall have obtained the consents therefor as aforesaid and within two (2) years thereafter shall complete the construction of the same and begin the operation thereof. After the Subway Company shall have obtained the consents aforesaid, the Subway Company shall begin construction of the said third track on the Broadway Line from East New York to Jamaica Avenue and the third track on Fulton Street Line from East New York to the Borough line at Liberty Avenue, within six (6) months after it shall be directed to begin the construction thereof by the Commission, and within two (2) years thereafter shall complete the same and begin operation thereof, provided that the Subway Company shall not be directed prior to January 1st, 1917, to begin such construction.

In case the Subway Company within the said period of six (6) months after it shall have obtained the consents necessary as aforesaid or, in the case of the said third track between East New York and Jamaica Avenue, or the third track between East New York and the borough line at Liberty Avenue, after it shall have been directed to begin such construction as aforesaid, shall not have begun the actual construction of any of the Railroads or if after having begun it shall suspend the same prior to the completion thereof for a period exceeding three months or if it shall not complete such construction and begin the operation of any of the Railroads within the said period of two (2) years, then and in either of such cases the authorizations or licenses hereby granted, or any part thereof as to such railroad may be forfeited.

The Commission, nevertheless, shall have the power, upon reasonable cause shown, to extend by resolution any of the periods in this article prescribed. Additional time shall be allowed by way of extension of any period for such commencement of construction, or for the completion thereof, or for the commencement of operation of any of the Railroads, equal to the total period of delay caused by strikes, injunction or by necessary proceedings for condemnation of real estate, easements or other property or by other causes beyond the control of the Subway Company, so far as such strikes, injunctions or proceedings or such other causes, shall necessarily prevent the Subway Company from prosecuting such construction, but no delay shall be so allowed for unless, during the delay, such proceedings shall be diligently prosecuted by or for the Subway Company; and provided, further, that in no case shall such delay be deemed to begin until the Subway Company shall have given written notice to the Commission of the injunction or other occasion of delay and delivered to the Commission copies of the injunction or other orders and of the papers upon which the same shall have been granted, and unless upon the request of the Commission, the Subway Company shall in writing consent that the Commission, either in its own name as a party or in the name of the City as a party, may intervene in any such injunction proceedings, or other suit or proceeding; and provided, further, that in case of forfeiture of any part of the authorizations or licenses the Subway Company shall have no right to any return of payments which it shall have made to the City by way of rental or otherwise.

IV.

The third or additional tracks hereinbefore described which already have been constructed upon said lines shall not be subject to the provisions of this certificate, and shall not be deemed part of the plant and property installed thereunder, and shall not be subject to be taken over by the City under Article XI hereof unless it shall finally be determined by the courts that such additional tracks were constructed and are now maintained without authority of law; in which event and to the extent so determined to have been constructed and maintained without authority of law they shall be subject to the provisions of this certificate, and shall be deemed part of the plant and property installed thereunder and in case of termination of any authority hereby granted may be purchased and taken over by the City as provided in said Article.

V.

The plans and profiles of the Railroads, herewith attached, bearing the general title "State of New York, Public Service Commission for the First District, Engineering Department," signed by the Chief Engineer to the Commission, dated January 25, 1913, and numbered and designated respectively:

File No. 3, Drawing No. 130, Map & Profile of Additional Tracks on the Broadway line of the New York Municipal Railway Corporation;

File No. 3, Drawing No. 129, Map & Profile of Additional Tracks on the Fulton Street line of the New York Municipal Railway Corporation;

File No. 3, Drawing No. 128, Map & Profile of Additional Tracks on the Myrtle Avenue Line of the New York Municipal Railway Corporation are to be deemed a part of this certificate and to be construed with the text hereof. The same shall be substantially followed, but deviations therefrom not inconsistent with the other provisions hereof may be permitted by the Commission.

The additional tracks shall be erected upon the existing elevated railroad structures strengthened and widened to such extent as may be necessary to make effective the authority herein granted, for building an enlarged structure through said streets and places, subject, however, to the approval of the Commission first obtained. It is also provided that the four additional tracks referred to in connection with the description of the Fulton Street Additional Tracks, and which four tracks are to be laid down between Fulton Street and Pitkin Avenue upon, over and along private property and public streets, may be constructed only in such manner as may be approved by the Commission.

All additional tracks shall be constructed generally upon a level with the existing tracks, except as herein otherwise provided.

No portion of the said additional tracks or the supporting girders, shall approach nearer the surface of the street than fourteen feet.

The structural details employed in constructing the additional tracks shall be substantially similar to the structural details authorized in the construction of the existing elevated railroads, excepting that the structure at and near Eastern Parkway along both the Fulton Street and Broadway line shall be upon approved plans involving a more elaborate and ornamental structure, and shall be so designed that the placing of tracks at different grades will be the least possible disfigurement.

All plans and drawings for the construction of the Railroads other than mere shop drawings shall be submitted to and approved by the Commission in advance of construction and the method of carrying on the work shall be subject to the approval of the Commission. Shop drawings shall so far as possible be filed with the Commission. The right reserved to the Commission to approve the plans and drawings in advance of construction shall include the right to approve or disapprove the precise location of all tracks, columns, platforms, stations, stairways, elevators or other means of access to the railroads and all other structures appurtenant thereto encroaching upon the surface of the streets.

The Subway Company shall be authorized to open and occupy so much of the surface of the street or streets affected by this grant and to erect thereon such temporary supports as may be necessary for the purpose of building the said railroad structures, and maintaining the old or new structures pending the completion of the additional tracks or structures herein authorized, but the Commission may, whenever it deems it advisable, prescribe the manner in which the said work shall be performed. All necessary permits for opening of streets, and other necessary department permits, shall be obtained from the President of the Borough, or other officer as provided by law.

The City, the Commission and all duly authorized representatives of the City and the Commission, shall have the right at all reasonable times to inspect the Railroads, and any part thereof, as well during construction as afterwards, and to enter thereon when necessary, for the examination, supervision or care of any property of the City, or of abutting property owners, or for any proper purpose. Such inspection shall include the inspection and approval of all materials, and the erection thereof, used in the construction of the Railroads. Nothing in this franchise shall be deemed to diminish or affect the sanitary or police jurisdiction which the public authorities shall lawfully have over property in the City.

VI.

The Subway Company shall procure all necessary easements and rights, titles and interests in real estate for the construction of the Railroads.

The Subway Company shall make good to the City all physical but not consequential damage which shall be done to the property of the City by the construction or operation of the Railroads and shall make good to every owner of property abutting upon the Railroads, or which shall be injured by the work of constructing or operating the same, all physical damage which shall be done to such abutting or injured property, through any act or omission of the Subway Company, its successors, assigns, or lessees, or any contractor, sub-contractor or other person employed upon the construction or operation of the Railroads or any part thereof.

The Subway Company shall in the course of construction at its own expense maintain the care of all street surfaces and surface and sub-surface structures which may be interfered with; and any necessary interference therewith shall be subject to reasonable regulation by the department of the government of the City in control or charge thereof.

VII.

The Railroads shall be carefully and skilfully operated according to the highest standards of railroad operation and with due regard to the safety of the passengers and employees and of all other persons. The Subway Company shall during the term of the grants keep the plant and property as the words "plant and property" are hereinafter defined of the Railroads and each and every part thereof in thorough repair, and shall restore and replace every necessary part thereof which may wear out or cease to be useful, so that at all times and at the termination of the grants, such plant and property of the Railroads shall be in thoroughly good and solid condition.

The use of the Railroads for transportation of property shall not to any extent or in any way interfere with the use of the Railroads to their fullest capacity required for the carriage of passengers.

VIII.

Inasmuch as the City's compensation for the authorizations or licenses hereby given and its exercise of its right to take over the plant and property of the Railroads will be affected by the amount of the Subway Company's expenditures on account of constructing, equipping, maintaining and operating the Railroads, the Subway Company shall strictly comply with the provisions hereof for assuring to the Commission supervision by it of all operations of the Subway Company. The Subway Company shall, therefore, in addition to providing facilities for inspection as hereinbefore provided, provide the Commission with all facilities necessary or convenient to afford the Commission full and complete supervision of all operations of the Subway Company in or about the enterprise of constructing, equipping, maintaining and operating the Railroads. The Subway Company and any construction or supply company controlled by the Subway Company or by any company directly or indirectly controlling the Subway Company or affiliated with the Subway Company shall keep suitable and proper books, records and memoranda of all operations with contractors, bankers, or persons furnishing labor, material, money or supplies and all contracts directly or indirectly affecting the actual cost of the plant and property of the Railroads and directly or indirectly affecting the equipment, maintenance or operation of the Railroads, showing in detail such cost to the Subway Company, or to any such construction company, including any additions constructed or provided from time to time, and shall afford access to and permit the examination, use and production of any such books, records, memoranda or contracts to the extent that the same have to do therewith.

The Lessee shall (except in such cases where permission to do otherwise is expressly granted from time to time by the Commission by a resolution entered in its minutes) before entering into any contract, agreement, mortgage or undertaking having to do with the constructing or equipping of the Railroads, submit the same to the Commission for its approval and the Commission may as a condition of its approval require the insertion of such terms and conditions therein as it may deem necessary. The Commission may further require the Subway Company before entering into any agreement having to do with the construction or equipment of the Railroads to ask for proposals upon form of contracts satisfactory to the Commission, in a specific manner and for a specified time.

Any contract, agreement, or undertaking having to do with the maintenance or operation of the Railroads extending beyond a period of one year or involving an expenditure in excess of Fifty thousand (\$50,000) Dollars (and any other contract, agreement or undertaking having to do with the maintenance or operation of the Railroads which the Subway Company shall desire to make subject to the approval of the Commission) shall be entered into by the Subway Company subject to the approval of the Commission, which approval shall be evidenced by entries in its minutes. Any payments made under any such contract so approved by the Commission shall not be subject to objection under the provisions hereinafter contained unless the payments thereunder shall not be in accordance with the terms of such contract. The provisions of this paragraph shall also apply to all contracts, agreements or undertakings of the character specified in this paragraph entered into after the date hereof which are to continue in force after the beginning of operation.

No contract, agreement or undertaking affecting the maintenance or operation of the Railroads (except mortgages, assignments, leases, trackage agreements, power and advertising contracts, agreements amending or supplementing this certificate, or the Subway Contract or the certificate for extensions bearing even date herewith, and any contracts, agreements or undertakings amending, supplementing or extending any such instruments) shall extend over a period in excess of five (5) years.

The Commission may, whenever it deems advisable, establish a system of accounts to be used by the Subway Company in connection with the construction, equipment, maintenance and operation of the Railroads and may prescribe the manner in which such accounts shall be kept. It may also in its discretion prescribe the form of accounts, records and memoranda to be kept by the Subway Company in connection with the construction or equipment, maintenance and operation of the Railroads, including the accounts, records and memoranda of the movements of traffic as well as the receipts and expenditures of moneys. Reasonable notice of alterations by the Commission in the required method or form of keeping a system of accounts shall be given to the Subway Company by the Commission. The Commission shall at all times have access to all such accounts, records and memoranda kept by the Subway Company and may designate any of its officers or employees who shall thereupon have authority under the order of the Commission to inspect and examine any and all accounts, records and memoranda kept by the Subway Company. The Commission may, after hearing, prescribe by order the accounts in which particular outlays and receipts shall be entered, charged or credited.

The Commission may from time to time adopt regulations, which shall be evidenced by entries in its minutes which the Subway Company shall strictly comply with, as to the form of all vouchers and payrolls having to do with the actual cost of the plant and property of the Railroads, and with the cost of maintaining and operating the Railroads, to the end that the cost data relating to various divisions of the enterprise of constructing, equipping, maintaining and operating the Railroads can, at all times, be promptly and accurately determined and the property identified.

No payment, credit, compensation or concession of whatsoever character having in any way to do with the actual cost of the plant and structure and equipment of the Railroads shall be determined to be part of the actual cost of the plant and structure and equipment unless the Subway Company upon making such payment, credit, compensation or concession shall forthwith file with the Commission a duplicate voucher credit slip or other original evidence thereof.

The Commission may object to any expenditure, as unreasonable or improper, made or to be made by the Subway Company in connection with maintaining and operating the Railroads by notice thereof to the Subway Company. If the objection by the Commission refers to an expenditure already made, the Subway Company forthwith upon receipt of notice shall remove the amount from the account or accounts to which it had been charged and hold the same in a suspense account until the item in dispute is adjudicated. If the objection refers to an expenditure to be made, the Subway Company, if it make such expenditure, shall charge to and hold the same in a suspense account until the item in dispute is adjudicated. In case the Commission and the Subway Company are unable within five (5) days after the delivery of such notice, Saturdays, Sundays and Holidays excepted, to agree upon the reasonableness and propriety of such expenditure, the same shall be determined by arbitration or by the court. Such arbitration shall be conducted in accordance with the provisions hereinafter contained except that the period for the appointment of arbitrators as herein-after prescribed shall for the purposes of all arbitrations under this paragraph be reduced to five (5) days, Saturdays, Sundays and Holidays excepted. Such notice of objection shall be given by the Commission within thirty (30) days after the Commission has become cognizant of such expenditure, unless satisfactory reasons are given for any delay. Any such delay shall not excuse the Sub-

way Company from complying with the provisions hereof in respect of the money to be held in reserve, but such delay may be set up by the Subway Company as a defense to the objection, and the adequacy of the reason given for such delay shall be determined by arbitration or by the court. If it be agreed by the Commission and the Subway Company or determined by arbitration or by the court that the expenditure so objected to is reasonable and proper, the amount thereof shall be charged to operating expenses, and the interest thereon, if any, shall be charged against interest revenue. If, on the other hand, it be so agreed or so determined that such expenditure is unreasonable or improper, the amount thereof with interest shall be borne by the Subway Company. Similarly, if any expenditure shall be so agreed or so determined to be unreasonable or improper in part, the charges for such part shall be adjusted in the same manner as the charges for the whole amounts as hereinbefore provided.

The Commission contemplates, and the Subway Company hereby approves, the most thorough and minute inspection by the Commission and the Engineer, and by their representatives or subordinates, of all work and materials (and of the manufacture or preparation of such materials) entering into the construction and equipment of the Railroads. The Subway Company shall, therefore, at all times give to the Commission and its members, to the Engineer and his assistants and subordinates, and to any person designated by the Commission or its Chairman, all facilities, whether necessary or convenient, for inspecting the materials to be furnished and the work to be done in and about the same. The members of the Commission, the Engineer and any assistant or other person bearing his authorization or the authorization of the Commission or its Chairman shall be admitted at any time summarily and without delay to any part of the work or to the inspection of materials at any place or stage of their manufacture, preparation, shipment or delivery.

The provisions of this article in so far as they provide for supervision of operation shall be inoperative for so long as the compensation to be paid for the Railroads shall not be a portion or percentage of income, earnings or profits.

IX.

The actual cost of the plant and property of the Railroads shall be determined as follows:

The words "PLANT AND PROPERTY" mean as to any of the Railroads, the equipment and the plant and structure thereof.

The word "EQUIPMENT" means as to any of the Railroads the following property (including additions) suitable to and necessarily used solely for the purposes of the "plant and structure" as hereinafter defined of the same and owned by the Subway Company, namely: Power substations and the real estate upon which they are built and any and all wires, cables and conduits not affixed to the structure in streets or on rights of way.

The words "PLANT AND STRUCTURE" mean as to any of the Railroads only such third or additional tracks and other structures provided exclusively therefor as may hereafter be constructed pursuant to the authorization of this certificate (including additions) and such existing third or additional tracks or portions thereof as may become subject to the provisions of this certificate in the manner defined by Article IV, together with such consents, easements of abutting property owners, interests in real estate as distinguished from equipment as hereinbefore defined, signal towers, contact rails, wires, cables and all other appurtenances affixed to the said third or additional tracks or structures in streets or on rights of way as may be suitable to and necessarily used solely for the purposes of the said tracks and owned by the Subway Company, not including, however, any right to operate said tracks upon the structure of said Company, or to maintain the same in such way as to interfere in any manner with complete restoration of service and facilities of the Subway Company.

The word "ADDITION" as used in this article with reference to equipment or plant and structure means a betterment, improvement or addition, during the term of this grant, ordered or approved by the Commission in advance of its construction or provision to or of either the plant and structure or the equipment as originally completed and put in operation, excluding anything furnished in the nature of repairs, maintenance, replacement or substitution.

The words "DEBT DISCOUNT AND EXPENSE" to mean the actual and necessary expense to the Subway Company (including discounts) involved in the issuance and disposal of securities issued by the Subway Company to provide means for constructing and equipping the Railroads or for additions, deducting therefrom any premiums received by or on behalf of the Subway Company upon or in connection with the disposal of such securities.

The words "ACTUAL COST" mean as to any of the Railroads, in respect to the equipment thereof:

(1) The actual and necessary net cost in money to the Subway Company for acquisition, or for all labor and materials entering into the construction, of the equipment and additions thereto from time to time, other than for repairs, maintenance, replacements or substitutions.

(2) The actual and necessary net cost in money to the Subway Company of any real estate or interests therein including consents and easements other than replacements or substitutions necessarily acquired for the construction or operation of equipment or such additions thereto, together with the actual and necessary expenses in connection with such acquisition.

(3) The debt discount and expense actually and necessarily incurred in connection with the equipment and additions thereto from time to time, provided, however, that the debt discount and expense, except in the case of additions, shall not exceed an amount equal to three per centum (3%) of the actual cost of equipment including in such actual cost the expenditures under this paragraph.

(4) Taxes and assessments actually and necessarily paid or accrued upon the items of this definition pending the beginning of operation, including in the word "taxes," assessments or other governmental charges (including mortgage recording tax) of every description against the Subway Company in and about the construction or acquisition of equipment and additions thereto from time to time. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to such actual cost.

(5) The actual and necessary net cost in money to the Subway Company for superintendence, insurance, damages, engineering, legal expenses and administration and including in respect of equipment (other than additions) the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Subway Company prior to the date of this certificate and in addition the actual and necessary expense incurred or payable by the Subway Company in printing, engraving and certifying securities for equipment, exclusive of additions, and the actual and necessary expense in organizing the Subway Company.

(6) Interest actually and necessarily paid or accrued on moneys provided by the Subway Company or on its behalf from time to time for the items of this definition from the respective times of providing said moneys (but not including interest on any moneys provided by the Subway Company or on its behalf prior to October 1, 1912) to the beginning of operation of the part of the equipment for which such moneys were provided, less any interest received by the Subway Company or on behalf of the Subway Company on such moneys.

Provided, however, anything herein contained to the contrary notwithstanding, that the actual and necessary net cost in money of all replacements, substitutions or renewals not due to wear and tear from operation and necessitated by the reconstruction of existing structures of the Subway Company to facilitate the construction or use of equipment under this certificate shall be deemed to be included in the foregoing definition of actual cost of equipment.

The words "ACTUAL COST" mean as to any of the Railroads, in respect to the plant and structure thereof:

(1) The actual and necessary net cost in money to the Subway Company of all labor and materials entering into the construction of the plant and structure and of additions thereto from time to time, and of all improvements or betterments of structures of the existing railroads to facilitate construction or use of such plant and structure under this certificate, other than for repairs, maintenance, replacements or substitutions.

(2) The actual and necessary net cost in money to the Subway Company of any real estate or interest therein, including consents and easements (other than replacements or substitutions), necessarily acquired for the construction or operation of the plant and structure, or such additions thereto, or for construction or operation of such improvements or betterments of existing structures, together with the actual and necessary expenses in connection with such acquisition.

(3) The debt discount and expense actually and necessarily incurred in connection with the construction of the plant and structure and additions thereto from time to time, provided, however, that the debt discount and expense, except in the case of additions, shall not exceed an amount equal to three per centum (3%) of the actual

cost of the plant and structure including in such cost the expenditures under this paragraph.

(4) Taxes and assessments actually and necessarily paid or accrued upon the items of this definition, pending the beginning of operation, including in the word "taxes," assessments or other governmental charges (including mortgage recording tax) of every description against the Subway Company in and about the construction of the plant and structure and additions thereto from time to time. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to actual cost.

(5) The actual and necessary net cost in money to the Subway Company for superintendence, insurance, damages, engineering, legal expenses and administration, including in respect of the plant and structure (exclusive of additions) the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Subway Company prior to the date of this certificate and in addition the actual and necessary expense incurred or payable by the Subway Company in printing, engraving and certifying securities for the plant and structure (exclusive of additions) and the actual and necessary expense in organizing the Subway Company.

(6) Interest actually and necessarily paid or accrued on moneys provided by the Subway Company or on its behalf from time to time for the items of this definition from the respective times of providing said moneys (but not including interest on any moneys provided by the Subway Company or on its behalf prior to October 1, 1912) to the beginning of operation of the part of the plant and structure for which such moneys were provided, less any interest received by the Subway Company or on behalf of the Subway Company on such moneys.

Provided, however, anything herein contained to the contrary notwithstanding, that the actual and necessary net cost in money of all replacements, substitutions or renewals not due to wear and tear from operation and necessitated by the modifications or reconstructions of existing structures of said Subway Company to facilitate construction or use of such plant and structure under this certificate shall be deemed to be included in the foregoing definition of actual cost of plant and structure.

If any profit, salvage, rebate or benefit (not including profits from operation) from any source derived shall accrue directly or indirectly to the Subway Company or on its behalf in any manner out of or in connection with the construction or acquisition of such plant and structure or additions thereto, or equipment or additions thereto or the improvements or betterments aforesaid, then the amount of any such profit, salvage, rebate or benefit shall be deducted from the cost of the other items referred to.

The Engineer shall within six (6) months after the date of this certificate render a determination in writing in duplicate to the Commission and to the Subway Company of the actual cost of the plant and structure and of the actual cost of equipment paid or accrued prior to the date of this certificate. In the case of all work done after the date of this certificate the Engineer shall, on or about the first days of January, April, July and October, in each year during construction or during the provision of equipment, including the construction or provision of additions, render a determination in writing, in duplicate, to the Commission and to the Subway Company of the actual cost of the plant and structure and of the actual cost of equipment to the date of the last day of the preceding quarter, including therein separately a determination of the actual cost of the plant and structure and actual cost of equipment during the quarter year immediately preceding the date of such determination. If either the Commission or the Subway Company shall be dissatisfied with the determination of the actual cost of the plant and structure or the actual cost of equipment paid or accrued prior to the date of this certificate or shall be dissatisfied with any such quarterly determination or any item or items thereof it shall within thirty (30) days after the receipt of any such determination file with the Engineer a statement in writing of the item or items objected to and the reasons for such objection. If within such period of thirty (30) days the Commission or the Subway Company shall fail to file such statement with the Engineer, the determination shall be final and conclusive upon the party so failing. If such statement of objections be so filed with respect to the determination of the actual cost of plant and structure or the actual cost of equipment paid or accrued prior to the date of this certificate, the Engineer shall thereupon reconsider such determination or any such item or items thereof, so objected to and shall, within thirty (30) days after the filing of such statement, render a redetermination stating his conclusions as to the item or items so objected to. If such statement of objections be so filed with respect to any quarterly determination of the actual cost of plant and structure or actual cost of equipment paid or accrued after the date of this certificate the Engineer shall thereupon reconsider such determination, or any such item or items thereof so objected to and shall state his conclusions thereon or at the time of his determination for the quarter year succeeding the quarter year for which the determination so objected to was made. Any such redetermination shall be final and conclusive unless the Commission or the Subway Company shall within thirty (30) days after the receipt thereof give written notice to the other that it requires the same to be submitted to arbitration or the court as hereinbefore provided. In the case of additions, the Engineer shall, in the same manner and subject to the same review as is provided in the case of determinations as to cost, determine the respective dates at which additions are put into operation. Any period of time specified in this paragraph may be extended with the written consent of the Commission and the Subway Company.

No expenditure made by the Subway Company in or about the acquisition or construction of the plant and property of any of said Railroads shall be included in or made a part of the actual cost of plant and structure or of equipment thereof for any purpose under this certificate unless the detailed plans are approved as provided in Article V and the cost and respective dates determined as provided in this Article.

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As compensation the Subway Company shall pay to the Comptroller, for the period beginning on the day when any part of any of the Railroads is put in operation and ending on the day when the Subway Company shall cease to operate the Railroads in conjunction with the Subway Railroads a specified part or proportion of the income, earnings or profits which shall be included in the compensation provided in the subway contract and determined in accordance with the provisions of the subway contract which, in respect thereto, are as follows:

CHAPTER II.

RENTAL.

"Article XLIX. In consideration of the operation of the Railroad and the Existing Railroads in conjunction with each other for a single fare and of the contribution by the Lessee to or toward the cost of construction of the Railroad as aforesaid, upon the commencement of operation of Subdivisions I and II of the Broadway-Fourth Avenue Line, the gross receipts from whatever source derived directly or indirectly by the Lessee or on its behalf in any manner from, out of or in connection with the operation of the Railroad and the Existing Railroads (hereinafter referred to as the 'revenue') shall be combined during the term of this contract and the City shall receive for the use of the Railroad at the intervals provided a specified part or proportion of the income, earnings and profits of the Railroad and the Existing Railroads. The amount of such income, earnings and profits shall be determined as follows:

"From the revenue the Lessee shall at the end of each quarter year ending December 31, March 31, June 30 and September 30, deduct in the order named:

"1. Such rentals, actually and necessarily payable by the Lessee for the use of property in connection with the Railroad and the Existing Railroads, under contracts or leases approved by the Commission, as are not included in operating expenses as classified in the accounting system prescribed by the Commission.

"2. Taxes, if any, upon property actually and necessarily used by the Lessee in the operation of the Railroad and the Existing Railroads, together with all taxes or other governmental charges of every description (whether on physical property, stocks or securities, corporate or other franchises, or otherwise) assessed or which may hereafter be assessed against the Lessee in connection with or incident to the operation of the Railroad and the Existing Railroads. Also such assessments for benefits as are not properly chargeable to cost of construction or cost of equipment.

"3. All expenses, exclusive of maintenance, actually and necessarily incurred by the Lessee in the operation of the Railroad and the Existing Railroads.

"4. An amount equal to twelve per centum (12%) of the revenue for the maintenance, exclusive of depreciation, of the Railroad and Equipment and the Existing Railroads. Such maintenance shall include the repair and replacement of tracks and also other parts of continuous construction and parts of equipment units, but shall not include the replacement of any of the principal parts of the

railroad structure and equipment, as such principal parts are from time to time specified and defined by the Commission. If, in any quarter year, such maintenance shall cost less than twelve per centum (12%) of the revenue the unexpended balance shall be transferred to the depreciation funds provided for in paragraph 5 of this article; and if, in any quarter year, such maintenance shall cost more than such twelve per centum (12%) of the revenue an amount equal to the excess may be withdrawn from such depreciation funds and applied to such maintenance.

"5 For the first year of temporary operation an amount equal to three per centum (3%) of the revenue for depreciation of such portions of the Railroad and the Equipment and the Existing Railroads as are not repaired or replaced through the expenditures for maintenance provided for in paragraph 4 of this Article. Prior to the beginning of the temporary operation provided for in Article LII the Commission and the Lessee shall agree upon the classification of such three per centum (3%) to accord with its division into the depreciation funds hereinafter in this article provided for. If prior to the beginning of such temporary operation the Commission and the Lessee are unable to agree upon such classification the same shall be determined by arbitration or by the court. Within thirty (30) days after the thirtieth day of June following the beginning of such temporary operation and annually thereafter the Commission and the Lessee shall determine the classification and amount of depreciation, and excess maintenance not covered by the amount set aside under paragraph 4 of this Article, during the preceding fiscal year, and the deduction for such year shall thereupon be adjusted to conform with such determination. If within such period the Commission and the Lessee are unable to agree upon the classification and amount of depreciation during the preceding fiscal year, the amount thereof shall thereupon be determined by arbitration or by the court. The said three per centum (3%) for the first year of such temporary operation and the amount determined as hereinbefore provided for future years shall be divided in accordance with such classification and paid into three (3) depreciation funds. The first of such funds shall be known as the 'Depreciation Fund for the Railroad and Equipment,' the second of such funds shall be known as the 'Depreciation Fund for the Plant and Property of the Extensions and Additional Tracks,' which shall be the plant and property of the extensions and additional tracks authorized by the Commission by said certificates, and the third of such funds shall be known as the 'Depreciation Fund for Existing Railroads,' which shall be the Existing Railroads and equipment thereof other than that covered by the second fund hereinbefore in this article provided for. If necessary the maintenance fund provided for in paragraph 4 shall be similarly divided in accordance with the same procedure as hereinbefore outlined for the depreciation funds. Such funds shall be further divided from time to time as may be necessary. Such funds shall be in charge of and under the control and direction of the Depreciation Fund Board. The cost of all replacements of the principal parts (as such principal parts are from time to time specified and defined by the Commission) of the Railroad and Equipment and of the Existing Railroads due either to wear and tear or to obsolescence, inadequacy or age, and also any excess in the cost of maintenance as provided in paragraph 4 of this Article shall be paid from the appropriate fund. When any principal part of the Railroad or Equipment or of the Existing Railroads is retired or withdrawn from service, an amount equal to its cost shall be withdrawn from the appropriate fund and expended on new construction or new equipment. Any salvage or proceeds on parts so retired or withdrawn shall (subject to the provisions of any now existing mortgage or mortgages covering the part so retired or withdrawn) be paid into the appropriate fund. Any amounts in such funds not currently needed for the purposes herein specified shall be securely invested and reinvested by the Depreciation Fund Board and all interest and profits accruing thereon shall be returned to the revenue. The Depreciation Fund Board shall have the right to sell investments to meet current needs and for purposes of reinvestment. A permanent record of the depreciation of each class of construction and equipment of the Railroad and the Existing Railroads (as such classes are from time to time defined or specified by the Commission) shall be kept by the Lessee in the form prescribed from time to time by the Commission. At the expiration of the term of the Lease, or upon earlier termination as hereinafter provided, any amount in the Depreciation Fund for the Railroad and Equipment shall be paid to the City or to a new lessee as may be directed by the Commission and any amounts in the Depreciation Fund for the Plant and Property of Extensions and Additional Tracks and in the Depreciation Fund for Existing Railroads shall be paid to the Lessee. In case the City shall terminate the contract as to a specified portion or portions of the Railroad as hereinafter provided, the Commission and the Lessee shall determine what proportion of the first of such funds shall then be paid over to the City or to a new lessee on account of depreciation of the specified portion (including the Equipment thereof) as to which the contract is so terminated and in case of their failure to agree upon such amount the same shall be determined by arbitration or by the court.

"6 One-quarter ($\frac{1}{4}$) of the sum of three million five hundred thousand dollars (\$3,500,000) to be retained by the Lessee for each quarter year of the term of the Lease as representing the average annual income from the operation of the Existing Railroads during the two years prior to the date of the beginning of initial operation, out of which the Lessee shall pay interest charges on obligations representing capital investment (preceding the date of this contract) in the Existing Railroads.

"7 One-quarter ($\frac{1}{4}$) of an amount equal to six per centum (6%) of (1) the Lessee's contribution toward the cost of construction of the Railroad, (2) the cost of equipment of the Railroad for initial operation, (3) the actual cost of the plant and property of the extensions and additional tracks authorized by the Commission by said certificates, and (4) the cost of Reconstruction of the Existing Railroads for Initial Operation, for each quarter year of the term of the Lease, out of which the Lessee shall set aside amounts sufficient, with interest and accretions thereon, to amortize within the term of the Lease such contribution and such costs. Such payments (subject to the reduction of the cost of construction as hereinbefore provided) shall continue to be made to the Lessee for each quarter year of the term of the Lease irrespective of whether any part of the cost has been amortized or the bonds issued therefor retired. In the event of the temporary operation of the Railroad or the commencement of the term of the Lease prior to the completion of the Railroad, such one-quarter of six per centum ($\frac{1}{4}$ of 6%) shall be computed upon the basis of the portion of the Lessee's contribution toward the cost of construction of the Railroad, of the portion of the cost of equipment of the Railroad for initial operation, of the portion of the actual cost of the plant and property of such extensions and additional tracks and of the cost of Reconstruction of the Existing Railroads for Initial Operation then in operation. The Lessee shall, however, reduce the cost of construction borne by it and the cost of equipment by the sum of One Million Three Hundred and Thirty Thousand Dollars (\$1,330,000). Such reduction shall be apportioned among (a) the Lessee's contribution toward the cost of construction of the Railroad, (b) the cost of equipment of the Railroad for initial operation, (c) the cost of Reconstruction of the Existing Railroads for Initial Operation and (d) the actual cost of the plant and property of the extensions and additional tracks (exclusive of additions) authorized by said certificates in the proportion that the cost of each thereof bears to the cost to the Lessee of the whole. Such reduction shall bear interest in the same amount as is paid thereon from and after the beginning of initial operation under the provisions of this paragraph and the amount of such interest when paid shall be paid into the revenue. Such reduction (together with the said interest thereon) shall be accomplished by the Lessee applying thereto the first sums coming to it under the provisions of Article L on account of its fifty per centum (50%) of the income, earnings and profit of the Railroad and the Existing Railroads, provided, however, that the Lessee shall not be required to pay from its share of such income, earnings and profits in any one year an amount in excess of one-fifteenth thereof.

"8 When the Lessee shall provide Additional Equipment for the Railroad (that is, Equipment in addition to that provided for initial operation as indicated by the schedules filed as provided in Article XL, except Additional Equipment belonging to the Extensions, unless the Extensions to which such Additional Equipment belongs shall become a part of the Railroad, as provided in Article LXXII, in which event the sinking funds provided for such Additional Equipment shall be combined with the funds provided for in this paragraph but the said sinking funds may continue to be separately identified on the books of the Lessee), or Additions to the Existing Railroads, the amount to be retained by the Lessee equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the Lessee (or,

in the event that the Lessee should not borrow money for such purpose, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the average annual rate payable by the Lessee on long term securities issued by it for the purpose of carrying out its obligations under this contract) upon the cost of each additional unit (as the words 'additional unit' are defined in Article LXIX), together with a sum equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of each additional unit, which latter amount shall be paid into a separate sinking fund which with interest and accretions shall be promptly and securely invested and reinvested by it for the amortization of the cost of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts, or interest or accretions thereon, set aside for the amortization of the cost of such additional unit shall be paid into the revenue.

"9 An amount to be paid to the City for each quarter year of the term of the Lease equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last then preceding sale by the City of corporate stock or other long term interest bearing securities) upon its share of the cost of construction of the Railroad (exclusive of Additions) together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of construction of the City's share of the cost of construction of the Railroad (exclusive of Additions). Such payments shall continue to be made to the City for each quarter year of the term of the Lease irrespective of whether any part of such share of the cost of construction has been amortized or the bonds issued therefor retired.

"10 An amount to be paid to the City equal to one-quarter ($\frac{1}{4}$) of the annual interest actually payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last then preceding sale by the City of corporate stock or other long term interest bearing securities) upon the cost of construction of each additional unit of Additions to the Railroad, together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of construction of each additional unit of Additions to the Railroad to furnish a sinking fund for the amortization of the cost of construction of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts, or interest or accretions thereon, set aside for the amortization of the cost of construction of such additional unit shall be paid into the revenue.

"11 One per centum (1%) of the revenue, which shall be paid into a separate fund to be in the charge and under the direction and control of the Depreciation Fund Board and which with interest and accretions shall be securely invested and reinvested by it to provide a contingent reserve fund. When any such fund with interest and accretions shall equal one (1%) per centum of the cost of construction and the cost of equipment of the Railroad or of the portion thereof remaining in operation, payments to such fund shall be suspended and interest thereon shall be paid into the revenue. If thereafter such fund shall fall below such one (1%) per centum, payments at the rate aforesaid shall be resumed until the fund with interest and accretions again equals such one (1%) per centum. Such fund shall be used to meet deficits in operation and the payment of the various obligations and deductions hereinbefore in this Article referred to and for such other purposes as may from time to time be approved by the Commission. At the end of the term, or sooner termination thereof, any balance in this fund, after the payment of any claims against the Lessee arising out of operation, shall be paid into the revenue.

"12 The amount remaining after making all such deductions shall be deemed to be the income, earnings and profits of the Railroad and the Existing Railroads.

"Article L. Of the income, earnings and profits of the Railroad and the Existing Railroads fifty (50%) per centum shall be paid to the City and the remaining fifty (50%) per centum shall be retained by the Lessee.

"Article LI. If in any quarter year the revenue shall be insufficient to meet the various obligations and deductions referred to in Article LXIX, the deficits shall be cumulative and payments of such deficits shall be thereafter made in full before deducting the amounts required in the paragraph of such article, succeeding the paragraph providing for the payment of the obligations or deductions as to which there has been such deficit.

"Article LII. When and as the Commission shall declare parts of the Railroad to be ready for equipment the Lessee shall forthwith equip the same and when declared by the Commission to be ready for operation the Lessee shall forthwith commence the operation of such part or parts in-connection with the Existing Railroads, including such part or parts of the extensions and additional tracks authorized by said certificates as may have been completed and may be ready for operation. The earnings of such part or parts shall be combined with those of the Existing Railroads and the revenue shall be distributed as provided in Articles LXIX, L, and LI, except that the deductions provided for in paragraphs 7 and 9 of Article LXIX shall be computed on the basis of the cost of construction and the cost of equipment of such part or parts of the Railroad and such part or parts of the plant and property of the extensions and additional tracks authorized by said certificates and such part or parts of the Reconstruction of the Existing Railroads for Initial Operation as are placed in operation and except further that any deficit in the payments required to be made to the City instead of being cumulative shall be added to the cost of construction of the Railroad.

"Provided, however, that if the term of the Lease shall not begin on the first day of January, 1917, as provided in Article XLVIII the Lessee shall have the right upon giving thirty (30) days' notice in writing to the Commission to terminate the arrangement hereinbefore in this article provided in respect of temporary rental. In case of such notice being given the arrangement hereinbefore in this article provided for in respect of temporary rental shall on the expiration of such thirty (30) days cease and the City shall thereafter receive as compensation for the use of such part or parts of the Railroad and such part or parts of the said extensions and additional tracks as shall have been declared completed and ready for operation under the provisions of this article either a specified sum of money or a specified part or proportion of income, earnings or profits of such part or parts of the Railroad and such part or parts of the said extensions and additional tracks or both a sum of money and a part or proportion of the income, earnings or profits of said part or parts of the Railroad and such part or parts of the said extensions and additional tracks as shall be agreed upon by the Commission (with the approval of the Board of Estimate) and the Lessee or if the Commission (with such approval) and the Lessee are unable to agree thereon within thirty (30) days after such notice takes effect as hereinbefore provided such compensation shall be determined by arbitration or by the court.

"Article LIII. The funds provided for in paragraphs 5 and 11 of Article LXIX and the depreciation funds provided for in paragraph 1 of Article LXX shall be in the charge of and under the control and direction of a Board to be known as the Depreciation Fund Board and to be organized and constituted as follows: Before the beginning of operation of any part of the Railroad the Commission and the Lessee shall each name an individual to be a member of such board. Within thirty (30) days thereafter the Commission and the Lessee shall agree upon the third member of such board or in the event of their failure to so agree within such time, the third member upon the application either of the Commission or of the Lessee shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within fifteen (15) days after being requested by either the Commission or the Lessee to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then the third member shall be nominated upon the request of the Commission or the Lessee and within a period of fifteen (15) days by any Associate Judge of said Court of Appeals in the order of seniority. In the event of a vacancy in the office of any of the members of the board the successor shall be chosen in the same manner as above provided in case of the original nomination. Such Depreciation Fund Board shall administer the funds provided for in the paragraphs of Articles LXIX and LXX referred to and the members thereof shall receive as compensation for their services such amount and shall be appointed for such period as may from time to time be agreed upon by the Commission and the Lessee and such amount shall be included as

part of the operating expenses referred to in paragraph 3 of Article XLIX. The Lessee shall also pay and include as part of such operating expenses the actual and necessary expenses of such Depreciation Fund Board including clerical and office expenses. * * *

"Article LVII. In case of the termination of this contract separately as to any of the Lines of the Railroad (or of Extensions which become part of the Railroad for purposes of rental as provided in Article LXXII) and in case such terminations do not involve a readjustment of the rental as provided in Article LXXIX, the deductions from revenue provided in Article XLIX shall continue to be made as to the Line or Lines (or as to such Extensions) and the Additions thereto, remaining after such termination, but the deductions provided for in paragraphs 7, 8, 9, 10 and 11 of Article XLIX shall then be made upon the basis of the cost of construction and the cost of equipment remaining after apportioning such cost of construction and cost of equipment between the several Lines of the Railroad as provided in Article LXXV.

All payments to be made to the City under the provisions of this certificate shall be made on or before the thirtieth days of January, April, July and October in each year during the term of the grant. Receipts and interest and accruals shall be pro-rated and if necessary adjusted in the payments for the quarter succeeding the quarter in which they are actually paid. Any other readjustment of payments or deductions that is necessary shall be made (for the whole of the year preceding) as of the end of the fiscal year.

The amount payable to the City shall be paid to the Comptroller at the time specified in the last preceding paragraph and the Subway Company shall, if the compensation to be paid for the Railroads shall be a portion or percentage of income earnings or profits, deliver to the Commission and to the Comptroller at the time of each payment a statement in the form and with details to be prescribed by the Commission showing the receipts and disbursements of the Subway Company for the preceding quarter. Such statement shall be verified under oath by the officer of the Subway Company having charge of the books and accounts of the Subway Company, or, in case of his absence or inability, then by its President or other chief officer or manager.

The Comptroller and the Commission shall have the right to verify any of the said statements by an examination of the Subway Company's and any of the subcontractor's books, records and memoranda and the examination under oath of any of its officers or servants; and the Subway Company hereby covenants that it will require its officers and servants to submit to such examination and produce such books, records and memoranda whenever and wherever they may be required by the Commission or the Comptroller.

In case the City shall terminate the Subway Contract as to the Broadway-Fourth Avenue Line, as therein described, in advance of terminating it as to the entire Subway Railroads, or in advance of terminating it as to either the Railroads or the extensions authorized by certificate bearing even date herewith, the rental of the Line or Lines or Extensions of the Subway Railroads remaining after such termination and the Railroads and such extensions shall upon demand of either the Commission or the Subway Company by written notice delivered to the other at least six months in advance of the time, when under the notice provided for, the termination shall take effect, be readjusted. The amount of such rental for the remaining Line or Lines or Extensions of the Subway Railroads and for the Railroads and extensions shall be reasonable and if not agreed upon by the Commission, with the approval of the Board of Estimate, and the Subway Company, within three months from the date of the receipt of such notice requiring readjustment, the amount of the rental for the Line or Lines or Extensions of the Subway Railroads remaining after such termination takes effect and the rental for the Railroads and said extensions shall be determined by arbitration or by the court. If such rental shall not be determined prior to the time when such termination takes effect the rental for the remaining Line or Lines or Extensions of the Subway Railroads and for the Railroads and said extensions pending such determination shall be one-half ($\frac{1}{2}$) of the amount remaining after making the deductions provided for in this Article from the revenue of the existing railroads, the remaining Line or Lines or Extensions of the Subway Railroads and the Railroads and said extensions. After the determination of the rental such temporary payments shall be adjusted to conform thereto with interest from the date when such termination takes effect.

The amounts to be paid by the Subway Company as aforesaid shall be readjusted if and when the Subway Company shall cease to operate the Railroads and the Existing Railroads and the extensions to the Existing Railroads granted by certificate bearing even date herewith in conjunction with the Subway Railroads, and shall thereafter be readjusted at intervals of twenty years. The annual amounts to be paid by the Subway Company for each and every period of twenty years after the period herein provided for shall be determined as follows, to wit: Each such determination shall be had upon the application of either the Subway Company or the Commission. Such application shall be made at any time not earlier than two years and not later than one year before the expiration of each successive period. If the Subway Company and the Commission shall agree upon the compensation to be paid for the ensuing period, their determination shall be expressed in writing, and when approved by the Board of Estimate shall be binding upon both parties. If the Subway Company and the Commission shall not reach an agreement, or if the Board of Estimate shall not approve such agreement, on or before a date one year prior to the expiration of any period as to the compensation to be paid for the ensuing period, then the annual rate of compensation for such succeeding twenty years' period shall be reasonable; and the Commission and the Subway Company shall be bound, upon the request of either, to submit the determination of such rate of compensation to arbitration, or to the Court, as provided in Article XIII hereof. If in any case the annual rate for a succeeding period shall not be fixed prior to the commencement of the said period, the Subway Company shall pay the same rental as for the preceding period until such time as the new rental shall be determined; and upon the determination of the new rental the difference between the old and the new rate shall be adjusted and paid between the parties.

The City shall have a lien upon the authorizations or licenses hereby granted and upon the plant and structure erected thereunder of the Subway Company, to secure the payment of such compensation.

In case of any failure to make such payment as herein prescribed, the lien aforesaid may be enforced by the Commission by foreclosure or other proper proceeding and by sale of such authorizations or licenses and property.

The Commission may, in its own name or in the name and behalf of the City, bring action for specific performance or by mandamus or injunction or otherwise compel the performance by the Subway Company of the duties and obligations imposed upon it under the terms of this certificate. And the Commission may, in behalf or in the name of the City, bring any action or proceeding to enforce the said lien of the City, or to enforce any provision of this certificate in the manner provided by Section 9 of the Rapid Transit Act or any other proper action or proceeding.

XI.

The authorizations or licenses hereby given for the Broadway additional tracks, Fulton Street additional tracks and Myrtle Avenue additional tracks are separate grants, and the City, acting by the Commission or by such other board or boards as may be thereunto empowered, may terminate any such authorization or license, and may purchase and take the plant and property as hereinbefore defined of any of the Railroads for which the authorization or license is so terminated at any time after the expiration of ten years from the date when operation of any part of any of the Railroads for which the authorization or license is so terminated shall actually begin but not for railroad transit operation either by the City or by any other party, and the said privilege of the City to terminate any such authorization or license and to purchase and take the plant and property as aforesaid of any of the said railroads shall be without prejudice to the rights of the said Subway Company in and to the lines of its now existing elevated railroad or railroads. In case it is determined to so terminate any or all of the authorizations or licenses hereby granted as hereinbefore provided, at least one year's notice thereof in writing shall be given to the Subway Company.

Such right of termination shall, however, be upon condition that the City shall pay an amount for said plant and property as property excluding any value for the authorization or license hereby granted, to be determined as follows:

Upon termination as hereinbefore provided, of the authorization or license of any of the Railroads the City shall pay as to the same as follows:

(1) For the plant and property thereof (other than additions as hereinbefore defined) the percentage of the actual cost of the plant and property (other than additions) indicated in the following schedule:

Schedule	
If terminated at	Percentage to be paid by City
10 years	115
11 years	74-75ths of 115
12 years	73-75ths of 115
13 years	72-75ths of 115
14 years	71-75ths of 115
15 years	70-75ths of 115
16 years	69-75ths of 115
17 years	68-75ths of 115
18 years	67-75ths of 115
19 years	66-75ths of 115
20 years	65-75ths of 115
21 years	64-75ths of 115
22 years	63-75ths of 115
23 years	62-75ths of 115
24 years	61-75ths of 115
25 years	60-75ths of 115
26 years	59-75ths of 115
27 years	58-75ths of 115
28 years	57-75ths of 115
29 years	56-75ths of 115
30 years	55-75ths of 115
31 years	54-75ths of 115
32 years	53-75ths of 115
33 years	52-75ths of 115
34 years	51-75ths of 115
35 years	50-75ths of 115
36 years	49-75ths of 115
37 years	48-75ths of 115
38 years	47-75ths of 115
39 years	46-75ths of 115
40 years	45-75ths of 115
41 years	44-75ths of 115
42 years	43-75ths of 115
43 years	42-75ths of 115
44 years	41-75ths of 115
45 years	40-75ths of 115
46 years	39-75ths of 115
47 years	38-75ths of 115
48 years	37-75ths of 115
49 years	36-75ths of 115
50 years	35-75ths of 115
51 years	34-75ths of 115
52 years	33-75ths of 115
53 years	32-75ths of 115
54 years	31-75ths of 115
55 years	30-75ths of 115
56 years	29-75ths of 115
57 years	28-75ths of 115
58 years	27-75ths of 115
59 years	26-75ths of 115
60 years	25-75ths of 115
61 years	24-75ths of 115
62 years	23-75ths of 115
63 years	22-75ths of 115
64 years	21-75ths of 115
65 years	20-75ths of 115
66 years	19-75ths of 115
67 years	18-75ths of 115
68 years	17-75ths of 115
69 years	16-75ths of 115
70 years	15-75ths of 115
71 years	14-75ths of 115
72 years	13-75ths of 115
73 years	12-75ths of 115
74 years	11-75ths of 115
75 years	10-75ths of 115
76 years	9-75ths of 115
77 years	8-75ths of 115
78 years	7-75ths of 115
79 years	6-75ths of 115
80 years	5-75ths of 115
81 years	4-75ths of 115
82 years	3-75ths of 115
83 years	2-75ths of 115
84 years	1-75th of 115
85 years	0

(2) For additions, as the word additions is hereinbefore defined, to the Railroads, or to any of the Railroads as to which the authorization or license is terminated, the percentage of the actual cost of such additions as may have been completed or put in operation within less than thirty-nine (39) years, indicated in the schedule following according to the age of each item as there indicated.

Schedule	
Upon termination	Percentage to be paid by City
If on provision	107.5
If 1 year after provision	106,488 371
If 2 years after provision	105,429 144
If 3 years after provision	104,320 077
If 4 years after provision	103,158 826
If 5 years after provision	101,942 936
If 6 years after provision	101,669 834
If 7 years after provision	99,336 836
If 8 years after provision	97,411 054
If 9 years after provision	96,479 708
If 10 years after provision	94,949 548
If 11 years after provision	93,347 390
If 12 years after provision	91,669 848
If 13 years after provision	89,913 372
If 14 years after provision	88,074 250
If 15 years after provision	86,148 593
If 16 years after provision	84,132 329
If 17 years after provision	82,021 194
If 18 years after provision	79,810 726
If 19 years after provision	77,496 249
If 20 years after provision	75,072 871
If 21 years after provision	72,535 467
If 22 years after provision	69,878 672
If 23 years after provision	67,096 857
If 24 years after provision	64,184 174
If 25 years after provision	61,134 429
If 26 years after provision	57,941 187
If 27 years after provision	54,597 695
If 28 years after provision	51,096 884
If 29 years after provision	47,431 351
If 30 years after provision	43,593 345
If 31 years after provision	39,574 805
If 32 years after provision	35,367 074

Upon termination	Percentage to be paid by City
If 33 years after provision.	30.961 415
If 34 years after provision.	26.348 458
If 35 years after provision.	21.518 450
If 36 years after provision.	16.461 179
If 37 years after provision.	11.165 951
If 38 years after provision.	5.621 569
If 39 years after provision.	000 000

The above schedule is computed upon the basis of the investment of the deductions from the revenue for amortization in five per cent bonds of the Subway Company at one hundred and seven and one-half per centum (107½%). If the amortization funds are invested at a more favorable rate than that above assumed, then the amount to be paid by the City shall be correspondingly reduced.

(3) From the sum of the percentages so determined there shall be deducted such amount of money as shall be necessary to put such plant and property in the condition provided for by Article VII of this certificate, to be ascertained in the absence of agreement by arbitration or by the Court as hereinafter provided in Article XIII.

In case the City itself shall take over the plant and property such payment shall be made by a City warrant drawn by the Comptroller, or otherwise, as may then be provided by law.

If the amounts to be paid to the Subway Company at the end of a full term or upon any such termination shall not have been finally determined or paid prior to or at the time when a full term is according to this certificate to end or the termination is under the said notice given to take effect, the title, if any, to and right of possession of the plant and property shall nevertheless pass to the City free and clear of all liens or other incumbrances, save as herein provided, and the City shall pay to the Subway Company the amount so determined with interest from the date of taking possession.

Upon the expiration of a full term or the termination by notice as aforesaid, the Subway Company shall execute and deliver such instruments as may be either necessary or convenient to assure and perfect the title and the possession of the City in and to the plant and property free and clear of all liens and incumbrances as aforesaid.

The privilege of termination herein reserved by the City may be exercised on its behalf by the Commission, with the approval of the Board of Estimate, or by such other authority representing the City as is now or may hereafter be vested with the necessary power. Upon the exercise of such privilege, the plant and property shall forthwith vest in the City free from all leases, mortgages or other encumbrances save as herein provided whatsoever; and all right, title and interest of the Subway Company therein, shall at once cease and determine.

In case the City shall terminate an authorization or license under the privileges herein reserved all payments by way of compensation or otherwise, required to be paid by the Subway Company applicable thereto, except for damages for failure to perform any covenants hereof required to be performed by the Subway Company, shall cease upon the date of such termination, and upon payment in full of all such compensation up to the date of such termination, the Subway Company shall be relieved from any further payment of such compensation in respect to such authorization or license so terminated, except as aforesaid.

It is the intention of the parties that the amount to be paid for plant and property to be ascertained as hereinbefore provided shall be the measure of any payment the City may be called upon to make therefor, but in pursuance of the provisions of Subdivision 1 of Section 34 of the Rapid Transit Act, as it now exists, it is further provided that if at any time in ascertaining the amount to be paid by the City as a condition of a termination of any authorization or license as herein provided or at the expiration of a full term, it shall be necessary that a valuation of any plant, property, equipment, construction or any investment in any thereof shall be determined, such valuation shall in default of agreement be determined by arbitration or by the Court.

Upon the expiration of the full term of any authorization or license fixed herein, the authorization or license shall end and upon such termination thereof all the rights of property of the Subway Company in the streets, avenues, parkways, highways and public places held under the terms of this certificate shall cease and terminate without compensation, and further, upon such expiration, the plant and property, together with the appurtenances thereto of the Subway Company constructed pursuant to this certificate, except additions as defined in Article IX, shall become the property of the City without further or other compensation to the Subway Company and additions as hereinbefore defined shall be and become the property of the City on its paying to the Subway Company for such of said additions as may have been completed or put in operation within less than thirty-nine (39) years the percentage of the actual cost of said additions indicated in the schedule following according to the age of each item as there indicated.

Such schedule is as follows:

Schedule

Upon Termination.	Percentage to Be Paid by City.
If on provision.	100.
If 1 year after provision.	99.058950
If 2 years after provision.	98.573522
If 3 years after provision.	97.041932
If 4 years after provision.	95.961699
If 5 years after provision.	94.830638
If 6 years after provision.	93.646357
If 7 years after provision.	92.406354
If 8 years after provision.	91.108005
If 9 years after provision.	89.748565
If 10 years after provision.	88.325161
If 11 years after provision.	86.834782
If 12 years after provision.	85.274277
If 13 years after provision.	83.640346
If 14 years after provision.	81.929535
If 15 years after provision.	80.138226
If 16 years after provision.	78.262631
If 17 years after provision.	76.298785
If 18 years after provision.	74.242535
If 19 years after provision.	72.089534
If 20 years after provision.	69.835229
If 21 years after provision.	67.474853
If 22 years after provision.	65.003416
If 23 years after provision.	62.415681
If 24 years after provision.	59.706208
If 25 years after provision.	56.869237
If 26 years after provision.	53.898779
If 27 years after provision.	50.788554
If 28 years after provision.	47.531985
If 29 years after provision.	44.122187
If 30 years after provision.	40.551949
If 31 years after provision.	36.813772
If 32 years after provision.	32.899604
If 33 years after provision.	28.801316
If 34 years after provision.	24.510193
If 35 years after provision.	20.017163
If 36 years after provision.	15.312724
If 37 years after provision.	10.386931
If 38 years after provision.	5.229367
If 39 years after provision.	000000

The above schedule is computed upon the basis of the investment of the deductions from the revenue for amortization in five per cent. (5%) bonds of the Subway Com-

pany at one hundred and seven and one-half per centum (107½%). If the amortization funds are invested at a more favorable rate than that above assumed, then the amount to be paid by the City shall be correspondingly reduced.

From the percentage so determined there shall be deducted such amount of money as shall be necessary to put such plant and property in the condition provided for by Article VII of this certificate, to be ascertained in the absence of agreement by arbitration or by the court as provided in Article XIII.

XIII.

In case it shall be necessary to submit to arbitration any question arising under any provisions of this certificate in respect of which it is therein provided an arbitration may be had, such arbitration shall be conducted as follows: Either the City, acting by the Commission, or the Subway Company may give written notice to the other that it requires the matter arising hereunder to be submitted to arbitration, and shall at the same time name an arbitrator, and accompany the notice by a written acceptance by the arbitrator of the nomination. Within thirty (30) days after the receipt of such notice, the party receiving the same shall name an arbitrator, and give written notice of such nomination to the other party, the notice to be accompanied by a written acceptance by the arbitrator of the nomination. If the party to whom notice of arbitration is given shall not so nominate an arbitrator, who shall so accept, then the arbitrator named by the party giving the first notice shall be the sole arbitrator. Any vacancy in the office of an arbitrator so nominated shall be filled by the party which shall have nominated the last incumbent thereof, and within thirty (30) days after receiving from the other party written notice of the vacancy, during which thirty (30) days the running of other periods of time prescribed for or in course of the arbitration shall be suspended. If not so filled, or if written notice of the appointment be not given within thirty (30) days, the remaining arbitrator shall be the sole arbitrator. The Commission and the Subway Company shall thereupon select a third arbitrator; but if they fail to agree upon such third arbitrator within thirty (30) days after the date of the nomination of the second arbitrator appointed, the third arbitrator shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within fifteen (15) days after being requested by either the Commission or the Subway Company to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then an arbitrator shall be named upon the request of the Commission or the Subway Company and within a period of fifteen (15) days by any Associate Judge of said Court of Appeals in the order of seniority; or if within such periods the said Judges shall decline or fail to make a nomination then the third arbitrator shall be nominated by the President or Acting-President for the time being of the Chamber of Commerce of the State of New York. The arbitrators shall hear the parties and their counsel or any statements or evidence which the parties or either of them desire to submit, and may resort to any other sources of information in reference to the question submitted for determination. Within thirty (30) days after the nomination of the third arbitrator, unless such time shall be extended for good cause by written order of the arbitrators or a majority of them, the arbitrators shall make their determination in writing in duplicate, one to be delivered to the Commission and the other to the Subway Company. In case any vacancy shall at any time occur by reason of the death, resignation or inability to serve of any arbitrator, his successor shall be nominated in the same manner and within the same time as above provided for the original nomination of such arbitrator. Any determination by a majority of the arbitrators shall be final and conclusive. Every such arbitrator shall be deemed to be employed by both the City and the Subway Company. The fees and expenses of the arbitrators (including necessary expenses for stenographic and clerical services) and the expenses of the parties shall be assessed as the arbitrators consider equitable and as they direct in their award, but such assessments so made shall not be charged to actual cost of equipment, actual cost of plant and structure or to operating expenses.

Every such arbitrator shall, before proceeding to consider the matter, be sworn as nearly as may be in the same manner as referees in actions at law are required to be sworn. Provided, however, that if in any case, or for any reason an arbitration cannot validly be had as aforesaid, then the City or the Subway Company, if in no way responsible for the failure of the arbitration, may bring such action, suit or proceedings as either of them may be advised for the purpose of determining any of the matters for which an arbitration is herein provided.

XIV.

The authorizations or licenses hereby granted may be enjoyed as well as by the Subway Company itself, by any lessee, grantee, assignee, transferee or successor thereof; and the Subway Company shall have the right to grant, convey, assign, transfer, lease or mortgage the authorizations or licenses hereby granted, provided, however, that every grantee, assignee, lessee, or transferee thereof, not including, however, a mortgagee or mere lienor, but including any purchaser upon foreclosure of, or under or by virtue of any provision of any mortgage or lien, shall be a corporation subject to the laws of the State of New York, and shall upon accepting the grant, transfer, lease or assignment and before such grant, transfer, lease or assignment shall be valid, assume and agree to perform all of the obligations which by the provisions hereof are assumed by the Subway Company, and no such grant, conveyance, transfer, lease or assignment and no mortgage hereafter made covering the authorizations or licenses hereby granted shall relieve the Subway Company of its obligations hereunder or be valid unless the same shall have been approved by the Commission. And provided further that, in case the Subway Company or any successor or future owner of any of the authorizations or licenses shall be consolidated with or merged into any other corporation the obligations of the Subway Company or such successor or future owner hereunder shall remain unaffected and the authorizations or licenses shall pass to such new corporation only if the agreement or act of consolidation or merger (which shall not be valid or of any force or effect unless the same shall have been approved by the Commission) shall effectually provide that the new consolidated or merging corporation shall assume all such obligations, or if such act or agreement shall not so provide, then if and when such new consolidated or merging corporation shall in writing expressly assume such obligations—it being the express intention of this instrument that no change in the incorporation of the Subway Company or of any such successor or future owner or in the ownership or control of the authorizations or licenses hereby granted, or of any of them shall diminish or affect the obligations of the holder of the same.

XV.

The Commission, in view of this certificate and in conjunction therewith, has awarded or may award, subject to the approval of the Board of Estimate, to the Subway Company the Subway Contract under or in pursuance of which a rapid transit railroad may be in part constructed, and may be maintained and operated upon lines known respectively as the Broadway-Fourth Avenue Line, the Culver Line, and the Fourteenth Street-Eastern Line as in said contract described.

It is now agreed, therefore, that if such Subway Contract shall not take effect, then this certificate hereby granted shall become null and void and all rights given hereby to the Subway Company shall cease and determine.

In Witness Whereof, this certificate has been prepared by the Public Service Commission for the First District, and is now attested by its seal and by the signature of its Chairman, who is its presiding officer, and by the signature of its Secretary this day of , 1913.

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT.

By Chairman.

Attest: Secretary.

State of New York, County of New York, ss:

On this day of , 1913, in the City of New York, in said county, before me personally appeared Edward E. McCall and Travis H. Whitney, each to me known and known to me to be the said Edward E. McCall, the Chairman, and the said Travis H. Whitney, the Secretary of the Public Service Commission for the First District, and the said Edward E. McCall and Travis H. Whitney, being by me duly sworn, did depose and say each for himself and not one for the other, the said Edward E. McCall, that he resides in the Borough of Manhattan, in the said City; that he is the Chairman of the said Commission, and that he subscribed his name to the foregoing certificate by virtue of the authority thereof; and the said Travis H. Whitney, that he resides in the Borough of Brooklyn, in the said City; that he is the Secretary of the said Commission, and that he subscribed his name thereto by like authority; and both the said Edward E. McCall and Travis H. Whitney that they know the seal of the said Commission and that the same was affixed to the foregoing certificate by the authority of the said Commission and of a resolution duly adopted by the same.

The New York Municipal Railway Corporation hereby accepts the foregoing certificate and all the terms, conditions and requirements thereof.

Dated, New York, , 1913.

NEW YORK MUNICIPAL RAILWAY CORPORATION,
By President.

Attest: Secretary.

Approved as to form: JOHN L. O'BRIEN, Acting Corporation Counsel.

State of New York, County of New York, ss.:

On this day of , 1913, in the City of New York, in said county, before me personally appeared Timothy S. Williams and Harry A. Bullock, to me known and known to me respectively to be the said Timothy S. Williams, the President, and the said Harry A. Bullock, the Secretary of New York Municipal Railway Corporation, and being by me duly sworn they did depose and say, each for himself and not one for the other, the said Timothy S. Williams that he resides at Huntington, in the State of New York, and is the President of the New York Municipal Railway Corporation, the corporation named in and which executed the foregoing acceptance, and that he subscribed his name to the foregoing acceptance by the authority of the Board of Directors thereof; and the said Harry A. Bullock, that he resides in the Borough of Brooklyn, in the State of New York; that he is the Secretary of the said New York Municipal Railway Corporation and subscribed his name to the foregoing acceptance by like authority; and both the said Timothy S. Williams and the said Harry A. Bullock, that they know the seal of the said New York Municipal Railway Corporation; that the seal affixed to such acceptance is such seal, and that the same was affixed to the foregoing acceptance by authority of the Board of Directors of the New York Municipal Railway Corporation and pursuant to a resolution adopted by the said Board.

Now, therefore, be it

Resolved, That the Board of Estimate and Apportionment of The City of New York, by a majority vote, according to the number of votes by law pertaining to each member of the Board, hereby approves the foregoing proposed certificate to the New York Municipal Railway Corporation, and hereby consents to the construction and operation of the additional track or tracks in accordance therewith.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the New York Municipal Railway Corporation be returned to the Public Service Commission with the request that it be amended by prohibiting the amortization out of earnings of the cost of certain property and the reconstruction cost of existing lines, to which property and lines the company will retain ownership after amortization, unless the deductions for such amortization be made from the preferential payable to the company, and not from gross earnings which might otherwise be applicable to interest and sinking fund upon the City's investment.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The resolution offered by the President of the Borough of Manhattan was then adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

New York Municipal Railway Corporation.

Proposed certificate to construct, maintain and operate elevated railroad extensions known as Jamaica Line and Liberty Avenue Line, in the Boroughs of Brooklyn and Queens.

The Secretary presented the following:

Public Service Commission, for the First District, New York, March 4, 1913.

To the Board of Estimate and Apportionment of The City of New York:

As stated in a communication of this date from the Chairman and the Secretary of this Commission, there is transmitted herewith a copy of the proposed certificate to be granted by the Commission to the New York Municipal Railway Corporation for the Jamaica and Liberty Avenue extensions.

I also transmit herewith a certified copy of a motion amending the said certificate, together with a certified copy of the resolution approving and adopting such contract as amended. Yours very truly, TRAVIS H. WHITNEY, Secretary.

Commissioner Williams moved to amend the certificate to the New York Municipal Railway Corporation for elevated extensions in the following respects:

Page 17, line 13; omit "and" and insert "or."

Page 17, line 17; omit "and" and insert "or."

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify that I have compared the above with the original adopted by said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the Commission, this fourth day of March, 1913.

[SEAL]

TRAVIS H. WHITNEY, Secretary.

Whereas, Counsel to the Commission has presented a form of proposed certificate to New York Municipal Railway Corporation for the construction, maintenance and operation of certain railroads therein referred to as the Jamaica Line and the Liberty Avenue Line.

Resolved, That the form of the proposed certificate now submitted by Counsel as amended be, and the same hereby is, approved and adopted and that the Secretary be, and hereby is, authorized and directed to transmit the same to the Board of Estimate and Apportionment for appropriate action on its part under the Rapid Transit Act.

Resolved, That if and when said certificate has been approved by said Board of Estimate and Apportionment, and the construction and operation of the railroads therein described have been consented to by said Board of Estimate and Apportionment and by the Mayor, the Chairman be, and hereby is, authorized and directed to execute said certificate for the Commission in five identical originals, and that the Secretary be, and hereby is, authorized and directed to attest the said certificate and to affix thereto the seal of the Commission.

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify, that I have compared the above resolution with the original adopted by the said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the said Commission, this 4th day of March, 1913.

[SEAL]

TRAVIS H. WHITNEY, Secretary.

The President of the Borough of Manhattan offered the following:

Whereas, The Public Service Commission for the First District has fixed and determined the routes designated as Jamaica Line, Liberty Avenue Line, within the City of New York, by which the New York Municipal Railway Corporation may extend its elevated lines, and the location and plans of construction of the railroads upon such routes, and has fixed the times within which they shall be respectively constructed and the compensation to be made therefor to the City by the railroad company; and

Whereas, The Public Service Commission for the First District has transmitted to the Board of Estimate and Apportionment a proposed certificate in respect thereof, to be issued to the New York Municipal Railway Corporation, subject to certain terms, conditions and requirements, all as set forth in said proposed certificate; and

Whereas, Said proposed certificate was received by the Board of Estimate and Apportionment on the 6th day of March, 1913, at a meeting of said Board of Estimate and Apportionment duly held on said day; and

Whereas, The proposed certificate and the terms, conditions and requirements therein contained are as follows:

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT TO NEW YORK MUNICIPAL RAILWAY CORPORATION.

CERTIFICATE,

1913.

The Public Service Commission for The First District does hereby certify as follows:

The word "City" as used herein means The City of New York, and any other corporation or division of government to which the ownership, rights, powers and privileges of The City of New York under the Rapid Transit Act shall hereafter come, belong or appertain.

The words "New York" as used herein mean the City of New York according to its boundaries as now or hereafter fixed.

The word "Commission" to mean the Public Service Commission for the First District in so far as it acts herein as the agent of the City, and any other board, body, official or officials, to which or to whom the powers belonging to the Commission under the Rapid Transit Act shall, by virtue of any act or acts, hereafter pass or be held to appertain.

The words "Subway Company" as used herein mean the New York Municipal Railway Corporation, its successors, assigns, lessee, transferee, or any corporation which may hereafter succeed by consolidation or merger to the rights of the said New York Municipal Railway Corporation.

The word "Railroads" as used herein means the two railroads herein authorized which are referred to as the Jamaica Line and the Liberty Avenue Line.

The words "Rapid Transit Act" as used herein mean Chapter 4 of the Laws of 1891 as heretofore amended.

The words "Board of Estimate" as used herein mean the Board of Estimate and Apportionment of The City of New York and any other board or officer to whom or to which its powers now existing under the Rapid Transit Act may hereafter be transferred by law.

The word "Comptroller" as used herein means the Comptroller of The City of New York and the officer or board to whom or to which his powers now existing under the Rapid Transit Act may hereafter be transferred by law.

The word "Engineer" to mean the Chief Engineer of the Commission and any successor or successors duly appointed or, in the event of his absence or disability, any deputy or substitute for him or them who shall be appointed Acting Chief Engineer by the Commission or by its authority.

Whereas, the Subway Company is a railroad corporation existing under the laws of the State of New York having its principal office at No. 85 Clinton Street, in the Borough of Brooklyn, City of New York, having the right and being under obligation by contract to operate a railroad in the Borough of Brooklyn wholly within the limits of New York upon the following routes and hereinafter referred to as the "existing railroads":

An elevated railroad beginning at the foot of Broadway, East River, at the Broadway Ferry; thence on Broadway to East New York; thence on Fulton Street to Crescent Street and thence on Crescent Street to Jamaica Avenue.

An elevated railroad beginning at the foot of Fulton Street, East River; running thence upon Fulton Street to East New York; thence on Williams Place and Snediker Avenue to Pitkin Avenue; thence on Pitkin Avenue to Euclid Avenue; thence on Euclid Avenue to Liberty Avenue and thence on Liberty Avenue to the borough line between the Borough of Queens and the Borough of Brooklyn.

An elevated railroad beginning at the Brooklyn terminal of the Brooklyn Bridge; running thence on Sands Street and High Street to Adams Street; thence on Adams Street to Myrtle Avenue; thence on Myrtle Avenue to Wyckoff Avenue.

An elevated railroad beginning at Grand Avenue and Myrtle Avenue; running thence on Grand Avenue to Lexington Avenue and thence on Lexington Avenue to Broadway.

An elevated railroad beginning at Hudson Avenue and Myrtle Avenue; thence on Hudson Avenue to Flatbush Avenue; thence on Flatbush Avenue to Fifth Avenue; thence on Fifth Avenue to Thirty-eighth Street; thence on Thirty-eighth Street to Third Avenue; thence on Third Avenue to Sixty-seventh Street.

A railroad beginning at Franklin Avenue and Fulton Street; running thence substantially parallel to Franklin Avenue to Flatbush Avenue; thence continuing in a southerly direction to Church Avenue between East 15th and East 16th Street; continuing thence southerly between East 15th Street and East 16th Street to Sheephead Bay; continuing thence southerly to Brighton Beach and from Brighton Beach thence in a westerly direction to a point in Coney Island west of West Fifth Street.

A railroad beginning at a point near Pitkin Avenue and Snediker Avenue; running thence southerly to the Canarsie Shore.

A railroad beginning at a point in Fourth Avenue near Sixty-fourth Street; running thence easterly between Sixty-fifth and Sixtieth Streets to New Utrecht Avenue; continuing thence easterly and southeasterly to a point in Coney Island near Surf Avenue, and

Whereas, such Subway Company is a corporation organized under the Railroad Law for purposes specified in Subdivision 9 of Section 27 of the Rapid Transit Act and is to enter into a contract with the City (hereinafter referred to as the "subway contract"), to be delivered contemporaneously with this certificate, wherein and whereby said Subway Company agrees to equip, maintain and operate certain rapid transit railroads owned by the City (hereinafter referred to as the "Subway Railroads") in conjunction with said existing railroads and certain additional tracks thereto in said contract specified, wholly within New York, on the basis of a division of income, earnings or profits as in said contract provided; and

Whereas, the Subway Company, as the corporation having the right and being under obligation by contract to operate the railroads hereinbefore described, under the provisions of Section 24 of the Rapid Transit Act has applied to the Commission for authority to extend its lines (meaning thereby the railroads hereinbefore described) within New York and to acquire terminal or other facilities, all as hereinafter described; and

Whereas, since in the judgment of the Commission the public interests so demand, the Commission has fixed and determined the route or routes by which the Subway Company may extend its railroad and has fixed and determined the location and plan of construction of the Railroads upon such route or routes and of such tracks and facilities, the times within which they shall be respectively constructed, the compensation to be made therefor to the City by the Subway Company, and such other terms, conditions and requirements as to the Commission appear just and proper; and

Whereas, this certificate has been approved by the Board of Estimate and the construction and operation of the Railroads hereby authorized have been consented to by the Board of Estimate and by the Mayor of the City.

Now therefore, the Commission has authorized and does hereby authorize, but subject to the terms, conditions and requirements hereinafter set forth, the Subway Company—

a To construct, maintain and operate a three track railroad (which railroad is hereinafter referred to as the Jamaica Line) upon the following route or routes:

Commencing at a point in Jamaica Avenue in the Borough of Brooklyn near Crescent Street where a connection can conveniently be made with the Broadway Line of the New York Consolidated Railroad Company; running thence upon, over and along Jamaica Avenue to Grand Street in the Village of Jamaica.

b To construct, maintain and operate a three track railroad (which railroad is hereinafter referred to as the Liberty Avenue Line) upon the following route or routes:

Commencing at a point in Liberty Avenue at the dividing line between the Boroughs of Brooklyn and Queens where a connection can be conveniently made with the Fulton Street Line of the New York Consolidated Railroad Company; running thence easterly upon, over and along Liberty Avenue in the Borough of Queens to Lefferts Avenue.

2. To construct, maintain and operate within the streets, avenues and public places included within the aforesaid routes or within the adjacent lines of intersecting streets and avenues lying within seventy-five (75) feet of the exterior line or side of the longitudinal streets, avenues and public places of the route, all necessary and proper connections with terminal yards, stations, landing places, stairways, platforms, elevators, escalators, telegraph, telephone and signal devices and other appliances and facilities, all as may be either necessary or convenient for the construction, operation and maintenance of the Railroads.

3. To acquire and use private property for the construction, maintenance and operation of the Railroads including yards, stations, station extensions, terminal rooms, power plants, stairways, elevators, escalators, or other methods of access to and from the street, and for other purposes necessary or convenient to carry into execution the terms and authority of this grant.

4. To transport upon the Railroads persons and property, and to use therefor and in connection therewith all suitable appliances.

5. To construct, maintain and operate under and along streets, avenues, highways and public places, and upon, under or contiguous to the Railroads and the existing railroads for the transmission of power, heat and light for the use of the Railroads and such other railroads as may be owned or controlled by the Subway Company (and for no other purposes), telegraph and telephone wires and wires, cables, contact rails, conduits and ways and other appurtenances; provided, however, that, except for the purpose of making necessary connections, all such appurtenances, when not placed

upon the structure, shall be placed underground, unless otherwise directed by the Commission.

The authorizations or licenses hereby granted to construct, maintain and operate the Jamaica Line and the Liberty Avenue Line, shall be held by the Subway Company for a period of eighty-five (85) years from the date on which the Subway Company shall first begin operation of any part of either of the Railroads, unless sooner terminated as hereinafter provided. Said date shall be evidenced by a resolution of the Commission entered in its minutes approving such date as the date of beginning operation of the Railroads and as the date from which the terms of these authorizations or licenses run and from which compensation payable hereunder accrues, and also the date from which the period of ten years begins to run, after which the City may terminate the authorizations or licenses hereby granted; provided, however, that if operation of either of the Railroads be first begun as to any part thereof at a later date, such date may be evidenced by a resolution of the Commission entered in its minutes approving that date as the date of beginning operation of such railroad and as the date from which the period of ten years begins to run, after which the City may separately terminate this authorization or license therefor.

Provided, however, and it is expressly agreed that the authorizations or licenses hereby granted are subject to certain terms, conditions and requirements which appear to the Commission to be just and proper, and which as so subject, are prescribed in the following articles, to wit:

I.

This certificate will be executed by the Commission in five identical originals, so proved as to be entitled to be recorded in the office of the Register of the County of Kings and the Clerk of the County of Queens, and to be filed in the office of the Secretary of State of the State of New York, all of which will be delivered by the Commission to the president, vice-president, secretary or treasurer of the Subway Company. The authorizations or licenses hereby granted shall be inoperative and this certificate shall be void unless within thirty days after such delivery or such further period as shall be prescribed in writing by the Commission, the Subway Company shall have procured four of the said identical originals to be returned to the Commission, each of them having an acceptance of this certificate and all the terms, conditions and requirements thereof subscribed at the foot thereof by the Subway Company, such acceptance being so proved as to entitle it to be recorded and filed as aforesaid.

II.

The authorizations or licenses hereby granted, if the Commission shall so determine, after due hearing, shall (except as in this paragraph otherwise provided) become void, unless within one year from the time of the acceptance of this certificate by the Subway Company that Company shall further and in due and lawful form obtain and submit to inspection by the Commission the consents of the owners of one-half in value of the property bounded on each portion of the streets, avenues or highways, upon, under or over which the Railroads or any part thereof are authorized, to the construction and operation of the Railroads or such part thereof, or in case the consent of such property owners cannot be obtained, then the determination pursuant to law of commissioners to be appointed by the Appellate Division of the Supreme Court in the proper department that such portion of the Railroads ought to be constructed and operated, the said determination of such commissioners when confirmed by the Court, to be taken in lieu of such consent of property owners. Provided, however, and it is expressly stipulated, that the Commission shall have power, upon reasonable cause shown, to extend by written certificate either of the periods hereinbefore in this article prescribed; and provided further that if such consents shall have been given as to either, but not as to both, of the Railroads, the authorizations or licenses hereby granted shall nevertheless continue in force as to such one of the Railroads for which such consents shall have been given.

The Subway Company covenants that it will be diligent in prosecuting applications for the consents aforesaid, but if it shall not have secured the same within the period of one year after its acceptance as aforesaid of this certificate, then and in such case the Subway Company shall, after a written notice of three (3) months to the Commission, be released from its obligations hereunder as to such one of the Railroads for which such consents shall not have been given, unless within such three (3) months, or within such further period to be prescribed by the Commission, such consents shall have been given.

III.

The Subway Company shall begin the construction of each of the Railroads (except the third track) within six (6) months after it shall have obtained the consents therefor, as aforesaid, and within two (2) years thereafter shall complete the construction of the same and begin the operation thereof.

In case the Subway Company, within the said period of six (6) months after it shall have obtained the consents necessary as aforesaid, shall not have begun the actual construction of each of the Railroads, or if, after having begun, it shall suspend the same prior to the completion thereof for a period exceeding three (3) months, or if it shall not complete such construction and begin the operation of each of the Railroads within the said period of two (2) years, then and in either of such cases the authorizations or licenses hereby granted, or any part thereof, may be forfeited.

The Commission, nevertheless, shall have the power, upon reasonable cause shown, to extend by resolution any of the periods in this article prescribed. Additional time shall be allowed by way of extension of any period of such commencement of construction, or for the completion thereof, or for the commencement of operation of either of the Railroads, equal to the total period of delay caused by strikes, injunction or by necessary proceedings for condemnation of real estate, easements or other property, or by other causes beyond the control of the Subway Company, so far as such strikes, injunctions or proceedings, or such other causes, shall necessarily prevent the Subway Company from prosecuting such construction, but no delay shall be so allowed for unless, during the delay, such proceedings shall be diligently prosecuted by or for the Subway Company; and provided, further, that in no case shall such delay be deemed to begin until the Subway Company shall have given written notice to the Commission of the injunction or other occasion of delay and delivered to the Commission copies of the injunction or other orders and of the papers upon which the same shall have been granted, and unless, upon the request of the Commission, the Subway Company shall in writing consent that the Commission, either in its own name as a party or in the name of the City as a party, may intervene in any such injunction proceedings, or other suit or proceeding; and provided, further, that in case of forfeiture of any part of the authorizations or licenses the Subway Company shall have no right to any return of payments which it shall have made to the City by way of rental or otherwise.

The construction of the third track on either Line (or any portion thereof) respectively may be deferred during such time as shall be approved by the Commission provided, however, that after the Subway Company shall have obtained the consents aforesaid, the Subway Company shall begin the construction of the said third tracks within six (6) months after it shall be directed to begin the construction thereof by the Commission, and within two (2) years thereafter shall complete the same and begin operation thereof.

IV.

The maps and profiles of the Railroads, herewith attached, bearing the general title, "State of New York, Public Service Commission for the First District, Engineering Department," signed by the Engineer, dated January 25, 1913, and numbered and designated respectively:

File No. 3, Drawing No. 125, Map and Profile of the Jamaica Line of the New York Municipal Railway Corporation.

File No. 3, Drawing No. 127, Map and Profile of the Liberty Avenue Line of the New York Municipal Railway Corporation. The same shall be substantially followed, but deviations therefrom not inconsistent with the other provisions hereof may be permitted by the Commission.

The Railroads, with necessary sidings, turnouts and switches, shall follow the general design of the elevated railroads known as the Van Cortlandt Park Extension heretofore constructed under the contract dated February 21, 1900, for the construction, equipment and operation of the Manhattan-Bronx Rapid Transit Railroad.

The sidings constructed shall be such as the Commission shall approve as necessary for the convenient operation of the Railroads and shall not exceed in length, for any line of the Railroads, one-quarter of a mile for each mile of railway of such line. No crossing is to be made at grade between tracks of diverging lines without the approval of the Commission.

The columns supporting the superstructure of the elevated portions of the Railroads except as hereinafter otherwise provided, may be placed within the roadway, but not less than thirteen (13) feet from the curb lines upon either side; the interior

transverse distance between the columns shall not be less than twenty-three (23) feet; and the center line of the said elevated structure shall coincide as nearly as may be with the center line of the street. Where, however, the width of the street is not sufficient to provide for a roadway upon each side of the columns or wherever by reason of special or local conditions, it may not in the judgment of the Commission be desirable to locate the columns as herein first provided, the columns may be located either in the roadway or within the curb lines, as may be expressly approved by the Commission.

The tracks of the elevated portions of the Railroads may rest upon longitudinal and transverse girders supported by the said columns, but no portion of the said girders, except with the approval of the Commission, shall approach within fourteen (14) feet of the surface of the roadway.

The structural details employed in constructing the elevated portions of the Railroads shall be substantially similar to the structural details employed in the construction of the said Van Cortlandt Park Extension, except as aforesaid.

All plans and drawings for the construction of the Railroads other than mere shop drawings shall be submitted to and approved by the Commission in advance of construction, and the method of carrying on the work shall be subject to the approval of the Commission. Shop drawings shall so far as possible be filed with the Commission. The right reserved to the Commission to approve the plans and drawings in advance of construction shall include the right to approve or disapprove the precise locations of all tracks, columns, platforms, stations, stairways, escalators or other means of access to the Railroads and all other structures appurtenant thereto encroaching upon the surface of the streets.

The Subway Company shall be authorized to open and occupy so much of the surface of the street or streets affected by this grant and to erect thereon such temporary supports as may be necessary for the purpose of building the said railroad structures; but the Commission may, whenever it deems it advisable, prescribe the manner in which the said work shall be performed. All necessary permits for opening of streets, and other necessary departmental permits, shall be obtained from the President of the Borough or other officer as provided by law.

The City, the Commission and all duly authorized representatives of the City and the Commission, shall have the right at all reasonable times to inspect the Railroads herein authorized, and any part thereof, as well during construction as afterwards, and to enter thereon when necessary, for the examination, supervision or care of any property of the City, or of abutting property owners, or for any proper purpose. Such inspection shall include the inspection and approval of all materials, and the erection thereof, used in the construction of the Railroads. Nothing in this franchise shall be deemed to diminish or affect the sanitary or police jurisdiction which the public authorities shall lawfully have over property in the City.

V.

The Subway Company shall procure all necessary easements and rights, titles and interests in real estate for the construction of the Railroads.

The Subway Company shall make good to the City all physical but not consequential damage which shall be done to the property of the City by the construction or operation of the Railroads, and shall make good to every owner of property abutting upon the Railroads, or which shall be injured by the work of constructing or operating the same, all physical damage which shall be done to such abutting or injured property, through any act or omission of the Subway Company, its successors, assigns, or lessees, or any contractor, sub-contractor or other person employed upon the construction or operation of the Railroads, or any part thereof.

The Subway Company shall in the course of construction at its own expense maintain the care of all street surfaces and surface and sub-surface structures which may be interfered with, and any necessary interference therewith shall be subject to reasonable regulation by the department of the government of the City in control or charge thereof.

VI.

The Subway Company (during the period of joint operation with the Subway Railroads) shall be entitled to charge for a single fare for each passenger for one continuous trip in the same general direction over the Railroads and the additional tracks authorized by a certificate granted by the Commission to the Subway Company bearing even date herewith (hereinafter referred to as the "additional tracks"), the existing railroads and Subway Railroads the sum of five (5) cents but not more, except as otherwise provided in Article LXII of the subway contract. After the end of such period of joint operation the Subway Company shall be entitled to charge for a single fare for each passenger for one continuous trip in the same general direction over the Railroads, the additional tracks and the existing railroads the sum of five (5) cents but not more.

VII.

The Railroads shall be carefully and skilfully operated, according to the highest standards of railroad operation, and with due regard to the safety of the passengers and employees and of all other persons. The Subway Company shall during the term of the grant keep the plant and property (as the words "plant and property" are hereinafter defined) of the Railroads and each and every part thereof in thorough repair, and shall restore and replace every necessary part thereof which may wear out or cease to be useful, so that at all times and at the termination of the grants such plant and property of the Railroads shall be in thoroughly good and solid condition.

The power to be used shall be electricity or compressed air so used as to involve no combustion or impurity of air in cars or any other power of like description approved by the Commission.

The Subway Company may transport over the Railroads passengers and property, provided, however, that the use of the Railroads for the transportation of property shall not to any extent or in any way interfere with the use of the Railroads to their fullest capacity, if required, for the carriage of passengers.

No part of the Railroads, or stations or other appurtenances thereof, shall be used for advertising purposes, except that the Subway Company may use the structure for posting necessary information for the public relative to the running of trains and to the operation of the Railroads; nor shall any trade, traffic or occupation, other than required for the operation of the Railroads, be permitted thereon or in the stations thereof, except such sale of newspapers and periodicals as may, from time to time, always with the right of revocation, be permitted by the Commission. In case the present provisions of the Rapid Transit Act in respect of advertising or the carrying on of any trade, traffic or occupation are amended, the Commission, under rules and regulations to be prescribed by it, may permit the Subway Company to carry on such advertising or such trade, traffic or occupation in accordance with the Rapid Transit Act as it may be amended from time to time.

VIII.

Inasmuch as the City's compensation for the authorizations or licenses hereby given and its exercise of its right to take over the plant and property of the Railroads will be affected by the amount of the Subway Company's expenditures on account of constructing, equipping, maintaining and operating the Railroads, the Subway Company shall strictly comply with the provisions hereof for assuring to the Commission supervision by it of all operations of the Subway Company. The Subway Company shall, therefore, in addition to providing facilities for inspection as hereinbefore provided, provide the Commission with all facilities necessary or convenient to afford the Commission full and complete supervision of all operations of the Subway Company in or about the enterprise of constructing, equipping, maintaining and operating the Railroads. The Subway Company and any construction or supply company controlled by the Subway Company or by any company directly or indirectly controlling the Subway Company or affiliated with the Subway Company shall keep suitable and proper books, records and memoranda of all operations with contractors, bankers, or persons furnishing labor, material, money or supplies and all contracts directly or indirectly affecting the actual cost of the plant and property of the Railroads and directly or indirectly affecting the equipment, maintenance or operation of the Railroads, showing in detail such cost to the Subway Company, or to any such construction company, including any additions constructed or provided from time to time, and shall afford access to and permit the examination, use and production of any such books, records, memoranda or contracts to the extent that the same have to do therewith.

The Lessee shall (except in such cases where permission to do otherwise is expressly granted from time to time by the Commission by a resolution entered in its minutes) before entering into any contract, agreement, mortgage or undertaking having to do with the constructing or equipping of the Railroads, submit the same to the Commission for its approval and the Commission may as a condition of its approval require the insertion of such terms and conditions therein as it may deem necessary. The Commission may further require the Subway Company before entering

into any agreement having to do with the construction or equipment of the Railroads to ask for proposals upon form of contracts satisfactory to the Commission, in a specific manner and for a specified time.

Any contract, agreement or undertaking having to do with the maintenance or operation of the Railroads extending beyond a period of one year or involving an expenditure in excess of Fifty Thousand (\$50,000) Dollars (and any other contract, agreement or undertaking having to do with the maintenance or operation of the Railroads which the Subway Company shall desire to make subject to the approval of the Commission) shall be entered into by the Subway Company subject to the approval of the Commission, which approval shall be evidenced by entries in its minutes. Any payments made under any such contract so approved by the Commission shall not be subject to objection under the provisions hereinafter contained unless the payments thereunder shall not be in accordance with the terms of such contract. The provisions of this paragraph shall also apply to all contracts, agreements or undertakings of the character specified in this paragraph entered into after the date hereof which are to continue in force after the beginning of operation.

No contract, agreement or undertaking affecting the maintenance or operation of the Railroads (except mortgages, assignments, leases, trackage agreements, power and advertising contracts, agreements amending or supplementing this certificate, or the Subway Contract or the certificate for additional tracks bearing even date herewith, and any contracts, agreements or undertakings amending, supplementing or extending any such instruments) shall extend over a period in excess of five (5) years.

The Commission may, whenever it deems advisable, establish a system of accounts to be used by the Subway Company in connection with the construction, equipment, maintenance and operation of the Railroads and may prescribe the manner in which such accounts shall be kept. It may also in its discretion prescribe the form of accounts, records and memoranda to be kept by the Subway Company in connection with the construction or equipment, maintenance and operation of the Railroads, including the accounts, records and memoranda of the movements of traffic as well as the receipts and expenditures of moneys. Reasonable notice of alterations by the Commission in the required method or form of keeping a system of accounts shall be given to the Subway Company by the Commission. The Commission shall at all times have access to all such accounts, records and memoranda kept by the Subway Company and may designate any of its officers or employees who shall thereupon have authority under the order of the Commission to inspect and examine any and all accounts, records and memoranda kept by the Subway Company. The Commission may, after hearing, prescribe by order the accounts in which particular outlays and receipts shall be entered, charged or credited.

The Commission may from time to time adopt regulations, which shall be evidenced by entries in its minutes, which the Subway Company shall strictly comply with, as to the form of all vouchers and payrolls having to do with the actual cost of the plant and property of the Railroads, and with the cost of maintaining and operating the Railroads, to the end that the cost data relating to various divisions of the enterprise of constructing, equipping, maintaining and operating the Railroads can, at all times, be promptly and accurately determined and the property identified.

No payment, credit, compensation or concession of whatsoever character having in any way to do with the actual cost of the plant and structure and equipment of the Railroads shall be determined to be part of the actual cost of the plant and structure and equipment unless the Subway Company upon making such payment, credit, compensation or concession shall forthwith file with the Commission a duplicate voucher credit slip or other original evidence thereof.

The Commission may object to any expenditure, as unreasonable or improper, made or to be made by the Subway Company in connection with maintaining and operating the Railroads by notice thereof to the Subway Company. If the objection by the Commission refers to an expenditure already made, the Subway Company forthwith upon receipt of notice shall remove the amount from the account or accounts to which it had been charged and hold the same in a suspense account until the item in dispute is adjudicated. If the objection refers to an expenditure to be made, the Subway Company, if it make such expenditure, shall charge to and hold the same in a suspense account until the item in dispute is adjudicated. In case the Commission and the Subway Company are unable within five (5) days after the delivery of such notice, Saturdays, Sundays and Holidays excepted, to agree upon the reasonableness and propriety of such expenditure, the same shall be determined by arbitration or by the Court. Such arbitration shall be conducted in accordance with the provisions herein-after contained except that the period for the appointment of arbitrators as herein-after prescribed shall for the purposes of all arbitration under this paragraph be reduced to five (5) days—Saturdays, Sundays and Holidays excepted. Such notice of objection shall be given by the Commission within thirty (30) days after the Commission has become cognizant of such expenditure, unless satisfactory reasons are given for any delay. Any such delay shall not excuse the Subway Company from complying with the provisions hereof in respect of the money to be held in reserve, but such delay may be set up by the Subway Company as a defense to the objection, and the adequacy of the reason given for such delay shall be determined by arbitration or by the court. If it be agreed by the Commission and the Subway Company or determined by arbitration or by the court that the expenditure so objected to is reasonable and proper, the amount thereof shall be charged to operating expenses and the interest thereon, if any, shall be charged against interest revenue. If, on the other hand, it be so agreed or so determined that such expenditure is unreasonable or improper, the amount thereof with interest shall be borne by the Subway Company. Similarly, if any expenditure shall be so agreed or so determined to be unreasonable or improper in part, the charges for such part shall be adjusted in the same manner as the charges for the whole amounts as hereinbefore provided.

The Commission contemplates, and the Subway Company hereby approves, the most thorough and minute inspection by the Commission and the Engineer and by their representatives or subordinates, of all work and materials (and of the manufacture or preparation of such materials) entering into the construction and equipment of the Railroads. The Subway Company shall, therefore, at all times give to the Commission and its members, to the Engineer and his assistants and subordinates, and to any person designated by the Commission or its Chairman, all facilities, whether necessary or convenient, for inspecting the materials to be furnished and the work to be done in and about the same. The members of the Commission, the Engineer and any assistant or other person bearing his authorization or the authorization of the Commission or its Chairman shall be admitted at any time summarily and without delay to any part of the work or to the inspection of materials at any place or stage of their manufacture, preparation, shipment or delivery.

The provisions of this article in so far as they provide for supervision of operation shall be inoperative for so long as the compensation to be paid for the Railroads shall not be a portion or percentage of income, earnings or profits.

IX.

The actual cost of the plant and property of the Railroads shall be determined as follows:

The words "Plant and Property" as used herein mean as to any of the Railroads, the equipment and the plant and structure thereof.

The word "Equipment" means as to any of the Railroads, all cars, rolling stock, motors, power sub-stations and the real estate upon which they are built and all wires, cables and conduits suitable to and necessarily provided and used for the purposes of the Railroads not affixed to the railroad structure in streets or on rights of way (including additions), provided, however, that the cars, rolling stock and motors shall be such only as are specially purchased or constructed for use upon the Railroads, which shall at the time of purchase or construction be identified by suitable marking as "extension equipment."

The words "Plant and Structure" mean as to any of the Railroads, the foundations, structures, tracks, stations, terminal rooms, stairways and means of access thereto, consents, easements and rights of way and interests in real estate connected with the railroad as distinguished from the equipment as hereinbefore defined, terminal and storage yards and shops, and signal towers, signal devices contact rails, telephone and telegraph wires, wires, cables and all other fixtures suitable to and necessarily used for the purpose of the Railroads affixed to the railroad structure in streets and on rights of way including additions.

The word "Addition" as used in this article with reference to equipment or plant and structure means a betterment, improvement or addition, made during the term of this grant, ordered or approved by the Commission in advance of the construction or provision thereof, to or of either the equipment or plant and structure as originally completed and put in operation, excluding anything furnished in the nature of repairs, maintenance, replacements or substitution.

The words "Debt Discount and Expense" to mean the actual and necessary expense to the Subway Company (including discounts) involved in the issuance and

disposal of securities issued by the Subway Company to provide means for constructing and equipping the Railroads or for additions, deducting therefrom any premiums received by or on behalf of the Subway Company upon or in connection with the disposal of such securities.

The words "Actual Cost" mean as to any of the Railroads, in respect to the equipment thereof:

(1) The actual and necessary net cost in money to the Subway Company for acquisition, or for all labor and materials entering into the construction, of the equipment and additions thereto from time to time, other than repairs, maintenance, replacement or substitutions.

(2) The actual and necessary net cost in money to the Subway Company of any real estate or interests therein including consents and easements necessarily acquired for the construction or operation of equipment or such additions thereto, other than replacements or substitutions together with the actual and necessary expenses in connection with such acquisition.

(3) The debt discount and expense actually and necessarily incurred in connection with the equipment and additions thereto from time to time, provided, however, that the debt discount and expense, except in the case of additions, shall not exceed an amount equal to three per centum (3%) of the actual cost of equipment including in such actual cost the expenditures under this paragraph.

(4) Taxes and assessments actually and necessarily paid or accrued upon the items of this definition pending the beginning of operation, including in the word "taxes", assessments or other governmental charges (including mortgage recording tax) of every description against the Subway Company in and about the construction or acquisition of Equipment and additions thereto from time to time. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to such actual cost.

(5) The actual and necessary net cost in money to the Subway Company for superintendence, insurance, damages, engineering, legal expenses, insurance and administration in and about the acquisition or construction of equipment or such additions thereto, including in respect of equipment (exclusive of additions) the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Subway Company, prior to the date of this certificate and in addition the actual and necessary expense incurred or payable by the Subway Company in printing, engraving and certifying securities for equipment, (exclusive of additions) and the actual and necessary expense in organizing the Subway Company.

(6) Interest actually and necessarily paid or accrued on moneys provided by the Subway Company or on its behalf from time to time for the items of this definition from the respective times of providing said moneys (but not including interest on any moneys provided by the Subway Company or on its behalf prior to October 1, 1912) to the beginning of operation of the part of the equipment for which such moneys were provided, less any interest received by the Subway Company or on behalf of the Subway Company on such moneys.

Provided, however, that the actual and necessary net cost in money of all replacements, substitutions or renewals not due to wear and tear from operation and necessitated by the reconstruction of parts of the existing structures of the said Subway Company for the purpose of physically connecting the same with the Railroads shall be deemed to be included in the foregoing definition of actual cost of equipment.

The words "ACTUAL COST" mean as to any of the Railroads, in respect to the plant and structure thereof:

(1) The actual and necessary net cost in money to the Subway Company of all labor and materials entering into the construction of the plant and structure and permanent additions thereto from time to time other than repairs, maintenance replacements or substitutions.

(2) The actual and necessary net cost in money to the Subway Company of any real estate or interest therein, including consents and easements necessarily acquired for the construction or operation of the plant and structure, or such permanent additions thereto, other than replacements or substitutions, together with the actual and necessary expenses in connection with such acquisition.

(3) The debt discount and expense actually and necessarily incurred in connection with the construction of the plant and structure and additions thereto from time to time, provided, however, that the debt discount and expense, except in the case of additions, shall not exceed an amount equal to three per centum (3%) of the actual cost of the plant and structure including in such cost the expenditures under this paragraph.

(4) Taxes and assessments actually and necessarily paid or accrued upon the items of this definition pending the beginning of operation, including in the word "taxes", assessments or other governmental charges (including mortgage recording tax) of every description against the Subway Company in and about the construction of the plant and structure and additions thereto from time to time. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to such actual cost.

(5) The actual and necessary net cost in money to the Subway Company for superintendence, damages, insurance, engineering, legal expenses and administration, in and about the construction or acquisition of the plant and structure or such additions thereto or the improvements or betterments aforesaid and including in respect of the plant and structure (exclusive of additions) the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Subway Company prior to the date of this certificate and in addition the actual and necessary expense incurred or payable by the Subway Company in printing, engraving and certifying securities for the plant and structure, (exclusive of additions) and the actual and necessary expense in organizing the Subway Company.

(6) Interest actually and necessarily paid or accrued on moneys provided by the Subway Company or on its behalf from time to time for the items of this definition from the respective time of providing said moneys (but not including interest on any moneys provided by the Subway Company or on its behalf prior to October 1, 1912) to the beginning of operation of the part of the plant and structure for which such moneys were provided, less any interest received by the Subway Company or on behalf of the Subway Company on such moneys.

Provided, however, that the actual and necessary net cost in money of all replacements, substitutions or renewals not due to wear and tear from operation and necessitated by the construction of parts of the existing structures of the said Subway Company for the purpose of physically connecting the same with the Railroads shall be deemed to be included in the foregoing definition of actual cost of plant and structure.

If any profit, salvage, rebate or benefit (not including profits from operation) from any source derived shall accrue directly or indirectly to the Subway Company or on its behalf in any manner out of or in connection with the construction or acquisition of such plant and structure or additions thereto, or equipment or additions thereto, then the amount of any such profit, salvage, rebate or benefit shall be deducted from the cost of the other items referred to.

The Engineer shall, within six (6) months after the date of this certificate, render a redetermination in writing in duplicate to the Commission and to the Subway Company of the actual cost of the plant and structure and of the actual cost of equipment paid or accrued prior to the date of this certificate. In the case of all work done after the date of this certificate the Engineer shall, on or about the first days of January, April, July and October, in each year during construction or during the provision of equipment, (including the construction or provision of additions) render a determination in writing, in duplicate, to the Commission and to the Subway Company of the actual cost of the plant and structure and of the actual cost of equipment to the date of the last day of the preceding quarter, including therein separately a determination of the actual cost of the plant and structure and actual cost of equipment during the quarter year immediately preceding the date of such determination. If either the Commission or the Subway Company shall be dissatisfied with the determination of the actual cost of the plant and structure or the actual cost of equipment paid or accrued prior to the date of this certificate or shall be dissatisfied with any such quarterly determination or any item or items thereof it shall within thirty (30) days after the receipt of any such determination file with the Engineer a statement in writing of the item or items objected to and the reasons for such objection. If within such period of thirty (30) days the Commission or the Subway Company shall fail to file such statement with the Engineer, the determination shall be final and conclusive upon the party so failing. If such statement of objections be so filed with respect to the determination of the actual cost of plant and structure or the actual cost of equipment paid or accrued prior to the date of this Certificate, the Engineer shall thereupon reconsider such determination, or any such item or items thereof, so objected to and shall, within thirty (30) days after the filing of such statement, render a redetermination stating his

conclusions as to the item or items so objected to. If such statement of objections be so filed with respect to any quarterly determination of the actual cost of plant and structure or actual cost of equipment paid or accrued after the date of this certificate, the Engineer shall thereupon reconsider such determination, or any such item or items thereof, so objected to and shall state his conclusions thereon in, or at the time of, his determination for the quarter year succeeding the quarter year for which the determination so objected to was made. Any such redetermination shall be final and conclusive unless the Commission or the Subway Company shall within thirty (30) days after the receipt thereof give written notice to the other that it requires the same to be submitted to arbitration or the court as hereinafter provided. In the case of additions, the Engineer shall, in the same manner and subject to the same review as is provided in the case of determinations as to cost, determine the respective dates at which additions are put into operation. Any period of time specified in this paragraph may be extended with the written consent of the Commission and the Subway Company.

No expenditure made by the Subway Company in or about the acquisition or construction of the plant and property of any of said railroads shall be included in or made a part of the actual cost of plant and structure or of equipment thereof for any purpose under this certificate unless the detailed plans are approved as provided in Article IV and the cost and respective dates determined as provided in this Article.

X.
As compensation the Subway Company shall pay to the Comptroller for the period beginning on the day when any part of either of the Railroads is put in operation and ending on the day when the Subway Company shall cease to operate the Railroads in conjunction with the Subway Railroads, a specified part or proportion of the income, earnings and profits which shall be included in the compensation provided for in the subway contract, and determined in accordance with the provisions of the subway contract which, in respect thereto, are as follows:

CHAPTER II.

RENTAL.

"Article XLIX. In consideration of the operation of the Railroad and the Existing Railroads in conjunction with each other for a single fare and of the contribution by the Lessee to or toward the cost of construction of the Railroad as aforesaid, upon the commencement of operation of Subdivisions I and II of the Broadway-Fourth Avenue Line, the gross receipts from whatever source derived directly or indirectly by the Lessee or on its behalf in any manner from, out of or in connection with the operation of the Railroad and the Existing Railroads (hereinafter referred to as the 'revenue') shall be combined during the term of this contract and the City shall receive for the use of the Railroad at the intervals provided a specified part or proportion of the income, earnings and profits of the Railroad and the Existing Railroads. The amount of such income, earnings and profits shall be determined as follows:

"From the revenue the Lessee shall at the end of each quarter year ending December 31, March 31, June 30 and September 30, deduct in the order named:

"1. Such rentals, actually and necessarily payable by the Lessee for the use of property in connection with the Railroad and the Existing Railroads, under contracts or leases approved by the Commission, as are not included in operating expenses as classified in the accounting system prescribed by the Commission.

"2. Taxes, if any, upon property actually and necessarily used by the Lessee in the operation of the Railroad and the Existing Railroads, together with all taxes or other governmental charges of every description (whether on physical property, stock or securities, corporate or other franchises, or otherwise) assessed or which may hereafter be assessed against the Lessee in connection with or incident to the operation of the Railroad and the Existing Railroads. Also such assessments for benefits as are not properly chargeable to cost of construction or cost of equipment.

"3. All expenses, exclusive of maintenance, actually and necessarily incurred by the Lessee in the operation of the Railroad and the Existing Railroads.

"4. An amount equal to twelve per centum (12%) of the revenue for the maintenance, exclusive of depreciation, of the Railroad and Equipment and the Existing Railroads. Such maintenance shall include the repair and replacement of tracks and also other parts of continuous construction and parts of equipment units, but shall not include the replacement of any of the principal parts of the railroad structure and equipment, as such principal parts are from time to time specified and defined by the Commission. If, in any quarter year, such maintenance shall cost less than twelve per centum (12%) of the revenue the unexpended balance shall be transferred to the depreciation funds provided for in paragraph 5 of this article; and if, in any quarter year, such maintenance shall cost more than such twelve per centum (12%) of the revenue an amount equal to the excess may be withdrawn from such depreciation funds and applied to such maintenance.

"5. For the first year of temporary operation an amount equal to three per centum (3%) of the revenue for depreciation of such portions of the Railroad and the Equipment and the Existing Railroads as are not repaired or replaced through the expenditures for maintenance provided for in paragraph 4 of this Article. Prior to the beginning of the temporary operation provided for in Article LII the Commission and the Lessee shall agree upon the classification of such three per centum (3%) to accord with its division into the depreciation funds hereinafter in this article provided for. If prior to the beginning of such temporary operation the Commission and the Lessee are unable to agree upon such classification the same shall be determined by arbitration or by the court. Within thirty (30) days after the thirtieth day of June following the beginning of such temporary operation and annually thereafter the Commission and the Lessee shall determine the classification and amount of depreciation, and excess maintenance not covered by the amount set aside under paragraph 4 of this Article, during the preceding fiscal year, and the deduction for such year shall thereupon be adjusted to conform with such determination. If within such period the Commission and the Lessee are unable to agree upon the classification and amount of depreciation during the preceding fiscal year, the amount thereof shall thereupon be determined by arbitration or by the court. The said three per centum (3%) for the first year of such temporary operation and the amount determined as hereinbefore provided for future years shall be divided in accordance with such classification and paid into three (3) depreciation funds. The first of such funds shall be known as the 'Depreciation Fund for the Railroad and Equipment,' the second of such funds shall be known as the 'Depreciation Fund for the Plant and Property of the Extensions and Additional Tracks,' which shall be the plant and property of the extensions and additional tracks authorized by the Commission by said certificates, and the third of such funds shall be known as the 'Depreciation Fund for Existing Railroads' which shall be the Existing Railroads and equipment thereof other than that covered by the second fund hereinbefore in this article provided for. If necessary the maintenance fund provided for in paragraph 4 shall be similarly divided in accordance with the same procedure as hereinbefore outlined for the depreciation funds. Such funds shall be further divided from time to time as may be necessary. Such funds shall be in charge of and under the control and direction of the Depreciation Fund Board. The cost of all replacements of the principal parts (as such principal parts are from time to time specified and defined by the Commission) of the Railroad and Equipment and of the Existing Railroads due either to wear and tear or to obsolescence, inadequacy or age, and also any excess in the cost of maintenance as provided in paragraph 4 of this article shall be paid from the appropriate fund. When any principal part of the Railroad or Equipment or of the Existing Railroads is retired or withdrawn from service, an amount equal to its cost shall be withdrawn from the appropriate fund and expended on new construction or new equipment. Any salvage or proceeds on parts so retired or withdrawn shall (subject to the provisions of any now existing mortgage or mortgages covering the parts so retired or withdrawn) be paid into the appropriate fund. Any amounts in such funds not currently needed for the purposes herein specified shall be securely invested and reinvested by the Depreciation Fund Board, and all interest and profits accruing thereon shall be returned to the revenue. The Depreciation Fund Board shall have the right to sell investments to meet current needs and for purposes of reinvestment. A permanent record of the depreciation of each class of construction and equipment of the Railroad and the Existing Railroads (as such classes are from time to time defined or specified by the Commission) shall be kept by the Lessee in the form prescribed from time to time by the Commission. At the expiration of the term of the Lease, or upon earlier termination as hereinafter provided, any amount in the Depreciation Fund for the Railroad and Equipment shall be paid to the City or to a new lessee as may be directed by the Commission and any amounts in the

Depreciation Fund for the Plant and Property of Extensions and Additional Tracks and in the Depreciation Fund for Existing Railroads shall be paid to the Lessee. In case the City shall terminate the contract as to a specified portion or portions of the Railroad as hereinafter provided, the Commission and the Lessee shall determine what proportion of the first of such funds shall then be paid over to the City or to a new lessee on account of depreciation of the specified portion (including the Equipment thereof) as to which the contract is so terminated and in case of their failure to agree upon such amount the same shall be determined by arbitration or by the court.

"6. One-quarter ($\frac{1}{4}$) of the sum of three million five hundred thousand dollars (\$3,500,000) to be retained by the Lessee for each quarter year of the term of the Lease as representing the average annual income from the operation of the Existing Railroads during the two years prior to the date of the beginning of initial operation out of which the Lessee shall pay interest charges, on obligations representing capital investment (preceding the date of this contract) in the Existing Railroads.

"7. One-quarter ($\frac{1}{4}$) of an amount equal to six per centum (6%) of (1) the Lessee's contribution toward the cost of construction of the Railroad, (2) the cost of equipment of the Railroad for initial operation, (3) the actual cost of the plant and property of the extensions and additional tracks authorized by the Commission by said certificates, and (4) the cost of Reconstruction of the Existing Railroads for Initial Operation, for each quarter year of the term of the Lease, out of which the Lessee shall set aside amounts sufficient, with interest and accretions thereon, to amortize within the term of the Lease such contribution and such costs. Such payments (subject to the reduction of the cost of construction as herein-after provided) shall continue to be made to the Lessee for each quarter year of the term of the Lease irrespective of whether any part of the cost has been amortized or the bonds issued therefor retired. In the event of the temporary operation of the Railroad or the commencement of the term of the Lease prior to the completion of the Railroad, such one-quarter of six per centum ($\frac{1}{4}$ of 6%) shall be computed upon the basis of the portion of the Lessee's contribution toward the cost of construction of the Railroad, of the portion of the cost of equipment of the Railroad for initial operation, of the portion of the actual cost of the plant and property of Existing Railroads for Initial Operation then in operation. The Lessee shall, however, reduce the cost of construction borne by it and the cost of equipment by the sum of One Million Three Hundred and Thirty Thousand Dollars (\$1,330,000). Such reduction shall be apportioned among (a) the Lessee's contribution toward the cost of construction of the Railroad, (b) the cost of equipment of the Railroad for initial operation, (c) the cost of Reconstruction of the Existing Railroads for initial operation, (d) the cost of Reconstruction of the Existing Railroads for Initial Operation and (e) the actual cost of the plant and property of the extensions and additional tracks (exclusive of additions) authorized by said certificates in the proportion that the cost of each thereof bears to the cost to the Lessee of the whole. Such reduction shall bear interest in the same amount as is paid thereon from and after the beginning of initial operation under the provisions of this paragraph and the amount of such interest when paid shall be paid into the revenue. Such reduction (together with the said interest thereon) shall be accomplished by the Lessee applying thereto the first sums coming to it under the provisions of Article L on account of its fifty per centum (50%) of the income, earnings and profits of the Railroad and the Existing Railroads, provided, however, that the Lessee shall not be required to pay from its share of such income, earnings and profits in any one year an amount in excess of one-fifteenth thereof.

"8. When the Lessee shall provide Additional Equipment for the Railroad (that is, Equipment in addition to that provided for initial operation as indicated by the schedules filed as provided in Article XL, except Additional Equipment belonging to the Extensions, unless the Extensions to which such Additional Equipment belongs shall become a part of the Railroad, as provided in Article LXXII, in which event the sinking funds provided for such Additional Equipment shall be combined with the funds provided for in this paragraph, but the said sinking funds may continue to be separately identified on the books of the Lessee), of Additions to the Existing Railroads, then an amount to be retained by the Lessee equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the Lessee (or, in the event that the Lessee should not borrow money for such purpose, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the average annual rate payable by the Lessee on long term securities issued by it for the purpose of carrying out its obligations under this contract) upon the cost of each additional unit (as the words 'additional unit' are defined in Article LXIX), together with a sum equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of each additional unit, which latter amount shall be paid into a separate sinking fund which with interest and accretions shall be promptly and securely invested and reinvested by it for the amortization of the cost of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts, or interest or accretions thereon, set aside for the amortization of the cost of such additional unit shall be paid into the revenue.

"9. An amount to be paid to the City for each quarter year of the term of the Lease equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last preceding sale by the City of corporate stock or other long term interest bearing securities) upon its share of the cost of construction of the Railroad (exclusive of Additions) together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of construction of the Railroad (exclusive of Additions). Such payments shall continue to be made to the City for each quarter year of the term of the Lease irrespective of whether any part of such share of the cost of construction has been amortized or the bonds issued therefor retired.

"10. An amount to be paid to the City equal to one-quarter ($\frac{1}{4}$) of the annual interest actually payable by the City (or, in the event than any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last preceding sale by the City of corporate stock or other long term interest bearing securities) upon the cost of construction of each additional unit of Additions to the Railroad, together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of construction of each additional unit of Additions to the Railroad to furnish a sinking fund for the amortization of the cost of construction of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts, or interest or accretions thereon, set aside for the amortization of the cost of construction of such additional unit shall be paid into the revenue.

"11. One per centum (1%) of the revenue, which shall be paid into a separate fund to be in the charge and under the direction and control of the Depreciation Fund Board and which with interest and accretions shall be securely invested and reinvested by it to provide a contingent reserve fund. When any such fund with interest and accretions shall equal one (1%) per centum of the cost of construction and the cost of equipment of the Railroad or of the portion thereof remaining in operation, payments to such fund shall be suspended and interest thereon shall be paid into the revenue. If thereafter such fund shall fall below such one (1%) per centum, payments at the rate aforesaid shall be resumed until the fund with interest and accretions again equals such one (1%) per centum. Such fund shall be used to meet deficits in operation and the payment of the various obligations and deductions hereinbefore in this Article referred to and for such other purposes as may from time to time be approved by the Commission. At the end of the term, or sooner termination thereof, any balance in this fund, after the payment of any claims against the Lessee arising out of operation, shall be paid into the revenue.

"12. The amount remaining after making all such deductions shall be deemed to be the income, earnings and profits of the Railroad and the Existing Railroads.

"Article L. Of the income, earnings and profits of the Railroad and the Existing Railroads fifty (50) per centum shall be paid to the City and the remaining fifty (50) per centum shall be retained by the Lessee.

"Article LI. If in any quarter year the revenue shall be insufficient to meet

the various obligations and deductions referred to in Article XLIX, the deficits shall be cumulative and payments of such deficits shall be thereafter made in full before deducting the amounts required in the paragraph of such article, succeeding the paragraph providing for the payment of the obligation or deduction as to which there has been such deficit.

"Article LII. When and as the Commission shall declare parts of the Railroad to be ready for equipment the Lessee shall forthwith equip the same and when declared by the Commission to be ready for operation the Lessee shall forthwith commence the operation of such part or parts in connection with the Existing Railroads, including such part or parts of the extensions and additional tracks authorized by said certificates as may have been completed and may be ready for operation. The earnings of such part or parts shall be combined with those of the Existing Railroads and the revenue shall be distributed as provided in Articles XLIX, L and LI, except that the deductions provided for in paragraphs 7 and 9 of Article XLIX shall be computed on the basis of the cost of construction and the cost of equipment of such part or parts of the Railroad and such part or parts of the plant and property of the extensions and additional tracks authorized by said certificates and such part or parts of the Reconstruction of the Existing Railroads for Initial Operation as are placed in operation and except further that any deficit in the payments required to be made to the City instead of being cumulative shall be added to the cost of construction of the Railroad.

"Provided, however, that if the term of the Lease shall not begin on the first day of January, 1917, as provided in Article XLVIII the Lessee shall have the right upon giving thirty (30) days' notice in writing to the Commission to terminate the arrangement hereinbefore in this article provided in respect of temporary rental. In case of such notice being given the arrangement hereinbefore in this article provided for in respect of temporary rental shall on the expiration of such thirty (30) days cease and the City shall thereafter receive as compensation for the use of such part or parts of the Railroad and such part or parts of the said extensions and additional tracks as shall have been declared completed and ready for operation under the provisions of this article either a specified sum of money or a specified part or proportion of income, earnings or profits of such part or parts of the Railroad and such part or parts of the said extensions and additional tracks or both a sum of money and a part or proportion of the income, earnings or profits of said part or parts of the Railroad and such part or parts of the said extension and additional tracks as shall be agreed upon by the Commission (with the approval of the Board of Estimate) and the Lessee or if the Commission (with such approval) and the Lessee are unable to agree thereon within thirty (30) days after such notice takes effect as hereinbefore provided such compensation shall be determined by arbitration or by the court.

"Article LIII. The funds provided for in paragraphs 5 and 11 of Article XLIX and the depreciation funds provided for in paragraph 1 of Article LXX shall be in the charge of and under the control and direction of a Board to be known as the Depreciation Fund Board and to be organized and constituted as follows: Before the beginning of operation of any part of the Railroad the Commission and the Lessee shall each name an individual to be a member of such board. Within fifteen (15) days thereafter the Commission and the Lessee shall agree upon the third member of such board or in the event of their failure to so agree within such time, the third member upon the application either of the Commission or of the Lessee shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within thirty (30) days after being requested by either the Commission or the Lessee to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then the third member shall be nominated upon the request either of the Commission or the Lessee and within a period of fifteen (15) days by any Associate Judge of the said Court of Appeals in the order of seniority. In the event of a vacancy in the office of any of the members of the board the successor shall be chosen in the same manner as above provided in case of the original nomination. Such Depreciation Fund Board shall administer the funds provided for in the paragraphs of Articles XLIX and LXX referred to and the members thereof shall receive as compensation for their services such amount and shall be appointed for such period as may from time to time be agreed upon by the Commission and the Lessee and such amount shall be included as part of the operating expenses referred to in paragraph 3 of Article XLIX. The Lessee shall also pay and include as part of such operating expenses the actual and necessary expenses of such Depreciation Fund Board, including clerical and office expenses.

* * * * *

"Article LVII—In case of the termination of this contract separately as to any of the Lines of the Railroad (or of Extensions which become part of the Railroad for purposes of rental as provided in Article LXXII) and in case such terminations do not involve a readjustment of the rental as provided in Article LXXIX, the deductions from revenue provided in Article XLIX shall continue to be made as to the Line or Lines (or as to such Extensions) and the Additions thereto, remaining after such termination, but the deductions provided for in paragraphs 7, 8, 9, 10 and 11 of Article XLIX shall then be made upon the basis of the cost of construction and the cost of equipment remaining after apportioning such cost of construction and cost of equipment between the several Lines of the Railroad as provided in Article LXXV."

All payments to be made to the City shall be made on or before the 30th days of January, April, July and October in each year during the term of the authorizations or licenses hereby given. Receipts and interest and accruals shall be pro-rated and if necessary adjusted in the payments for the quarter year succeeding the quarter in which they are actually paid. Any other adjustment of payments or deductions that is necessary shall be made (for the whole of the year preceding) as of the end of the fiscal year.

The amount payable to the City shall be paid to the Comptroller at the time specified in the last preceding paragraph and the Subway Company shall, if the compensation to be paid for the Railroads shall be a portion or percentage of income, earnings or profits, deliver to the Commission and to the Comptroller at the time of each payment a statement in the form and with details to be prescribed by the Commission showing the receipts and disbursements of the Subway Company for the preceding quarter. Such statement shall be verified under oath by the officer of the Subway Company having charge of the books and accounts of the Subway Company or, in case of his absence or inability, then by its President or other chief officer or manager.

The Comptroller and the Commission shall have the right to verify any of the said statements by an examination of the Subway Company's and any of the subcontractors' books, records and memoranda and the examination under oath of any of its officers or servants; and the Subway Company hereby covenants that it will require its officers and servants to submit to such examination and produce such books, records and memoranda whenever and wherever they may be required by the Commission or the Comptroller.

In case the City shall terminate the Subway Contract as to the Broadway-Fourth Avenue Line, as therein described, in advance of terminating it as to the entire Subway Railroads, or in advance of terminating it as to either the Railroads or the additional tracks authorized by certificate bearing even date herewith, the rental of the Line or Lines or Extensions of the Subway Railroads remaining after such termination and the Railroads and such additional tracks shall upon demand of either the Commission or the Subway Company by written notice delivered to the other at least six months in advance of the time when under the notice provided for, the termination shall take effect, be readjusted. The amount of such rental for the remaining Line or Lines or Extensions of the Subway Railroads and for the Railroads and additional tracks shall be reasonable and if not agreed upon by the Commission, with the approval of the Board of Estimate, and the Subway Company, within three months from the date of the receipt of such notice requiring readjustment, the amount of the rental for the Line or Lines or Extensions of the Subway Railroads remaining after such termination takes effect and the rental for the Railroads and said additional tracks shall be determined by arbitration or by the court. If such rental shall not be determined prior to the time when such termination takes effect the rental for the remaining Line or Lines or Extensions of the Subway Railroads and for the Railroads and said additional tracks pending such determination shall be one-half ($\frac{1}{2}$) of the amount remaining after making the deductions provided for in this Article from the revenue of the existing railroads, the remaining Line or Lines or Extensions of the Subway Railroads and the Railroads and said additional tracks. After the determination of the rental such temporary payments shall be adjusted to conform thereto with interest from the date when such termination takes effect.

The amounts to be paid by the Subway Company as aforesaid shall be readjusted if and when the Subway Company shall cease to operate the Railroads, the additional tracks and the existing railroads in conjunction with the Subway Railroads and shall thereafter be readjusted at intervals of twenty years. The annual amounts to be paid by the Subway Company for each and every period of twenty years after the period herein provided for shall be determined as follows, to wit: Each such determination shall be had upon the application of either the Subway Company or the Commission. Such application shall be made at any time not earlier than two years and not later than one year before the expiration of each successive period. If the Subway Company and the Commission shall agree upon the compensation to be paid for the ensuing period, their determination shall be expressed in writing, and when approved by the Board of Estimate shall be binding upon both parties. If the Subway Company and the Commission shall not reach an agreement, or if the Board of Estimate shall not approve such agreement, on or before a date one year prior to the expiration of any period as to the compensation to be paid for the ensuing period, then the annual rate of compensation for such succeeding twenty years' period shall be reasonable; and the Commission and the Subway Company shall be bound, upon request of either, to submit the determination of such rate of compensation to arbitration, or to the Court, as provided in Article XIII hereof. If in any case the annual rate for a succeeding period shall not be fixed prior to the commencement of the said period, the Subway Company shall pay the same rental as for the preceding period until such time as the new rental shall be determined; and upon the determination of the new rental the difference between the old and the new rate shall be adjusted and paid between the parties.

The City shall have a lien upon the authorizations or licenses hereby granted and upon the plant and structure erected thereunder of the Subway Company, to secure the payment of such compensation.

In case of any failure to make such payment as herein prescribed, the lien aforesaid may be enforced by the Commission by foreclosure or other proper proceeding by sale of such authorizations or licenses and property. The Commission may, in its own name or in the name and behalf of the City bring action for specific performance or by mandamus or injunction or otherwise compel the performance by the Subway Company of the duties and obligations imposed upon it under the terms of this certificate. And the Commission may, in behalf or in the name of the City, bring any action or proceeding to enforce the said lien of the City, or to enforce any provision of this certificate in the manner provided by Section 9 of the Rapid Transit Act or any other proper action or proceeding.

XI

The authorizations or licenses hereby given for the Jamaica Line and the Liberty Avenue Line are separate grants, and the City, acting by the Commission or by such other board or boards as may be thereunto empowered, may terminate any such authorization or license and may purchase and take the plant and property as hereinbefore defined of such line or lines for which the authorization or license is so terminated at any time after the expiration of ten years from the date when operation of any part of the line for which the authorization or license is so terminated shall actually begin. In case it is determined to so terminate any or all of the authorizations or licenses hereby granted as hereinbefore provided, at least one year's notice thereof in writing shall be given to the Subway Company.

Such right of termination shall, however, be upon condition that the City shall pay an amount for said plant and property as property excluding any value for the authorization or license hereby granted, to be determined as follows:

Upon termination as hereinbefore provided of the authorization or license of either of the Railroads the City shall pay as to the same, as follows:

(1) For the plant and property thereof (other than additions as hereinbefore defined) the percentage of the actual cost of the plant and property (other than additions) indicated in the following schedule:

Schedule

If terminated at—	Percentage to be paid by City
10 years.....	115
11 years.....	74-75ths of 115
12 years.....	73-75ths of 115
13 years.....	72-75ths of 115
14 years.....	71-75ths of 115
15 years.....	70-75ths of 115
16 years.....	69-75ths of 115
17 years.....	68-75ths of 115
18 years.....	67-75ths of 115
19 years.....	66-75ths of 115
20 years.....	65-75ths of 115
21 years.....	64-75ths of 115
22 years.....	63-75ths of 115
23 years.....	62-75ths of 115
24 years.....	61-75ths of 115
25 years.....	60-75ths of 115
26 years.....	59-75ths of 115
27 years.....	58-75ths of 115
28 years.....	57-75ths of 115
29 years.....	56-75ths of 115
30 years.....	55-75ths of 115
31 years.....	54-75ths of 115
32 years.....	53-75ths of 115
33 years.....	52-75ths of 115
34 years.....	51-75ths of 115
35 years.....	50-75ths of 115
36 years.....	49-75ths of 115
37 years.....	48-75ths of 115
38 years.....	47-75ths of 115
39 years.....	46-75ths of 115
40 years.....	45-75ths of 115
41 years.....	44-75ths of 115
42 years.....	43-75ths of 115
43 years.....	42-75ths of 115
44 years.....	41-75ths of 115
45 years.....	40-75ths of 115
46 years.....	39-75ths of 115
47 years.....	38-75ths of 115
48 years.....	37-75ths of 115
49 years.....	36-75ths of 115
50 years.....	35-75ths of 115
51 years.....	34-75ths of 115
52 years.....	33-75ths of 115
53 years.....	32-75ths of 115
54 years.....	31-75ths of 115
55 years.....	30-75ths of 115
56 years.....	29-75ths of 115
57 years.....	28-75ths of 115
58 years.....	27-75ths of 115
59 years.....	26-75ths of 115
60 years.....	25-75ths of 115
61 years.....	24-75ths of 115
62 years.....	23-75ths of 115
63 years.....	22-75ths of 115
64 years.....	21-75ths of 115
65 years.....	20-75ths of 115
66 years.....	19-75ths of 115
67 years.....	18-75ths of 115
68 years.....	17-75ths of 115
69 years.....	16-75ths of 115
70 years.....	15-75ths of 115
71 years.....	14-75ths of 115
72 years.....	13-75ths of 115
73 years.....	12-75ths of 115

If terminated at—	Percentage to be paid by City
74 years.....	11-75ths of 115
75 years.....	10-75ths of 115
76 years.....	9-75ths of 115
77 years.....	8-75ths of 115
78 years.....	7-75ths of 115
79 years.....	6-75ths of 115
80. years.....	5-75ths of 115
81 years.....	4-75ths of 115
82 years.....	3-75ths of 115
83 years.....	2-75ths of 115
84 years.....	1-75ths of 115
85 years.....	0

(2) For additions, as the word additions is hereinbefore defined, to the Railroads, or to either of the Railroads as to which the authorization or license is terminated, the percentage of the actual cost of such of said additions as may have been completed or put in operation within less than thirty-nine years, indicated in the schedule following according to the age of each item as there indicated:

Schedule

Upon termination	Percentage to be paid by City
If on provision.....	107.5
If 1 year after provision.....	106,488 371
If 2 years after provision.....	105,429 144
If 3 years after provision.....	104,320 077
If 4 years after provision.....	103,158 826
If 5 years after provision.....	101,942 936
If 6 years after provision.....	101,669 834
If 7 years after provision.....	99,336 830
If 8 years after provision.....	97,411 054
If 9 years after provision.....	96,479 708
If 10 years after provision.....	94,949 548
If 11 years after provision.....	93,347 390
If 12 years after provision.....	91,669 848
If 13 years after provision.....	89,913 372
If 14 years after provision.....	88,074 250
If 15 years after provision.....	86,148 593
If 16 years after provision.....	84,132 329
If 17 years after provision.....	82,021 194
If 18 years after provision.....	79,810 726
If 19 years after provision.....	77,496 249
If 20 years after provision.....	75,072 871
If 21 years after provision.....	72,535 467
If 22 years after provision.....	69,878 672
If 23 years after provision.....	67,096 857
If 24 years after provision.....	64,184 174
If 25 years after provision.....	61,134 429
If 26 years after provision.....	57,941 187
If 27 years after provision.....	54,597 695
If 28 years after provision.....	51,096 884
If 29 years after provision.....	47,431 351
If 30 years after provision.....	43,593 345
If 31 years after provision.....	39,574 805
If 32 years after provision.....	35,367 074
If 33 years after provision.....	30,961 415
If 34 years after provision.....	26,348 458
If 35 years after provision.....	21,518 450
If 36 years after provision.....	16,461 179
If 37 years after provision.....	11,165 951
If 38 years after provision.....	5,621 569
If 39 years after provision.....	000 000

The above schedule is computed upon the basis of the investment of the deductions from the revenue for amortization in five per cent. (5%) bonds of the Subway Company at one hundred and seven and one-half per centum (107½%) and seven and one-half per centum (7½%) has been added to each outstanding amount to cover premiums that may be payable by the Subway Company as a condition for calling in outstanding bonds. If the amortization funds are invested at a more favorable rate than that above assumed, or if the premiums payable upon outstanding bonds are less than seven and one-half per centum (7½%) then the amount to be paid by the City shall be correspondingly reduced.

(3) From the sum of the percentages so determined there shall be deducted such amount of money as shall be necessary to put such plant and structure in the condition provided for by Article VII of this certificate, to be ascertained in the absence of agreement by arbitration or by the Court as hereinafter provided in Article XIII.

At the option of the City, either at the expiration of a full term of the grant or at the earlier termination thereof, pursuant to notice as aforesaid, the Subway Company may be required to transfer the title, if any, to and possession of the plant and property directly to a new grantee upon his paying the amount to the Subway Company which the City would have been required to pay as aforesaid.

In case the City itself shall take over the plant and property such payment shall be made by a City warrant drawn by the Comptroller, or otherwise, as may then be provided by law. In case the plant and property shall be taken over directly by a new grantee such payment shall be made by a certified check upon a solvent bank or trust company having its main office in New York, drawn by such new grantee, to the order of the Subway Company or by lawful money of the United States of America.

If the amounts to be paid to the Subway Company at the expiration of a full term of a grant or upon any such termination shall not have been finally determined or paid prior to or at the time when a full term is according to this certificate to end or the termination is under the said notice given to take effect, the title, if any, to and right of possession of the plant and property of the lines of the Railroads shall nevertheless pass to the City or to a new grantee, free and clear of all liens or other incumbrances, and the City or such new grantee shall pay to the Subway Company the amount so determined with interest from the date of taking possession, provided, however, that the possession of such plant and property shall not pass to the City or to such new grantee in advance of payment as aforesaid unless the City or such new grantee shall give to the Subway Company a satisfactory bond or bonds in an amount at least equal to the difference between the actual cost of the plant and property and the amount thereof that should be amortized as indicated in the schedules contained herein, and in addition an amount sufficient adequately to protect the Subway Company, which latter amount, if not agreed upon by the Commission and the Subway Company, shall be determined by arbitration or by the court.

Upon the expiration of a full term of the grant, or a termination by notice as aforesaid, the Subway Company shall execute and deliver such instruments as may be either necessary or convenient to assure and perfect the title and the possession of the City or such new grantee in and to the plant and property free and clear of all liens and incumbrances as aforesaid.

The privilege of termination herein reserved by the City may be exercised on its behalf by the Commission, with the approval of the Board of Estimate, or by such other authority representing the City as is now or may hereafter be vested with the necessary power. Upon the exercise of such privilege, the plant and property shall forthwith vest in the City or the new grantee free from all leases, mortgages or other encumbrances whatsoever; and all right, title and interest of the Subway Company therein, shall at once cease and terminate.

In case the City shall terminate an authorization or license or a portion thereof under the privileges herein reserved all payments by way or compensation or otherwise required to be made by the Subway Company, applicable thereto, except for damages for failure to perform any covenants herein required to be performed by the Subway Company, shall cease upon the date of such termination, and upon payment

in full of all compensation up to the date of such termination, the Subway Company shall be relieved from any further payment of compensation in respect to such line or portion thereof except as aforesaid.

It is the intention of the parties that the amount to be paid for plant and property to be ascertained as hereinbefore provided shall be the measure of any payment the City may be called upon to make therefor, but in pursuance of the provisions of Subdivision 1 of Section 34 of the Rapid Transit Act, as it now exists, it is further provided that if at any time in ascertaining the amount to be paid by the City as a condition of a termination of any authorization or license or portion thereof as herein provided or at the expiration of a full term, it shall be necessary that a valuation of any plant, property, equipment, construction or any investment in any part thereof shall be determined, such valuation shall in default of agreement be determined by arbitration or by the court.

XII.

Upon the expiration of a full term of any authorization or license fixed therein, the authorization or license shall end and upon such termination thereof all the rights of property of the Subway Company in the streets, avenues, parkways, highways and public places, shall cease and terminate without compensation, and further, upon such expiration, the plant and property, together with the appurtenances thereto of the Subway Company constructed pursuant to this certificate, except additions as hereinbefore defined, shall become the property of the City without further or other compensation to the Subway Company, and additions as hereinbefore defined shall be and become the property of the City on its paying to the Subway Company for such of said additions as may have been completed or put in operation within less than thirty-nine (39) years the percentage of the actual cost of said additions indicated in the schedule following according to the age of each item as there indicated.

Such schedule is as follows:

Upon expiration.	Percentage to be paid by City.
If on provision.....	100.
If .1 year after provision.....	99,058 595
If 2 years after provision.....	98,073 622
If 3 years after provision.....	97,041 932
If 4 years after provision.....	95,961 699
If 5 years after provision.....	94,830 638
If 6 years after provision.....	93,646 357
If 7 years after provision.....	92,406 354
If 8 years after provision.....	91,108 005
If 9 years after provision.....	89,748 565
If 10 years after provision.....	88,325 161
If 11 years after provision.....	86,834 782
If 12 years after provision.....	85,274 277
If 13 years after provision.....	83,640 346
If 14 years after provision.....	81,929 535
If 15 years after provision.....	80,138 226
If 16 years after provision.....	78,262 631
If 17 years after provision.....	76,298 785
If 18 years after provision.....	74,242 535
If 19 years after provision.....	72,089 534
If 20 years after provision.....	69,835 229
If 21 years after provision.....	67,474 853
If 22 years after provision.....	65,003 416
If 23 years after provision.....	62,415 681
If 24 years after provision.....	59,706 208
If 25 years after provision.....	56,869 237
If 26 years after provision.....	53,898 779
If 27 years after provision.....	50,788 554
If 28 years after provision.....	47,531 985
If 29 years after provision.....	44,122 187
If 30 years after provision.....	40,551 949
If 31 years after provision.....	36,813 772
If 32 years after provision.....	32,899 604
If 33 years after provision.....	28,801 316
If 34 years after provision.....	24,510 193
If 35 years after provision.....	20,017 163
If 36 years after provision.....	15,312 724
If 37 years after provision.....	10,386 931
If 38 years after provision.....	5,229 367
If 39 years after provision.....	000 000

The above schedule is computed upon the basis of the investment of the deductions from the revenue for amortization in five per cent (5%) bonds of the Subway Company at one hundred and seven and one-half per centum (107½%). If the amortization funds are invested at a more favorable rate than that above assumed, then the amount to be paid by the City shall be correspondingly reduced.

From the percentage so determined there shall be deducted such amount of money as shall be necessary to put such plant and property in the condition provided for by Article VII of this certificate, to be ascertained in the absence of agreement by arbitration or by the court as provided in Article XIII.

XIII.

In case it shall be necessary to submit to arbitration any question arising under any provision of this certificate in respect of which it is therein provided an arbitration may be had, such arbitration shall be conducted as follows: Either the City, acting by the Commission, or the Subway Company may give written notice to the other that it requires the matter arising hereunder to be submitted to arbitration, and shall at the same time name an arbitrator, and accompany the notice by a written acceptance by the arbitrator of the nomination. Within thirty (30) days after the receipt of such notice, the party receiving the same shall name an arbitrator, and give written notice of such nomination to the other party, the notice to be accompanied by a written acceptance by the arbitrator of the nomination. If the party to whom notice of arbitration is given shall not so nominate an arbitrator, who shall so accept, then the arbitrator named by the party giving the first notice shall be the sole arbitrator. Any vacancy in the office of an arbitrator so nominated shall be filled by the party which shall have nominated the last incumbent thereof, and within thirty (30) days after receiving from the other party written notice of the vacancy, during which thirty (30) days the running of other periods of time prescribed for or in course of the arbitration shall be suspended. If not so filled, or if written notice of the nomination be not given within such thirty (30) days, the remaining arbitrator shall be the sole arbitrator. The Commission and the Subway Company shall thereupon select a third arbitrator; but if they fail to agree upon such third arbitrator within thirty (30) days after the date of the nomination of the second arbitrator nominated, the third arbitrator shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within fifteen (15) days after being requested by the Commission or the Subway Company to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then an arbitrator shall be named upon the request of the Commission or the Subway Company and within a period of fifteen (15) days by any Associate Judge of said Court of Appeals in the order of seniority. The arbitrators shall hear the parties and their counsel or any statements or evidence which the parties or either of them desire to submit, and may resort to any other sources of information in reference to the question submitted for determination. Within thirty (30) days after the nomination of the third arbitrator, unless such time shall be extended for good cause by written order of the arbitrators or of a majority of them, the arbitrators shall make their determination in writing in duplicate, one to be delivered to the Commission and the other to the Subway Company. In case any vacancy shall at any time occur by reason of the death, resignation or inability to serve of any arbitrator, his successor shall be nominated in the same manner as above provided for the original nomination of such arbitrator. Any determination by a majority of the arbitrators shall be final and conclusive. Every such arbitrator shall be deemed to be employed by both the City and the Subway Company. The fees and expenses of the arbitrators (including necessary expenses for stenographic and clerical services) and the expenses of the parties shall be assessed as the arbitrators consider equitable and as they direct in their award, but such assessments so made shall not be charged to actual cost of equipment, actual cost of plant

and structure or to operating expenses. Every such arbitrator shall, before proceeding to consider the matter, be sworn as nearly as may be in the same manner as the referees in actions at law are required to be sworn. Provided, however, that if in any case, or for any reason an arbitration cannot validly be had as aforesaid, then the City or the Subway Company, if in no way responsible for the failure of the arbitration, may bring such action or suit or proceeding as either of them may be advised for the purpose of determining any of the matters for which an arbitration is herein provided.

XIV.

The authorizations or licenses hereby granted may be enjoyed, as well by the Subway Company itself, as by any lessee, grantee, assignee, transferee or successor thereof; and the Subway Company shall have the right to grant, convey, assign, transfer or mortgage the authorizations or licenses hereby granted, provided, however, that every grantee, assignee, or transferee thereof, not including, however, a mortgagee or mere lessee, but including any purchaser upon foreclosure of, or under or by virtue of any provision of any mortgage or lien, shall be a corporation subject to the laws of the State of New York, and shall upon accepting the grant, transfer, lease or assignment, and before such grant, transfer, lease or assignment shall be valid, assume and agree to perform all of the obligations which by the provisions hereof are assumed by the Subway Company, and no such grant, conveyance, transfer, lease or assignment and no mortgage hereafter made covering the authorizations or licenses hereby granted shall relieve the Subway Company of its obligations hereunder or be valid unless the same shall have been approved by the Commission.

And provided further that, in case the Subway Company, or any successor or future owner of any of the authorizations or licenses shall be consolidated with or merged into any other corporation, the obligations of the Subway Company, or such successor or future owner hereunder shall remain unaffected and the authorizations or licenses shall pass to such new corporation only if the agreement or act of consolidation or merger (which shall not be valid, or of any force or effect unless the same shall have been approved by the Commission) shall effectually provide that the new consolidated or merging corporation shall assume all such obligations, or if such act or agreement shall not so provide, then if and when such new consolidated or merging corporation shall in writing expressly assume such obligations—it being the express intention of this instrument that no change in the incorporation of the Subway Company or of any such successor or future owner or in the ownership or control of the authorizations or licenses hereby granted, or of any of them shall diminish or affect the obligations of the holder of the same.

XV.

The Commission in view of this certificate and in conjunction therewith has awarded or may award, subject to the approval of the Board of Estimate, to the Subway Company

(1) A certificate authorizing additional tracks on the Broadway Line, Fulton Street Line and Myrtle Avenue Line mainly in the Borough of Brooklyn, and wholly in the City of New York, and

(2) A contract under or in pursuance of which a rapid transit railroad may be in part constructed, and may be maintained and operated upon lines known respectively as the Broadway-Fourth Avenue Line, Fourteenth Street-Eastern Line and Culver Line as in the said subway contract described.

It is now agreed therefore, that if said certificate or contract shall not take effect or if the said Subway Company shall be released from such certificate, then this certificate hereby granted shall become null and void and all rights given hereby to the Subway Company shall cease and determine.

In Witness Whereof, this certificate has been prepared by the Public Service Commission for the First District, and is now attested by its seal and by the signature of its chairman, who is its presiding officer, and by the signature of its secretary this day of , 1913.

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT.

By Chairman.

Attest: Secretary.

Approved as to form: JOHN L. O'BRIEN, Acting Corporation Counsel.

State of New York, County of New York, ss.:

On this day of , 1913, in the City of New York, in said county, before me personally appeared Edward E. McCall and Travis H. Whitney, each to me known and known to me to be said Edward E. McCall, the Chairman, and the said Travis H. Whitney, the Secretary of the Public Service Commission for the First District, and the said Edward E. McCall and Travis H. Whitney, being by me duly sworn, did depose and say, each for himself and not one for the other, the said Edward E. McCall, that he resides in the Borough of Manhattan, in the said City; that he is the Chairman of the said Commission, and that he subscribed his name to the foregoing certificate by virtue of the authority thereof; and the said Travis H. Whitney, that he resides in the Borough of Brooklyn, in the said City; that he is the Secretary of the said Commission, and that he subscribed his name thereto by like authority; and both the said Edward E. McCall and Travis H. Whitney that they know the seal of the said Commission and that the same was affixed to the foregoing certificate by the authority of the said Commission and of a resolution duly adopted by the same.

The New York Municipal Railway Corporation hereby accepts the foregoing certificate and all the terms, conditions and requirements thereof.

Dated, New York, 1913.

NEW YORK MUNICIPAL RAILWAY CORPORATION

By President.

Attest Secretary.

State of New York, County of New York, ss.:

On this day of , 1913, in the City of New York, in said county, before me personally appeared Timothy S. Williams and Harry A. Bullock, to me known and known to me respectively to be the said Timothy S. Williams, the President, and the said Harry A. Bullock, the Secretary, of New York Municipal Railway Corporation, and being by me duly sworn they did depose and say, each for himself and not one for the other, the said Timothy S. Williams that he resides at Huntington, in the State of New York, and is the President of the New York Municipal Railway Corporation, the corporation named in and which executed the foregoing acceptance, and that he subscribed his name to the foregoing acceptance by the authority of the Board of Directors thereof; and the said Harry A. Bullock, that he resides in the Borough of Brooklyn, New York City, in the State of New York; that he is Secretary of the said New York Municipal Railway Corporation and subscribed his name to the foregoing acceptance by like authority; and both the said Timothy S. Williams and the said Harry A. Bullock, that they know the seal of the said New York Municipal Railway Corporation; that the seal affixed to such acceptance is such seal, and that the same was affixed to the foregoing acceptance by authority of the Board of Directors of the said New York Municipal Railway Corporation and pursuant to a resolution adopted by the said Board.

Now, therefore, be it

Resolved, That the Board of Estimate and Apportionment of The City of New York by a majority vote, according to the number of votes by law pertaining to each member of the Board, hereby approves the foregoing proposed certificate to the New York Municipal Railway Corporation, and hereby consents to the construction and operation of the railroad extensions, in accordance therewith.

Which was adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

New York Municipal Railway Corporation.

Proposed form of contract for the construction, maintenance, equipment and operation of additional rapid transit railroads known as Broadway-Fourth Avenue Line, Culver Line, Fourteenth Street-Eastern Line, and future extensions in the several boroughs of the city.

The Secretary presented the following:

Public Service Commission for the First District, New York, March 4, 1913.

To the Board of Estimate and Apportionment of The City of New York:

As stated in a communication of this date from the Chairman and the Secretary of the Commission, there is transmitted herewith a copy of a proposed contract between The City of New York, acting by the Commission, and the New York Municipal Railway Corporation, for additional rapid transit railroads.

I also transmit herewith a certified copy of a motion amending the said contract, together with a certified copy of the resolution approving and adopting such contract as amended. Yours very truly, TRAVIS H. WHITNEY, Secretary.

Commissioner Williams moved to amend the contract with the New York Municipal Railway Corporation in the following respect:

Page 84, line 3, Article XXIII; omit first "and" and insert "or."

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify that I have compared the above with the original adopted by said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the Commission, this fourth day of March, 1913.

[SEAL] TRAVIS H. WHITNEY, Secretary.

Whereas, The Commission has determined that the public interests require the entering into a contract with New York Municipal Railway Corporation for additional rapid transit railroads; and

Whereas, Counsel to the Commission has presented a form of proposed contract between The City of New York and New York Municipal Railway Corporation for additional rapid transit railroads;

Resolved, That the form of the proposed contract now submitted by Counsel as amended be and the same hereby is approved and adopted and that the Secretary be and hereby is authorized and directed to transmit the same to the Board of Estimate and Apportionment for appropriate action on its part under the Rapid Transit Act.

Resolved, That, if and when said contract has been approved and consented to by said Board of Estimate and Apportionment, the Chairman be and hereby is authorized and directed to execute the said contract for the Commission in four identical originals and that the Secretary be and hereby is authorized and directed to attest the said contract and to affix thereto the seal of the Commission.

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify, that I have compared the above resolution with the original adopted by the said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the said Commission, this 4th day of March, 1913.

[SEAL] TRAVIS H. WHITNEY, Secretary.

The President of the Borough of Manhattan offered the following:

Whereas, The Public Service Commission for the First District forwarded a communication to the Board of Estimate and Apportionment, transmitting for approval and consent, a proposed contract to be entered into with the New York Municipal Railway Corporation, for additional rapid transit railroads; and

Whereas, Said communication and proposed contract were received by the Board of Estimate and Apportionment at a meeting of said Board duly held on the 6th day of March, 1913; and

Whereas, The contract proposed to be entered into with the New York Municipal Railway Corporation and submitted to this Board for approval and consent, is as follows:

THE CITY OF NEW YORK, BY THE PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT
WITH NEW YORK MUNICIPAL RAILWAY CORPORATION.

CONTRACT NO. 4.

APPROVED AS TO FORM THIS 10TH DAY OF MARCH, 1913.

JOHN L. O'BRIEN, Acting Corporation Counsel.

Agreement, entered into this day of in the year one thousand nine hundred and thirteen between The City of New York (hereinafter referred to as "The City"), acting by the Public Service Commission For The First District (hereinafter referred to as "The Commission"), party of the first part, and New York Municipal Railway Corporation (hereinafter referred to as "The Lessee"), party of the second part.

Whereas, the Lessee is a railroad corporation duly organized and existing under the laws of the State of New York for the purpose of maintaining and operating railroads, including the equipment thereof, constructed pursuant to the provisions of the Rapid Transit Act; and

Whereas, the Lessee has the right and is under obligation by contract to operate railroads wholly within the limits of New York and belonging to the New York Consolidated Railroad Company, which railroads are part of the Existing Railroads as that term is hereinafter defined; and

Whereas, the Lessee has offered to contribute toward the cost of construction and to equip, maintain and operate proposed rapid transit railroads, owned or to be owned by the City, in conjunction with the Existing Railroads for a single fare; and

Whereas, the Commission has determined that the public interests require the entering into a contract with the Lessee for the construction, equipment, maintenance and operation of additional or proposed rapid transit railroads in conjunction with the Existing Railroads for a single fare; and

Whereas, the Board of Estimate has consented to and approved this contract.

Now, therefore, in consideration of the premises and of the mutual stipulations and covenants hereinafter contained, and under the authority of the Rapid Transit Act, the parties hereby do, the City for itself and its successors and the Lessee for itself, its successors and assigns

Agree each with the other as follows:

PART FIRST—GENERAL PROVISIONS.

Chapter I—Outline of Contract and Definitions.

Article I. The Lessee agrees with the City to contribute toward the cost of construction of the Railroad, to equip the Railroad as the several parts thereof are respectively constructed and ready for equipment and thereafter, when equipped, to use, maintain and operate the same in conjunction with the Existing Railroads for a single fare, in accordance with this contract. The City on its part agrees as hereinafter provided that if the Lessee will contribute toward the cost of construction it will construct the Railroad and hereby leases the Railroad to the Lessee for the term of years hereinafter specified but reserves the right upon the terms and conditions hereinafter provided to terminate this contract so far as it relates to the equipment, maintenance and operation of the Railroad at any time after the expiration of ten (10) years from the date when operation of any part of the Railroad shall actually begin; or separately as to any portion as specified in Article LXXV (and any Extensions added thereto) at any time after the expiration of ten (10) years from the date when operation of any part of such specified portion shall actually begin; and separately as to any of the Extensions at any time after the expiration of ten (10) years from the date when operation of any part of such Extension shall actually begin.

Article II. The following words and expressions used in this contract shall, except where by the context it is clear that another meaning is intended, be construed as follows:

1. The word "City" to mean The City of New York, and any other corporation or division of government to which the ownership, rights, powers and privileges of The City of New York under the Rapid Transit Act shall hereafter come, belong or appertain.

2. The word "Commission" to mean the Public Service Commission for the First District, in so far as it acts herein as the agent of the City, and any other board, body, official or officials, to which or to whom the powers belonging to the Commission under the Rapid Transit Act shall, by virtue of any act or acts, hereafter pass or be held to appertain.

3. The word "Lessee" to mean New York Municipal Railway Corporation, party of the second part to this contract, and its successors and assigns.

4. The words "Board of Estimate" to mean the Board of Estimate and Apportionment of the City and any other board, body, official or officials to which or to whom its powers under the Rapid Transit Act shall come to appertain.

5. The word "Comptroller" to mean the Comptroller of the City, and the officer or board to whom or to which his powers under the Rapid Transit Act shall come to appertain.

6. The word "Engineer" to mean the Chief Engineer of the Commission, and any successor or successors duly appointed or, in the event of his absence or disability, any deputy or substitute for him or them who shall be appointed Acting Chief Engineer by the Commission or by its authority.

7. The words "Rapid Transit Act" to mean chapter 4 of the laws of 1891 as heretofore amended or supplemented.

8. The word "Railroad" to mean the rapid transit railroads which are described in Chapter II of this Part, together with all stations and real estate or interests therein.

belonging to and used in conjunction therewith and all appurtenances thereto and all other property provided therefor and actually used thereon or in connection therewith, including trackage rights, tracks, terminals, storage yards and shops provided for the Railroad, excepting however the Equipment. Whenever the word "Railroad" is used in this contract (except in respect of the Lessee's obligation to contribute toward the cost of construction as provided in Articles X to XII inclusive and in respect of the payment of rental as provided in Chapters II and V of Part Third and in respect of termination as provided for in the Lease), it shall be deemed to include not only the rapid transit railroads described in Chapter II of this Part, but also the Extensions and Additions, other than Additions to the Existing Railroads. The word "Railroad" shall also include a railroad right of way, as hereinafter described, over each of the existing bridges over the East River, other than the New York and Brooklyn Bridge on which trackage rights are claimed by the Lessee.

9. The words "Existing Railroads" to mean the railroads and the equipment thereof belonging to New York Consolidated Railroad Company and which the Lessee has the right, and is under obligation to operate, and which are generally described as follows:

Broadway Line.—Beginning at a point in the Borough of Brooklyn at or near the Broadway Ferry and extending thence over Broadway to East New York; thence over Fulton Street to Crescent Street and thence over Crescent Street to Jamaica Avenue.

Fulton Street Line.—Beginning at a point in the Borough of Brooklyn at Fulton Street and the East River and extending thence over Fulton Street to East New York; thence over Snediker Avenue to Pitkin Avenue; thence over Pitkin Avenue to Euclid Avenue; thence over Euclid Avenue to Liberty Avenue and thence over Liberty Avenue to the Borough line between the Boroughs of Brooklyn and Queens.

Myrtle Avenue Line.—Beginning at a point in the Borough of Brooklyn in the Brooklyn terminal of the Brooklyn Bridge and extending thence over Sands and High Streets to Adams Street; thence over Adams Street to Myrtle Avenue; thence over Myrtle Avenue to Wyckoff Avenue.

Lexington Avenue Line.—Beginning at a point in the Borough of Brooklyn at Grand and Myrtle Avenues and extending thence over Grand Avenue to Lexington Avenue and thence over Lexington Avenue to Broadway.

Fifth Avenue Line.—Beginning at a point in the Borough of Brooklyn at Hudson and Myrtle Avenues and extending thence over Hudson Avenue to Flatbush Avenue; thence over Flatbush Avenue to Fifth Avenue; thence over Fifth Avenue to Thirty-eighth Street; thence over Thirty-eighth Street to Third Avenue and thence over Third Avenue to Sixty-seventh Street.

Brighton Beach Line.—Beginning at a point in the Borough of Brooklyn at Franklin Avenue and Fulton Street and extending thence substantially parallel with Franklin Avenue over private property and intersecting streets to Flatbush Avenue; extending thence in a southerly direction over private property to Church Avenue between East Fifteenth and East Sixteenth Streets; thence southerly over private property between East Fifteenth and East Sixteenth Streets to Sheepshead Bay; thence southerly over private property to Brighton Beach and extending thence from Brighton Beach in a westerly direction over private property to a point in Coney Island west of West Fifth Street.

Canarsie Line.—Beginning at a point in the Borough of Brooklyn near Pitkin and Snediker Avenues and extending thence southerly over private property to Canarsie shore.

Sea Beach Line.—Beginning at a point in the Borough of Brooklyn in Fourth Avenue near Sixty-fourth Street and extending thence easterly over private property between Sixty-fifth and Sixtieth Streets to New Utrecht Avenue and extending thence easterly and southeasterly over private property to a point in Coney Island near Surf Avenue and Stillwell Avenue Extended;

together with all stations and real estate or interests therein belonging to or used in conjunction therewith and all appurtenances thereto and all other property to be used thereon or in connection therewith, including the right of the Lessee to operate over the New York and Brooklyn Bridge and other trackage rights, terminals, storage yards and shops and together with the plant and property of the Jamaica Avenue and Liberty Avenue extensions and the Broadway, Fulton Street and Myrtle Avenue additional tracks to be constructed under certificates granted by the Commission to the Lessee and together with the Reconstruction of the Existing Railroads for Initial Operation. The words "Existing Railroads" shall also include (except, as otherwise provided in Article XLIX, in respect of payments from the revenue) Additions to the Existing Railroads and the equipment thereof constructed or provided from time to time in accordance with the provisions of this contract. Such portion of the so-called Brighton Beach property as shall not be necessary for the operation of such railroads and all other real estate or property of said New York Consolidated Railroad Company not required for the operation of such railroads or of the Railroad shall not be deemed part of the Existing Railroads, as the term is herein defined, for the purposes of this contract.

10. The word "Extensions" to mean the rapid transit railroads not described herein for initial construction, equipment and operation but referred to in Chapter V of Part Third which the City may add to the Railroad from time to time during the term of the contract as branches, extensions and additional lines and which the Lessee is obligated to then equip, maintain and operate, together with all stations and real estate or interests therein belonging to and used in conjunction therewith (and provided exclusively therefor) and all appurtenances thereto and all other property provided exclusively therefor and actually used thereon or in connection therewith, including terminals, storage yards and shops, excepting, however, the Additional Equipment for the Extensions. The definitions of the words and expressions: Construction, Equipment, Additions, cost of construction and cost of equipment shall apply to the Extensions.

11. The word "Construction" to mean all work of constructing the Railroad including the doing of work, the providing of materials, the restoration and reconstruction of street surfaces, sewers, and all surface, subsurface and overhead and abutting structures interfered with during the building of the Railroad and all other work to be done or materials to be furnished of every nature whatsoever necessary to the completion of the railroad structure, all tracks (meaning thereby the track structure complete, including all ballast, ties, concrete, rails, special work, spikes, joints, bolts, tie plates, and all other material or apparatus necessary to build the track, but not including electrical or signal material or apparatus), together with all real estate and interests therein necessary to be acquired or extinguished for the purpose of constructing and operating the Railroad.

12. The word "Equipment" to mean all equipment acquired and supplied for use on the Railroad including all rolling stock and appurtenances thereto, whether such cars are used for passengers, freight, express, or any other purpose, all motors, boilers, engines, wires, conductors, ways, conduits (other than any system of ways or conduits built as a part of the permanent railroad structure), mechanisms, machinery, power houses, power sub-stations, all tools, implements and devices of every nature whatsoever used for such generation, transmission, conversion, distribution or utilization of power and for the installation and maintenance of Equipment, all apparatus and all devices for lighting, heating, cleaning, signalling and ventilation (except such chambers and gratings as are built as part of the railroad structure), all pumps, fire alarm and fire prevention systems and appurtenances, and all telephones and telegraph wires or appliances, including all real estate or interests therein used therefor or in connection therewith—whether such Equipment be situated on or near or separate from the railway, provided that the same be acquired and supplied for use in connection therewith or for any of the purposes of the Railroad. Provided, however, that real estate or rights, franchises, easements or privileges therein or thereon acquired for terminals, storage-yards, shops, roadbed, stations, station approaches or otherwise for the Railroad shall not be included in Equipment, but shall be included in Construction.

13. The word "Additions" to mean betterments, additions and improvements to the Railroad and Equipment and to the Existing Railroads and the equipment thereof which are constructed or provided after the commencement of initial operation in accordance with the provisions of Chapters IV and V of Part Third of this contract; but shall not mean repairs, replacements, substitutions or renewals to the Railroad or Equipment, or to the Existing Railroads or the equipment thereof, made after the placing in operation of the portion thereof so repaired, replaced or renewed or for which such new part is substituted. The expression "Additional Equipment" shall be deemed to be synonymous with Additions when Additions is used in respect to equipment or to the equipment of Existing Railroads. The definitions of the words and expressions: Construction, Equipment, cost of construction and cost of equipment, shall apply to Additions and Additional Equipment.

14. The words "Cost of Construction" to mean:

(1) The actual and necessary net cost in money of all labor and materials entering into Construction.

(2) The actual and necessary net cost in money of any real estate or interest therein acquired or extinguished for Construction, including terminals, storage yards and shops, together with the actual and necessary expense in connection with such acquisition or extinction, but there shall not be included in the term "real estate or interest therein" any damages the City may have to pay for acquiring rights or easements for the Railroad in streets under the principles of the decision in *Matter of Board of Rapid Transit Railroad Commissioners (Joralemon Street)*, 197 N. Y., 81. There shall be included, however, damages the City may have to pay for extinguishing rights of light, air, and access in connection with the construction of the elevated portions of the Railroad.

(3) The debt discount and expense in connection with Construction, provided, however, that the debt discount and expense (except in case of Additions) shall not exceed an amount equal to three per centum (3%) of the part of the cost of construction borne by the Lessee, including the cost under this paragraph (3).

(4) The actual and necessary net cost in money to the City for superintendence, insurance, damages, engineering, and legal expenses and administration in and about Construction and Equipment, and in and about the plant and property constructed and provided under the certificates for extensions and additional tracks hereinbefore referred to, including in respect of the cost of construction the expenses above referred to in this paragraph actually and necessarily incurred or payable by the City in and about Construction and Equipment (and such construction and provision of the plant and property of such extensions and additional tracks) prior to the date of this contract.

(5) The actual and necessary net cost in money to the Lessee for superintendence, insurance, damages, administration, engineering and legal expenses in and about Construction including in respect of the cost of construction for initial operation the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Lessee in and about Construction prior to the date of this contract and in addition the actual and necessary expense incurred or payable by the Lessee in printing, engraving and certifying securities for Construction and the actual and necessary expense in organizing the Lessee.

(6) Taxes, assessments or other governmental charges (including mortgage recording tax) of every description against the Lessee actually and necessarily paid or accrued in and about Construction pending the beginning of operation of the part of the Railroad as to which such taxes, assessments or other governmental charges were paid or accrued. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to cost of construction.

(7) Interest actually and necessarily paid or accrued on moneys provided by the City or by the Lessee or on its behalf from time to time for the items of this definition from the respective times of providing said moneys (but not including interest on any moneys provided by the Lessee or on its behalf prior to October 1, 1912) to the beginning of operation of the part of the Railroad for which such moneys were provided, less any interest received by the City or by the Lessee or on behalf of the Lessee on such moneys.

In case any portion of the cost of construction borne by the City shall be met by other than corporate stock or other long term interest bearing securities, the same shall be deemed to bear interest at the rate specified in the last then preceding sale by the City of corporate stock or other long term interest bearing securities.

There shall not be included in the cost of construction and the cost of any repairs, replacements, substitutions or renewals made after the placing in operation of the portion of the Railroad so repaired, replaced or renewed or for which such new part is substituted.

If any increase or profit (other than increase or profit resulting from operation) from whatever source derived shall accrue directly or indirectly to the Lessee or on its behalf in any manner out of or in connection with Construction, then the amount of any such increase or profit shall be applied to reduce the cost of construction. The provisions of this paragraph shall not, however, apply to any profits earned by any construction company, in which the Lessee is interested, which may be the contractor under any contract awarded by the Commission under competitive bidding.

15. The words "Cost of Equipment" to mean:

(1) The actual and necessary net cost in money to the Lessee of the acquisition of or for all labor and materials entering into the building or placing of, the Equipment.

(2) The actual and necessary net cost in money to the Lessee of any real estate or interest therein acquired or extinguished for Equipment together with the actual and necessary expenses in connection with such acquisition or extinction.

(3) The debt discount and expense in connection with Equipment, provided, however, that the debt discount and expense (except in case of Additions) shall not exceed an amount equal to three per centum (3%) of the cost of equipment for initial operation, including the cost under this paragraph (3).

(4) The actual and necessary net cost in money to the Lessee for superintendence, insurance, damages, administration, engineering and legal expenses in and about the provision of the Equipment, including in respect of the cost of equipment for initial operation the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Lessee in and about Equipment prior to the date of this contract, and in addition the actual and necessary expense incurred or payable by the Lessee in printing, engraving and certifying securities for Equipment and the actual and necessary expense in organizing the Lessee.

(5) Taxes, assessments or other governmental charges (including mortgage recording tax) of every description against the Lessee actually and necessarily paid or accrued in and about the provision of the Equipment pending the time when the portions of the Equipment as to which such taxes, assessments or other governmental charges were paid or accrued are placed in operation. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to cost of equipment.

(6) Interest actually and necessarily paid or accrued on moneys provided by the Lessee or on its behalf from time to time for the items of this definition from the respective times of providing said moneys (but not including interest on any moneys provided by the Lessee or on its behalf prior to October 1, 1912) to the beginning of operation of the part of the Equipment for which such moneys were provided, less any interest received by the Lessee or on its behalf on such moneys.

There shall not be included in the cost of equipment the cost of any repairs, replacements, substitutions or renewals made after the placing in operation of the portion of the Equipment so repaired, replaced or renewed or for which such new part is substituted.

If any increase or profit (other than increase or profit resulting from operation) from whatever source derived shall accrue directly or indirectly to the Lessee or on its behalf in any manner out of or in connection with the provision of the Equipment, then the amount of any such increase or profit shall be applied to reduce the cost of equipment.

16. The words "Debt Discount and Expense" to mean the actual and necessary expense (including discounts) involved in the issue and disposal of securities to provide means for Construction or Equipment (or for the Reconstruction of the Existing Railroads for Initial Operation) or for Additions, deducting therefrom any premiums received by or on behalf of the Lessee upon or in connection with the disposal of such securities.

17. The words "Fiscal Year" to mean any year ending June 30.

18. The words "New York" to mean the City of New York according to its boundaries as now or hereafter fixed.

19. The words "Daily Newspaper" to mean any paper regularly published in New York on every day or every day except Sundays and holidays.

20. The word "Notice" to mean a written notice and the word "Direction" to mean a written direction. Every such notice or direction to be served upon the Lessee, or upon any surety, if not delivered personally, shall either be delivered at such office in New York as shall have been designated by the Lessee or surety, or shall be mailed by deposit in the general or any branch post office in New York, postage prepaid, addressed to the office so designated, or to such office as the Lessee shall designate by written notice delivered to the Commission, or if no such office shall have been designated, or if such designation shall have for any reason become inoperative, then addressed to the Lessee at New York. The Lessee may designate any individual, association or corporation who or which may be the trustee under any mortgage executed by the Lessee to provide means for carrying out its obligations under this contract and the address of such individual, association or corporation to whom or to which notice of default or termination pursuant to notice and proceedings in connection with

default or such termination shall be given in addition to the notice of default or termination pursuant to notice and proceedings in connection with default or such termination hereinafter required to be given the Lessee, and in case any such designation of such trustee is made the Commission in the event of default or termination pursuant to notice and proceedings in connection with default or such termination shall also give notice thereof to the trustee so designated. Such delivery or mailing shall be equivalent to direct personal notice.

21. The word "Lease" to mean the provisions of Part Third of this contract as modified or explained by other provisions of this contract.

22. The word "Operation" to mean using, operating and maintaining the Railroad and Existing Railroads according to this contract.

23. The words "Initial Operation" to mean the commencement of operation at the beginning of the term of the Lease of the Railroad, except as to such lines or parts of lines of the Railroad as shall not have been at that time completed and ready for operation, as to which uncompleted lines or parts of lines the words "initial operation" to mean the commencement of operation of such lines or parts of lines respectively.

Article III. This contract is made pursuant to the Rapid Transit Act which is to be deemed a part hereof as if incorporated herein.

Chapter II—The Railroad.

Article IV. The Railroad to be constructed for initial operation and to be equipped, maintained and operated under this contract is that hereinafter described. The Railroad is divided into several lines to be known respectively as the Broadway-Fourth Avenue Line, the Culver Line and the Fourteenth Street-Eastern Line, as follows:

Broadway-Fourth Avenue Line.

The Broadway-Fourth Avenue Line is further divided into subdivisions as follows:

Subdivision I. A two-track railroad beginning at or about the Queensboro Bridge Plaza and Jackson Avenue, where a connection can conveniently be made with other rapid transit railroads in the Borough of Queens; extending thence westerly along and over the Queensboro Bridge Plaza and across the Queensboro Bridge to the Manhattan Approach of the Queensboro Bridge; thence continuing along and across such approach to and under the Manhattan Plaza of the Queensboro Bridge, where the tracks will diverge, one track continuing westerly through 59th Street and one track continuing westerly through 60th Street to and across Fifth Avenue in the Borough of Manhattan, where the two tracks will converge and continue as a two-track underground railroad under 59th Street to Seventh Avenue; thence southerly in Seventh Avenue as a four-track underground railroad to Broadway; thence southerly in Broadway to a point near Canal Street.

Subdivision II. A two-track underground railroad beginning at a point in Broadway near Canal Street in the Borough of Manhattan, where a connection can conveniently be made with Subdivision I above described, and curving thence southeasterly under Broadway, private property and Canal Street into Canal Street and extending thence southeasterly under Canal Street to the Manhattan Approach of the Manhattan Bridge; thence easterly as a four track railroad along and across the main span of the Manhattan Bridge and along and across the Brooklyn Approach of the Manhattan Bridge to a point in the Borough of Brooklyn at or near the intersection of Nassau Street and Flatbush Avenue Extension, and extending thence southeasterly as a four-track underground railroad under Flatbush Avenue Extension to a point therein at or near the intersection of Flatbush Avenue Extension and Willoughby Street.

Subdivision III. A four-track underground railroad, beginning at a point in Broadway near Canal Street, where a connection can conveniently be made with Subdivision I, and continuing thence southerly in Broadway to a point near Park Place; thence southerly as a two-track underground railroad to a point north of Vesey Street; thence westerly through private property, Vesey Street, private property to Church Street and Trinity Place; thence southerly in Church Street and Trinity Place to Morris Street; thence easterly through private property to and under Broadway to Whitehall Street; thence under Whitehall Street to the East River.

Subdivision IV. A two-track underground railroad beginning at a point in the Borough of Manhattan under the East River near the pierhead line, where a connection can conveniently be made with Subdivision V herein described, and extending thence under the East River to a point under waterfront property to and across South Street to Broad Street and under Broad Street and Nassau Street to Park Row; thence under Park Row to a point under the Municipal Building; thence as a four-track underground railroad northerly under Centre Street to a point near Walker Street where the railroad will divide into two branches, one two-track branch curving northeasterly under Centre Street, private property and Walker Street to Canal Street; thence easterly under Canal Street to the approach of the Manhattan Bridge, where a connection can conveniently be made with Subdivision II above described and the second branch running from Centre and Walker Streets northerly as a four-track underground railroad under Centre Street to a point at or near Broome Street; thence curving in a general northeasterly direction under Centre Street and private property into Kenmare Street, formerly Delancey Street Extension and extending thence easterly under Kenmare Street and Delancey Street to the Manhattan Approach to the Williamsburg Bridge and thence as a two-track railroad over the Manhattan Approach to the Williamsburg Bridge and over the main span of the Williamsburg Bridge to the Brooklyn Approach thereto; thence over the Brooklyn Approach of the Williamsburg Bridge to a point where a connection can conveniently be made with the Broadway Line of the New York Consolidated Railroad Company in Broadway in the Borough of Brooklyn.

Subdivision V. A two-track railroad beginning at a point under the East River at or near Whitehall Street extended in the Borough of Manhattan, where connection can conveniently be made with Subdivisions III and IV above described, and continuing thence under the East River and private property to Montague Street in the Borough of Brooklyn, City of New York; thence under Montague Street to Court Street; thence under Court Street, public property, Fulton Street and private property to Willoughby Street; thence under Willoughby Street to Flatbush Avenue Extension in the Borough of Brooklyn, where a connection can conveniently be made with Subdivision VI.

Subdivision VI. An underground railroad beginning at a point near Flatbush Avenue and Willoughby Street in the Borough of Brooklyn, where a connection can conveniently be made with Subdivisions II and V and running thence partly as a four-track and partly six-track underground railroad southeasterly under Flatbush Avenue Extension to a point near Fulton Street; thence curving southerly and southeasterly under Flatbush Avenue Extension, private property, Fulton Street and private property to a point at or near the intersection of Fulton Street and Ashland Place, where the railroad will divide into two branches, one branch running southerly as a four-track underground railroad under Ashland Place and private property, Flatbush Avenue and Atlantic Avenue to Fourth Avenue and thence still southerly under Fourth Avenue as a four-track underground railroad to a point at or near 38th Street and Fourth Avenue, the second branch running as a two-track underground railroad extending under Fulton Street to St. Felix Street and continuing under St. Felix Street to and under private property and intervening streets to Flatbush Avenue; thence southerly in Flatbush Avenue to a point near Malbone Street, where a connection can be made with Brighton Beach Line of the New York Consolidated Railroad Company.

Subdivision VII. A four-track underground railroad, beginning at a point in Fourth Avenue near 38th Street in the Borough of Brooklyn, where a connection can conveniently be made with Subdivision VI, and running thence southerly under Fourth Avenue to 65th Street (where a connection can conveniently be made with an Extension to the Borough of Richmond and with the Sea Beach line of the Existing Railroads) thence continuing southerly under Fourth Avenue as a two-track underground railroad to a point at or near 86th Street in the Borough of Brooklyn.

Subdivision VIII. A three-track railroad, beginning at a point in Fourth Avenue near 38th Street where a connection can conveniently be made with Subdivision VI, and curving thence southeasterly under Fourth Avenue to a point in private property in the block bounded by Fourth Avenue, 38th Street, Fifth Avenue and 39th Street; thence extending southeasterly through private property wholly or partly within the limits of the right of way of the South Brooklyn Railway Company, The Nassau Electric Railroad Company and the Prospect Park and South Brooklyn Railroad Company in the blocks between 38th Street as now existing and proposed and 39th Street, crossing under intersecting streets to a point in the block bounded by 38th Street as proposed, Tenth Avenue, 39th Street, New Utrecht Avenue and Ninth Avenue; thence curving southerly as three-track railroad upon an embankment or viaduct on or over private property to a point at or near Tenth Avenue where the road becomes an elevated structure; thence curving southerly as a three-track elevated structure into and over Tenth Avenue and continuing southwesterly over and along Tenth Avenue to New Utrecht Avenue; thence southerly over and along New Utrecht Avenue to a

point therein at or near 81st Street; thence continuing southerly, over private property, 84th Street, private property, Eighteenth Avenue, 85th Street, private property and 86th Street to a point in 86th Street near Nineteenth Avenue; thence southeasterly over and along 86th Street to a point at or near the intersection of 86th Street with Bay 41st Street; thence crossing southeasterly over private property, Twenty-Sixth Avenue and private property to a point in Stillwell Avenue between its intersection with 86th Street and its intersection with Bay 43rd Street; thence extending southerly over and along Stillwell Avenue to a point at or near Surf Avenue.

Culver Line.

A three-track railroad beginning at a point in private property between Eighth and Ninth Avenues near Thirty-eighth Street in the Borough of Brooklyn, where a connection can conveniently be made with Subdivision VIII of the Broadway-Fourth Avenue Line, and extending thence easterly, in open cut or partly in open cut and partly in subway or tunnel, under private property, Ninth Avenue, private property and Tenth Avenue to a point in private property south of Thirty-seventh Street between Tenth Avenue and Fort Hamilton Avenue; extending thence southeasterly through private property upon embankment or viaduct to a point near Fort Hamilton Avenue where the road becomes an elevated railroad; thence continuing southeasterly as a three-track elevated railroad over private property on the southerly side of Thirty-seventh Street, crossing over intersecting streets, to West Street; thence continuing southeasterly over West Street, private property, Cortelyou Road and private property to Gravesend Avenue; thence continuing southerly over Gravesend Avenue to Shell Road; thence southerly over Shell Road to West Sixth Street; thence southerly over West Sixth Street and private property to a terminus on the north side of Surf Avenue at Coney Island.

Fourteenth Street-Eastern Line.

The Fourteenth Street-Eastern Line is further divided into subdivisions as follows:

Subdivision I. A two-track underground railroad, beginning at a point in West 14th Street at or near Sixth Avenue in the Borough of Manhattan; extending thence easterly under 14th Street to about Avenue D; extending thence under 14th Street and private property to the East River; thence under the East River to a point in North 7th Street in the Borough of Brooklyn; thence under North 7th Street to Metropolitan Avenue; thence under Metropolitan Avenue to Bushwick Avenue; and thence under Bushwick Avenue to a point between Montrose Avenue and Johnson Avenue; thence curving under Bushwick Avenue, Johnson Avenue, private property, Bushwick Place and private property to a point in private property near Johnson Avenue where the road becomes an elevated railroad.

Subdivision II. A two-track elevated railroad beginning at a point in private property near Johnson Avenue in the Borough of Brooklyn where a connection can conveniently be made with Subdivision I above described, and thence curving into Johnson Avenue and continuing over and along Johnson Avenue to Varick Avenue; thence over Johnson Avenue, private property, Stewart Avenue, Ingraham Street, private property, Harrison Place, private property and Flushing Avenue to Wyckoff Avenue; thence over Wyckoff Avenue to Decatur Street; thence curving over Wyckoff Avenue, private property, Albert Street and private property to a point within the limits of the right of way of the Long Island Railroad; thence continuing in a general southerly direction over private property wholly or partly within the limits of the right of way of the Long Island Railroad crossing over the intersecting streets, to a point in Aberdeen Street at or near its intersection with Bushwick Avenue; thence continuing still in a general southeasterly direction and wholly or partly within the limits of the right of way of the Long Island Railroad over Aberdeen Street, Bushwick Avenue, DeSales Place, private property, Eastern Parkway, private property, Stewart Street, private property, Conway Street and private property to a point in Broadway at or near Rose Place, where a connection can conveniently be made with the Existing Railroads.

Article V. The precise number and the general location of tracks and the dimensions and other characteristics of the Railroad are generally indicated on the contract drawings and plans which bear date the 25th day of January, 1913, are stamped with the seal of the Commission, signed by the Engineer, bear the general title: "Contract Drawings, Contract between The City of New York and New York Municipal Railway Corporation for New Rapid Transit Railroads" and are designated and numbered as follows:

Key Map:

File No. 37, drawing No. 1.

Broadway-Fourth Avenue Line:

File No. 37, drawings Nos. 2 to 76 inclusive.

Steinway Tunnel Line—Queensboro Plaza Station:

File No. 37, drawings Nos. 145 and 146.

Culver Line:

File No. 37, drawings Nos. 77 to 89 inclusive.

Fourteenth Street-Eastern Line:

File No. 37, drawings Nos. 90 to 103 inclusive.

Trackage Rights on Steinway Tunnel Line

File No. 37, drawings Nos. 104 to 118 inclusive, and

Typical Drawings

File No. 37, drawings Nos. 122 to 136, inclusive, and 138 to 144, inclusive.

The Railroad is to be constructed generally in accordance with such contract drawings and plans and with the specifications (differing however so far as necessary to care for varying conditions) included in the form of contract adopted by the Commission on September 1, 1910, for the construction of the various sections of the Lexington Avenue Rapid Transit Railroad. The station finish of the subway stations of the Railroad shall in general be similar to the station finish of the portion of the Broadway-Fourth Avenue Line already constructed by the City, and the station finish of the elevated stations of the Railroad shall in general be similar to the station finish of the Van Cortlandt Park Extension of the Manhattan-Bronx Rapid Transit Railroad constructed under the contract dated February 21, 1900, between The City and John B. McDonald. At such places as in the opinion of the Commission the public interests demand the elevated portion of the Railroad shall be constructed upon approved plans involving a more elaborate and ornamental structure with solid floor or such other construction as will in the opinion of the Commission most effectively prevent noise and tremor.

The routes and general plans of the various parts of the Railroad as heretofore adopted by the Commission shall be deemed to be incorporated in this contract as a partial description of the Railroad and its Equipment.

Article VI. The Commission reserves the right during the progress of the work of Construction to make such modifications, alterations or revisions of the plans or changes in the specifications (within, however, the purview of a rapid transit railroad as described in the routes and general plans of the various parts of the Railroad) as may in the judgment of the Commission be found necessary to best serve the public interests.

ARTICLE VII. As, in the opinion of the Commission, the public interest justifies, the following provision, it is further provided:

(a) That the construction of the portion of the Culver Line between Avenue X and Surf Avenue, or any particular part thereof, shall be suspended during the pleasure of the Commission, if the Lessee will provide and keep available for use, in lieu of such portion, a railroad owned or controlled by the Lessee or by New York Consolidated Railroad Company connecting the Culver Line with the Lessee's Union Terminal immediately north of Surf Avenue in Coney Island, which, with the Railroad, less such portion as to which construction is so suspended, shall form a continuous and convenient route.

(b) That the construction of the portion of Subdivision VIII of the Broadway-Fourth Avenue Line between a point near Avenue Y and Surf Avenue shall be suspended during the pleasure of the Commission, if the Lessee will provide and keep available for use, in lieu of such portion of Subdivision VIII, a railroad connecting said Subdivision VIII of the Broadway-Fourth Avenue Line with the Lessee's Union Terminal in Coney Island, which, with the Railroad, less such portion as to which the construction is so suspended, shall form a continuous and convenient route.

Article VIII. The City also agrees to provide the Lessee with trackage rights over a part of the rapid transit railroad to be constructed under a contract between the City and Interborough Rapid Transit Company and over any Extensions of such part for at least half the capacity thereof if required. Such trackage rights shall be part of the Railroad and the Lessee agrees to operate over such part in accordance with such trackage rights in the same manner as any other part of the Railroad. Such part is described as follows:

Subdivision III. A two and three track elevated railroad beginning at or

about the Queensboro Bridge Plaza and Jackson Avenue where a connection can conveniently be made with Subdivision I of the Broadway-Fourth Avenue Line, and thence curving southeasterly over the Queensboro Bridge Plaza and crossing over Jackson Avenue to the Queens Boulevard; thence continuing southeasterly and easterly over and along the Queens Boulevard to a point near Gosman Avenue; thence curving northeasterly over and along Greenpoint Avenue to Greenpoint Avenue; thence continuing northeasterly over and along Greenpoint Avenue to Skillman Avenue; and thence continuing over and along Skillman Avenue to a point at or near Fifth Street where a connection can conveniently be made with Subdivision V hereinafter described (Fifty-ninth Street, Woodside and Astoria Route, Section 36-A).

Subdivision IV. A two and three track elevated railroad beginning at or about the Queensboro Bridge Plaza and Jackson Avenue where a connection can conveniently be made with Subdivision I of the Broadway-Fourth Avenue Line and thence curving northeasterly over the Queensboro Bridge Plaza to a point in Jackson Avenue at or near Skillman Place; thence continuing northeasterly over and along Jackson Avenue to Second (formerly Debevoise) Avenue; and thence continuing northerly over and along Second Avenue to Ditmars Avenue (Fifty-ninth Street, Woodside and Astoria Route, Section 36-B).

Subdivision V. A two and three track elevated railroad beginning at a point in Skillman Avenue at or near Fifth Street at the easterly end of Subdivision III above described and thence extending in a generally easterly direction over Skillman Avenue and Woodside Avenue to Roosevelt Avenue as the same is laid down on the map or plan of The City of New York, and thence continuing easterly over and along Roosevelt Avenue as laid down upon said map or plan to Sycamore Avenue (Roosevelt Avenue Route).

The terms and conditions for the use of such part shall be reasonable and may be agreed upon between the Commission, the Lessee and the Interborough Rapid Transit Company. In the event of a failure to agree upon reasonable terms and conditions, the same shall be settled by arbitration or by the court. The precise terms and conditions for such trackage rights as so agreed upon or so settled shall be embodied in a written agreement, supplementary to this contract, between the City, Acting by the Commission, the Lessee and the Interborough Rapid Transit Company.

Chapter III—Construction of the Railroad.

Article IX. The Railroad will be constructed by the City under separate construction contracts and the Lessee will contribute toward the cost of construction thereof as hereinafter provided and as soon as any part or parts are ready for equipment will equip the same.

Article X. The City agrees that if the Lessee will contribute toward the cost of construction of the Railroad as hereinafter provided it will construct the Railroad with reasonable diligence; provided, however, that as to the following routes forming part of the Railroad, this contract is upon the condition that it shall not become operative or go into effect as to such of the following routes, as the City may be unable to acquire the right to construct by obtaining the consents required by the Rapid Transit Act. The routes referred to are as follows:

Fifty-ninth Street, Woodside and Astoria Route (Route No. 36) as laid out by the Commission by resolutions adopted on October 10, 1911

Whitehall Street-East River-Montague Street Route (Route No. 33) as laid out by the Commission by resolutions adopted on March 28, 1912

Broad Street and Whitehall Street Tunnel Connection (Route No. 45) as laid out by the Commission by resolutions adopted on May 17, 1912

Flatbush Avenue, St. Felix Street, Fulton Street Route (Route No. 46) as laid out by the Commission by resolutions adopted on May 17, 1912

Eastern District Route (Route No. 41) as laid out by the Commission by resolutions adopted on May 20, 1912

Gravesend Avenue Route (Route No. 49) as laid out by the Commission by resolutions adopted on May 20, 1912

New Utrecht Avenue Elevated Line (Route No. 39) as laid out by the Commission by resolutions adopted on May 20, 1912

If such consents cannot be obtained for any route or routes referred to above the Commission will, in lieu of such route or routes as to which such consents shall have been refused, adopt another route or routes as nearly similar thereto in location and extent as may be and endeavor to secure such consents for such substituted route or routes and the provisions of this contract as to the routes referred to above shall be applicable to such substituted routes.

Article XI. As one of the considerations moving to the City and upon the faith of which it makes this contract, the Lessee agrees to contribute toward the cost of construction of the Railroad. The amount of such contribution shall be Thirteen million five hundred thousand (\$13,500,000) dollars, (which includes the sum of One Million Dollars (\$1,000,000) to be contributed by the Lessee through the conveyance to the City of all easements in perpetuity necessary for the portion of the Broadway-Fourth Avenue Line between Fourth and Tenth Avenues, in the Borough of Brooklyn, as such portion is indicated on the plans, including the double track railroad structure and appurtenances thereto already constructed between such avenues) and in addition the amount hereinafter required to be paid by the Lessee on account of the physical connection between Subdivisions I and II of the Broadway-Fourth Avenue Line at Canal Street. Such contribution of Thirteen Million Five Hundred Thousand (\$13,500,000) Dollars (except such amounts as shall be expended on the acquisition of such easements and railroad property and on the items referred to in paragraphs (3), (5), (6) and (7) of the definition of cost of construction and specifically on such other items of the cost of construction as may be approved by the Commission) shall be disbursed in the following manner and by the following method, but the actual application of the Lessee's contribution to particular parts of the Railroad through the manner and method of its disbursement as provided in this Article shall be without prejudice to the apportionment by the Commission of such contribution to the several Lines of the Railroad for purposes of reception in accordance with the provisions of Chapter VI of Part Third of this contract.

Pending the final determination of the amount to be paid by the Lessee under the construction contracts hereinafter referred to, the Lessee shall not be required to enter into construction contracts, under which its aggregate maximum liability (as specified therein), together with the other items of its contribution (accrued or estimated), shall exceed the maximum contribution as herein specified.

The forms of construction contracts, including specifications, involving the use of any part of the Lessee's contribution, together with the contract drawings therefor, will be prepared from time to time by the Commission. The forms of such construction contracts shall be generally similar to those heretofore adopted by the Commission for the construction of the Lexington Avenue Rapid Transit Railroad already under construction (differing so far as necessary to provide for varying conditions), except that the Lessee shall also be a party thereto for the purpose of disbursing its contribution toward the cost construction. Each such contract shall specify an amount to be fixed by the Commission, beyond which the Lessee shall not be liable thereunder. Upon the adoption of the form of contract together with the specifications and contract drawings, the Commission before advertising for proposals shall transmit a copy of the same to the Lessee and within ten days after such receipt or within such further time as the Commission may allow, the Lessee shall return the same to the Commission with its criticisms or suggestions. The Commission shall thereupon consider any such criticisms and suggestions and its decision thereon shall be final and binding upon the Lessee. Proposals for making such contracts shall then be invited by the Commission in the form and manner required by Section 36 of the Rapid Transit Act. As soon as such proposals are received the Commission will consider the same, but the Commission shall not be bound to accept any proposals so received, but may reject all such proposals and readvertise for proposals or may accept any of such proposals as will, in the judgment of the Commission, best promote the public interest, and award the contract accordingly. As soon as the contract is awarded and consented to by the Board of Estimate, the Commission shall transmit to the Lessee three identical originals of the form of contract duly executed by the contractor with its certificate setting forth its action in the premises and stating that the Lessee is required to enter into any such construction contract for the purpose of disbursing part of its contribution toward the cost of construction of the Railroad. The Lessee shall thereupon within a period of ten days cause such form of contract to be duly executed and returned to the Commission for execution by it on behalf of the City and for delivery to the contractor. One such fully executed contract shall be delivered to the Lessee. The Commission all thereupon undertake the sole supervision and direction of the work under such contract.

In order to assist the construction contractor to prosecute his work advantageously, the Engineer shall from time to time, as the work progresses, but not oftener

than once a month, make in writing an estimate in duplicate, such as in his opinion shall be just and fair, of the amount and value of the work done and materials incorporated in the work by the construction contractor according to the terms of his contract. The first such estimate shall be of the amount or value of the work done and materials incorporated in the work since the contractor commenced the performance of the contract on his part. Every subsequent estimate except the final estimate shall be of the amount and value of the work done and materials incorporated in the work since the last preceding estimate was made.

Upon each such estimate being made and certified in writing to the Commission, the Commission shall forthwith prepare and certify a voucher for payment by the Lessee for the proportion of the amount stated in such estimate or certificate, that the amount of the Lessee's maximum liability under such contract shall bear to the total estimated cost to the City, and the Lessee under such contract, less the same proportion of such part thereof as may be retained as security for the due performance of the contract on the part of the contractor under the provisions of the construction contract. The Commission shall thereupon transmit such voucher accompanied by a duplicate original of such estimate to the Lessee for payment and the Lessee within thirty (30) days after the receipt of such voucher shall pay the same to the construction contractor.

Whenever in the opinion of the Engineer the contractor shall have completely performed all work under his contract, the Engineer shall so certify in writing and in duplicate to the Commission and in his certificate shall state from actual measurements the whole amount of work done by the contractor and the value of such work under and according to the terms of the construction contract and also the balance remaining of the maximum amount for which the Lessee is liable under such contract after deducting all such sums as shall theretofore have been paid by the Lessee to the contractor under the provisions of such contract and any other sum or sums which the Engineer shall state in such certificate should be deducted. Upon each such certificate the Commission shall forthwith prepare and certify the final voucher for payment by the Lessee of the balance remaining of such maximum amount, or of so much thereof as may be certified by the Engineer, and transmit the same accompanied by the duplicate original of such final certificate to the Lessee. On or before the expiration of ninety (90) days after the receipt of such voucher and certificate, the Lessee shall pay to the contractor the balance remaining unpaid of such maximum amount as stated in such voucher and certificate.

In addition to the said sum of Thirteen Million Five Hundred Thousand (\$13,500,000) Dollars the Lessee shall also contribute the cost of construction of the physical connection between Subdivisions I and II of the Broadway-Fourth Avenue Line at Canal Street and Broadway, which, with the said sum of Thirteen Million Five Hundred Thousand (\$13,500,000) Dollars, shall constitute the Lessee's contribution toward the cost of construction of the Railroad. The cost of such physical connection, together with all real estate needed therefor, shall be determined by the Engineer, and included in cost of construction. Such cost or so much thereof as shall be paid by the City shall, with interest thereon, be forthwith repaid to the City upon the requirement of the Commission.

Article XII. It is expressly agreed that the contribution of the Lessee to or toward the cost of construction of the Railroad shall not exceed the sum of Thirteen Million Five Hundred Thousand (\$13,500,000) Dollars plus the cost of construction of such physical connection as provided in Article XI. If, after such sum of Thirteen Million Five Hundred Thousand (\$13,500,000) Dollars plus the cost of construction of such physical connection shall have been exhausted, there shall accrue any valid claim against the Lessee in connection therewith, whether by reason of outstanding contracts or otherwise, the City shall, on demand of the Lessee, promptly settle and pay such claim or claims. If the City shall not promptly settle and pay such claim or claims the Lessee, in addition to its other remedies, shall be entitled to deduct the amount thereof with interest from any moneys coming due to the City under the terms of this contract.

Article XIII. In addition to contributing toward the cost of construction of the Railroad and equipping the Railroad and in addition to extending and constructing additional tracks to certain of its lines in accordance with the provisions of said certificates granted by the Commission to the Lessee, the Lessee shall, to the extent permitted by existing rights, and by all such additional rights as may be obtained, prior to the commencement of operation of Subdivisions I and II of the Broadway-Fourth Avenue Line so reconstruct and so add to the Existing Railroads as to, in all respects, adapt them for operation in connection with the Railroad, including therein the elevation or depression in part or in whole of the Sea Beach Line so as to avoid grade crossings and the construction of additional tracks where necessary, the construction of two additional tracks to the Brighton Beach Line between Church Avenue and Malbone Street and the elevation of existing tracks and the construction of two additional tracks between Neptune Avenue and the terminal at Coney Island, the provision of a connection consisting of two elevated tracks from the Myrtle Avenue Elevated Line at or near Wyckoff Avenue to a point approximately one thousand feet east of Fresh Pond Road, the connection of the Myrtle Avenue elevated tracks with the Broadway elevated tracks near the junction thereof, the construction of adequate terminal facilities at Coney Island connecting the Brighton Beach Line, as reconstructed, west of West Fifth Street, with the Sea Beach Line, as reconstructed, near Surf Avenue and Stillwell Avenue, the extension of station platforms, the increase of station facilities of the stations of the Existing Railroads, the strengthening of the Existing Railroads so as adequately to accommodate the Equipment, together with all real estate and all trackage rights and terminals, yards and shops, all of which is referred to as the "Reconstruction of Existing Railroads for Initial Operation." Such reconstruction of the Sea Beach Line, the Brighton Beach Line, the Myrtle Avenue Line and such construction of terminal facilities at Coney Island shall be generally in accordance with plans dated the 25th day of January, 1913, signed by the President of the Lessee, countersigned by the Engineer and entitled, designated and numbered as follows:

New York Municipal Railway Corporation

Proposed Reconstruction of Brighton Beach Line.

File No. 37-A, drawings Nos. 1 to 5, inclusive.

Proposed Reconstruction of Sea Beach Line.

File No. 37-A, drawings Nos. 6, 7 and 8.

Proposed Construction of Myrtle Avenue and Broadway Connection.

File No. 37-A, drawing No. 9.

Proposed Reconstruction of Lutheran Cemetery Line.

File No. 37-A, drawings Nos. 10 and 11.

Provided, however, that the Reconstruction of the Existing Railroads for Initial Operation shall be done under and in accordance with existing rights and in accordance with such additional rights as may be obtained and the provisions of this Article shall not be construed as conferring any additional right or rights upon the Lessee.

The detailed plans for the Reconstruction of Existing Railroads for Initial Operation provided for in this article shall be submitted to and approved by the Commission in advance of construction as complying with the requirements of this article. Shop and working drawings shall be filed with the Commission so far as practicable. The cost of the Reconstruction of the Existing Railroads for Initial Operation shall be determined by the Engineer in the same manner as the cost of construction or the cost of equipment of the Railroad and upon the basis of the definitions of Construction, Equipment, Additions, cost of construction and cost of equipment contained in Chapter I of this Part; except that the cost of all replacements, substitutions or renewals not due to wear and tear from operation and necessitated by the Reconstruction of the Existing Railroads for Initial Operation shall be deemed to be included in the definitions of cost of construction and cost of equipment, respectively. No part of such cost shall be made the basis of any interest or amortization payments from the revenue as provided in Article XLIX unless the detailed plans are so approved and the cost so determined.

Article XIV. For the purpose of constructing or operating the Railroad and also Additions and Extensions, the City will acquire by conveyance or grant to the City to be delivered to the Commission and to contain such terms, conditions, provisos and limitations as the Commission shall deem proper or by condemnation or other legal or other proceedings, any real estate and any rights, terms, interests therein, any and all rights, privileges, franchises and easements, whether of owners or abutters, or others to interfere with the construction or operation of the Railroad or to recover damages therefor, which, in the opinion of the Commission, it shall be necessary to acquire or extinguish for the purpose of constructing and operating the Railroad and also Additions and Extensions free of interference or right of interference.

Article XV. The City hereby stipulates and covenants to and with the Lessee that the City will secure and assure to the Lessee so long as the Lessee shall perform the stipulations of this contract, the right to equip and operate the Railroad (except such route or routes for which consents shall not have been obtained, as set forth in

Article X hereof but including such substitute route or routes as and when the necessary consents thereto have been obtained) as prescribed in this contract, free of all right, claim or other interference, whether by injunction, suit for damages, or otherwise, on the part of any owner, abutting owner, or other person; but not including any interference, legal or otherwise, by patentees or persons claiming to be patentees of tools, methods or appliances forming part of the Equipment. Provided, however, that the Lessee shall enforce its rights against the City under this provision solely by claim for money (including a claim for credit on account of the Lessee's contribution toward the cost of construction) or by injunction, mandamus, certiorari or action for specific performance. Nothing herein contained shall be construed to require the Lessee to do any act in violation of a valid injunction issued by a Court of competent jurisdiction forbidding such act.

Article XVI. In case the Lessee shall fail to contribute toward the cost of construction of, or to equip, the Railroad, as in this contract provided.

(1) The Commission upon notice to the Lessee of not less than thirty (30) days, provided the default be not made good within such period, or within such further time as may be allowed by the Commission, may

(a) By resolution declare the Lessee to be in default; and the City, by the Commission, in addition to every other, or in substitution for any other, remedy which it may have by law or hereunder, may thereupon forthwith procure by contract or otherwise, as the Commission shall determine, the completion of such part or parts of the Railroad as it may intend to construct with the Lessee's contribution and the completion of such equipment. To that end the City, by the Commission, may require the Lessee to operate such part of the Railroad as may be constructed, in connection with the Existing Railroads and to pool the receipts of such portion of the Railroad and of the Existing Railroads as provided in Article XLIX, subject, however to the application of certain of the payments provided for in Article XLIX to the purposes hereinafter set forth. The City, by the Commission, may require that such amounts out of the payments to be made to the Lessee as provided in Article XLIX as shall not be necessary to pay interest and sinking fund charges, if any, upon bonds or other evidences of indebtedness to prevent any divestment of the Existing Railroads or any part thereof and to pay interest and sinking fund charges, if any, upon bonds or other evidences of indebtedness (secured by a pledge of this contract) issued by the Lessee, with the approval of the Commission, for the purpose of Construction and Equipment under this contract shall be applied toward the performance and completion of the Lessee's obligations in respect of such contribution and such equipment; or the City, by the Commission, may either or both before and after the beginning of operation as aforesaid contract for the completion of such construction and such equipment and reimburse itself from the amounts aforesaid; or the City, by the Commission, may do partly one thing and partly the other. In any case, in addition, the City shall be entitled out of such profits or otherwise to receive the amount of the damages (as agreed upon by the Commission and the Lessee or if not agreed upon then as determined by arbitration or by the court) that may have been suffered by the City by reason of such failure unless the payment of such damages is made from other sources. Or

(b) By resolution declare the contract at an end, in which event the City shall pay to the Lessee the cost of any construction paid for by such portion of the Lessee's contribution as may have been then contributed and the cost of any Equipment that may have been provided, deducting therefrom the amount of the damages (as agreed upon by the Commission and the Lessee or if not agreed upon then as determined by arbitration or by the court) that may have been suffered by the City by reason of such failure unless the payment of such damages is made from other sources. Or

(2) The City may also proceed as the Commission shall deem proper upon any security filed or deposited as provided in Chapter IV of this Part. Or

(3) The Commission may bring any suit or proceeding for specific performance or for injunction or to recover damages or to obtain any relief or for any purpose proper under this contract. Or

(4) The City may avail itself of each and every remedy herein specifically given to the City or, subject to the foregoing provisions of this Article, now or hereafter existing at law or in equity or by statute, and, subject as aforesaid, each and every such remedy shall be in addition to every other remedy so specifically given or otherwise so existing and may be exercised from time to time and as often and in such order as may be deemed expedient by the Commission, and the exercise, or the beginning of the exercise, of one remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other remedy, except that no two inconsistent remedies shall be exercised at the same time.

Chapter IV—Security.

Article XVII. Within thirty (30) days after the execution of this contract the Lessee shall give security for the performance of its obligations as follows:

1. By depositing with the Comptroller the sum of one million dollars (\$1,000,000) in cash or in value of securities as the Lessee may elect. If securities be deposited they shall be securities of which a schedule entitled "Schedule of Contribution and Equipment Securities" shall have been previously submitted to, and approved by the Commission in writing. The Commission will give its approval when satisfied as to the character and value of such securities.

The said deposit whether in cash or securities, in the form and as the same shall at any time be, shall be security for the faithful performance by the Lessee of all the covenants, conditions and requirements specified and provided for in respect of the Lessee's contribution toward the cost of construction of the Railroad and in respect of the Lessee's obligation to equip the Railroad for initial operation. In case of any default on the part of the Lessee in such performance then the Comptroller shall forthwith pay or apply to the use of the City the said deposit in cash or securities or so much thereof as may be necessary to reimburse the City for any damages incurred by reason of such default.

Whenever there shall have been expended one-quarter ($\frac{1}{4}$) of the Lessee's contribution toward the cost of construction and one-quarter ($\frac{1}{4}$) of the estimated cost of equipment of the Railroad for initial operation, the Commission shall so certify in writing and in duplicate, one such certificate to be delivered to the Lessee and one to the Comptroller and upon receipt of such certificate the Comptroller shall forthwith pay or deliver to the Lessee one-quarter ($\frac{1}{4}$) of said deposit or so much thereof as shall not have been reserved or used or applied for any of the purposes in this chapter mentioned with respect to the Lessee's obligation to contribute towards the cost of construction and to equip the Railroad. Similarly, when and as there shall have been expended other quarter parts of said amount and of the cost of equipment, the Commission shall so certify in duplicate as aforesaid and upon receipt of such certificate the Comptroller shall forthwith pay or deliver to the Lessee a quarter part of said deposit or so much thereof as shall not have been reserved or used or applied for any of the said purposes in this chapter mentioned.

2.

By filing with the Comptroller a bond in due form executed by the Lessee and by two or more sureties being corporations or persons approved by the Commission, in the sum of one million dollars (\$1,000,000), the said bond to be substantially in the form hereto annexed and entitled "Bond for Contribution, Equipment, Maintenance and Operation." Such bond (or cash securities deposited in lieu thereof as hereinafter provided) in the form and as the same shall at any time be, shall be security for the faithful performance by the Lessee of all the covenants, conditions and requirements specified and provided for in this contract. The Lessee shall only be entitled to the return of said bond (or deposit) upon the termination of the Lease. The premiums during operation on such bond shall be included in the expense of operation, but the premiums thereon prior to the beginning of operation shall be apportioned by the Engineer and charged to cost of construction and cost of equipment.

Article XVIII. In case any of the sureties upon the Bond for Contribution, Equipment, Maintenance and Operation shall become insolvent or unable in the opinion of the Commission to pay promptly the amount of such bond to the extent to which such surety might be liable, then the Lessee, within thirty days after notice by the Commission to the Lessee, shall, by supplemental bond or otherwise, substitute another and sufficient surety to be approved by the Commission in place of the surety so insolvent or unable. If the Lessee shall fail, within such thirty days or such further time as the Commission may grant, to substitute another and sufficient surety, then the Lessee shall, if the Commission so elect, for all the purposes of this contract, be deemed to be in default in the performance of its obligations hereunder and upon the said bond.

Article XIX. In lieu of the said bond the Lessee may, upon the approval of the Commission, deposit with the Comptroller of the City cash equal in amount to the entire amount of the said bond or securities which are lawful for the investment

of the funds of savings banks within the State of New York and are worth not less than the entire amount of such bond. If such bond shall have been given then after the deposit of cash and securities in lieu thereof as aforesaid, and the approval thereof by the Commission, the said bond shall be surrendered by the City to the Lessee duly cancelled by the Comptroller. If securities be deposited they shall be securities of which a schedule entitled "Schedule of Continuing Securities" shall have been previously submitted to, and approved by, the Commission in writing. The Commission will give its approval thereto when satisfied as to the character and value of such securities.

In case of any default on the part of the Lessee in such performance, and in the further case that the City shall for or by reason of such default, whether by reason of employment of another lessee or lessees or otherwise, incur or become liable for expense through such default as in this contract provided, then the Comptroller shall forthwith pay or apply to the use of the City the amount of such expense out of the said deposit in cash or securities or out of the portion of the deposit remaining at the time.

Article XX. Any cash or securities that may be deposited under the terms of this contract shall be held by the City subject to the following provisions:

(a) In case any of the securities shall, in the opinion of the Commission, at any time cease to be of the character of securities in which the savings banks of the State of New York are then authorized by law to invest moneys, or shall, in the opinion of the Commission, at any time become of less value than the value stated for it or them in the said schedule, then within thirty (30) days after notice to the Lessee of the objection of the Commission the Lessee shall either substitute therefor securities which shall be approved by the Commission as of the character aforesaid and as being of at least the value of the former securities to which the Commission shall have objected as such value was originally stated in the said schedule, or shall deposit with the Comptroller in cash the amount of such value of such former securities as so originally stated. In case the Lessee shall not within such thirty (30) days substitute such new securities or deposit cash as aforesaid, it shall, if the Commission so elects, be deemed to be in default in the performance of its obligations under this contract. The securities so objected to shall upon such substitution of securities or deposit of cash in lieu thereof be returned to the Lessee.

(b) If and as the Commission shall consent, and the law permits, the Lessee may, from time to time, substitute cash for securities or securities of the character aforesaid for cash, but always so that the total amount and value of the deposit shall not be reduced.

(c) The Lessee shall be entitled to receive, when and as received by the City, a sum which shall be equal to the interest, dividends or other income which the City shall receive from such securities (if securities be deposited), or to receive, not oftener than semi-annually, a sum which shall be equal to the interest on said deposit (if made in cash) at a rate not exceeding the highest rate of interest received by the City on the deposit of its funds with banks during the period for which such interest has run and which shall be determined as follows: Such deposit so made by the Lessee (if made in cash) shall be deposited by the Comptroller in an account or accounts in a duly designated city depositary or depositaries, separate and apart from other city moneys so that the exact interest earned upon the deposit may be ascertained. It is further agreed that no claim, upon any ground, shall at any time be made by the Lessee for or on account of or because of not being credited with extra or additional interest over that so actually earned upon such deposit or deposits. If, however, any of the cash or securities so deposited shall have been used or applied for any of the purposes mentioned herein then the Lessee shall not be entitled to interest or other return on the amount of cash or securities so applied from the time of such application.

(d) The Comptroller shall, upon the requirement of the Commission, in order to make such payment or application to the use of the City, sell at public auction in New York any of the securities which may then constitute part of such deposit upon notice to the Lessee and upon notice to be published in three daily newspapers, the first publication to be as much as ten days before the sale and such publication to be made three times within such ten days. Any such sale shall be adjourned from time to time if requested by the Commission. The Comptroller shall, upon the requirement of the Commission, deduct from the proceeds of any such sale, all expenses thereof and of such advertisement, and pay and apply to the use of the City so much of the residue of such proceeds as may be necessary for the purpose aforesaid. And the Lessee within ten days after notice from the Commission so to do shall (unless the time be extended by the Commission) by further deposit according to the requirements of the Commission, of money or securities of the character aforesaid approved by the Commission, restore the said deposit with the Comptroller to the full amount originally required. In addition to, or in lieu of, the sale above provided for, the Commission may, in the name of and in behalf of the City, bring any appropriate suit or proceeding in any proper court to enforce the lien and claim of the City in and upon the said deposit, whether such deposit be in money or securities.

(e) If at any time when the Lessee shall otherwise be entitled to a return of the said deposit, there shall be pending any claim for damages or loss caused to others by the Lessee under this contract (other than claims against which the City assures the Lessee by this contract), for which it shall be claimed that the City shall be liable, then and in that case the said deposit, or such part thereof as the Commission shall prescribe, shall, upon the requirement of the Commission, be reserved by the Comptroller for a reasonable time as security to the City against such claims.

Chapter V.—Supervision, Inspection and Determination of Cost.

Article XXI. Inasmuch as the City's returns from its investment in the Railroad and its exercise of its right to take over the Railroad as provided in the Lease will be affected by the amount of the Lessee's expenditures on account of its contribution toward the cost of construction of the Railroad and the cost of equipping, maintaining and operating the Railroad and of reconstructing and equipping and maintaining and operating the Existing Railroads, the Lessee shall strictly comply with the provisions hereof for assuring to the Commission supervision by it of all operations of the Lessee. The Lessee shall, therefore, in addition to providing facilities for inspection as hereinafter provided, provide the Commission with all facilities necessary or convenient to afford the Commission full and complete supervision of all operations of the Lessee in or about the enterprise of contributing to the cost of construction of the Railroad and of equipping, maintaining and operating the Railroad, and of reconstructing, extending, equipping, maintaining and operating the Existing Railroads. The Lessee and any construction or supply company controlled by the Lessee or by any company directly or indirectly controlling the Lessee or affiliated with the Lessee, shall keep suitable and proper books, records and memoranda of all operations with contractors, bankers, or persons furnishing labor, material, money or supplies and all contracts directly or indirectly affecting the Lessee's contribution toward the cost of construction of the Railroad, the cost of equipment, the actual cost of the plant and property of the extensions and additional tracks authorized by said certificates, the Reconstruction of the Existing Railroad for Initial Operation and Additions and directly or indirectly affecting the equipment, maintenance or operation of the Railroad and the Existing Railroads, showing in detail such cost to the Lessee, or to any such construction company, including any Additions constructed or provided from time to time, and shall afford access to and permit the examination, use and production of any such books, records, memoranda or contracts to the extent that the same have to do therewith.

Article XXII. The Lessee shall (except in such cases where permission to do otherwise is expressly granted from time to time by the Commission by a resolution evidenced by entries in its minutes) before entering into any contract, agreement, mortgage or undertaking having to do with the enterprise of contributing toward the cost of construction of the Railroad or equipping the Railroad, or reconstructing, extending or equipping the Existing Railroads, submit the same to the Commission for its approval and the Commission may as a condition of its approval require the insertion of such terms and conditions therein as it may deem necessary. The Commission may further require the Lessee before entering into any agreement having to do with the enterprise of contributing toward the cost of construction of the Railroad or equipping the Railroad or reconstructing, extending or equipping the Existing Railroads to ask for proposals upon forms of contracts satisfactory to the Commission, in a specific manner and for a specified time.

Article XXIII. Any contract, agreement or undertaking having to do with the maintenance or operation of the Railroad and the Existing Railroads extending beyond a period of one year or involving an expenditure in excess of Fifty thousand (\$50,000) Dollars (and any other contract, agreement or undertaking having to do with the maintenance or operation of the Railroad and the Existing Railroads which the Lessee shall desire to make subject to the approval of the Commission) shall be

entered into by the Lessee subject to the approval of the Commission, which approval shall be evidenced by entries in its minutes. Any payments made under any such contract so approved by the Commission shall not be subject to objection under Article XXVII unless the payments thereunder shall not be in accordance with the terms of such contract. The provisions of this Article shall also apply to all contracts, agreements or undertakings of the character specified above entered into after the date hereof which are to continue in force after the beginning of operation.

No contract, agreement or undertaking affecting the maintenance or operation of the Railroad or Existing Railroads (except mortgages, assignments, leases, trackage agreements, power and advertising contracts, agreements amending or supplementing this contract or the certificates for extensions and additional tracks hereinbefore referred to, and contracts, agreements or undertakings amending, supplementing or extending any such instruments) shall extend over a period in excess of five (5) years.

Article XXIV. The Commission may, whenever it deems advisable, establish a system of accounts to be used by the Lessee in connection with the construction, equipment, maintenance and operation of the Railroad and the reconstruction, equipment maintenance and operation of the Existing Railroads and may prescribe the manner in which such accounts shall be kept. It may also in its discretion prescribe the forms of accounts, records and memoranda to be kept by the Lessee in connection with such enterprise, including the accounts, records and memoranda of the movements of traffic as well as the receipts and expenditures of moneys. Reasonable notice of alterations by the Commission in the required method or form of keeping a system of accounts shall be given to the Lessee by the Commission. The Commission shall at all times have access to all such accounts, records and memoranda kept by the Lessee and may designate any of its officers or employees who shall thereupon have authority under the order of the Commission to inspect and examine any and all accounts, records and memoranda kept by the Lessee. The Commission may, after hearing, prescribe by order the accounts in which particular outlays and receipts shall be entered, charged or credited.

Article XXV. The Commission may from time to time adopt regulations, which shall be evidenced by entries in its minutes, which the Lessee shall strictly comply with, as to the form of all vouchers and payrolls having to do with the Lessee's contribution toward the cost of construction of the Railroad, the cost of equipment, the actual cost of the plant and property of the extensions and additional tracks authorized by said certificates, the cost of the Reconstruction of the Existing Railroads for Initial Operation, the cost of Additions and with the cost of maintaining and operating the Railroad and the Existing Railroads, to the end that the cost data relating to various divisions of the enterprise of contributing toward the cost of construction of the Railroad and of equipping, maintaining and operating the Railroad and of reconstructing, extending, equipping, maintaining and operating the Existing Railroads can, at all times, be promptly and accurately determined and the property identified.

Article XXVI. No payment, credit, compensation or concession of whatsoever character having in any way to do with the cost of construction or the cost of equipment shall be determined to be part of the cost of construction or the cost of equipment unless the Lessee upon making such payment, credit, compensation or concession shall forthwith file with the Commission a duplicate voucher, credit slip or other original evidence thereof.

The Commission may from time to time (by resolution evidenced by entries in its minutes) relieve the Lessee from the obligation to file the vouchers, credit slips or other original evidences to such extent as it may deem advisable.

Article XXVII. The Commission may object to any expenditure, as unreasonable or improper, made or to be made by the Lessee in connection with maintaining and operating the Railroad and the Existing Railroads by notice thereof to the Lessee. If the objection by the Commission refers to an expenditure already made, the Lessee forthwith upon receipt of notice shall remove the amount from the account or accounts to which it had been charged and hold the same in a suspense account until the item in dispute is adjudicated. If the objection refers to an expenditure to be made, the Lessee, if it makes such expenditure, shall charge to and hold the same in a suspense account until the item in dispute is adjudicated. In case the Commission and the Lessee are unable to agree within five (5) days after the delivery of such notice (Saturdays, Sundays and Holidays excepted) to agree upon the reasonableness and propriety of such expenditure, the same shall be determined by arbitration or by the court. Such arbitration shall be conducted in accordance with the provisions of Chapter VI of Part First except that the periods for the appointment of arbitrators as therein prescribed shall for the purpose of all arbitrations under this article be reduced to five (5) days—Saturdays, Sundays and Holidays excepted. Such notice of objection shall be given by the Commission within thirty (30) days after the Commission has become cognizant of such expenditure, unless satisfactory reasons are given for any delay. Any such delay shall not excuse the Lessee from complying with the provisions hereof in respect of the money to be held in suspense, but such delay may be set up by the Lessee as a defense to the objection, and the adequacy of the reason given for such delay shall be determined by arbitration or by the court. If it be agreed by the Commission and the Lessee or determined by arbitration or by the court that the expenditure so objected to is reasonable and proper, the amount thereof shall be charged to operating expenses, and the interest thereon, if any, shall be charged against the interest revenue. If on the other hand, it be so agreed or so determined that such expenditure is unreasonable or improper, the amount thereof with interest shall be borne by the Lessee. Similarly, if any such expenditure shall be so agreed or so determined to be unreasonable or improper in part, the charges for such parts shall be adjusted in the same manner as the charges for the whole amounts as hereinbefore provided.

Article XXVIII. The Commission contemplates, and the Lessee hereby approves, the most thorough and minute inspection by the Commission and the Engineer, and by their representatives or subordinates, of all work and materials (and of the manufacture or preparation of such materials) entering into the Equipment and the reconstructing, extending and equipping of the Existing Railroads. The Lessee shall, therefore, at all times give to the Commission and its members, to the Engineer and his assistants and subordinates, and to any person designated by the Commission or its Chairman, all facilities, whether necessary or convenient, for inspecting the materials to be furnished and the work to be done in and about the same. The members of the Commission, the Engineer and any assistant or other person bearing his authorization or the authorization of the Commission or its Chairman, shall be admitted at any time summarily and without delay to any part of the work or to the inspection of materials at any place or stage of their manufacture, preparation, shipment or delivery.

Article XXIX. The cost of construction and the cost of equipment shall be determined as follows: The Engineer shall within six (6) months after the date of this contract render a determination in writing in duplicate to the Commission and to the Lessee of the cost of construction and of the cost of equipment paid or accrued prior to the date of this contract. In the case of all work done after the date of this contract the Engineer shall, on or about the first days of January, April, July and October, in each year during Construction or during the provision of Equipment (including the construction or provision of Additions to the Railroad or to the Equipment) render a determination in writing, in duplicate, to the Commission and to the Lessee of the cost of construction and of the cost of equipment, to the date of the last day of the preceding quarter, including therein separately a determination of the cost of construction and the cost of equipment during the quarter year immediately preceding the date of such determination. If either the Commission or the Lessee shall be dissatisfied with the determination of the cost of construction or cost of equipment paid or accrued prior to the date of this contract or shall be dissatisfied with any such quarterly determination or any item or items thereof it shall within thirty (30) days after the receipt of any such determination file with the Engineer a statement in writing of the item or items objected to and the reasons for such objection. If within such period of thirty (30) days the Commission or the Lessee shall fail to file such statement with the Engineer, the determination shall be final and conclusive upon the parties so failing. If such statement of objections be so filed with respect to the determination of the cost of construction or the cost of equipment paid or accrued prior to the date of this contract, the Engineer shall thereupon reconsider such determination, or any such item or items thereof, so objected to, and shall, within thirty (30) days after the filing of such statement, render a redetermination stating his conclusions as to the item or items so objected to. If such statement of objections be filed with respect to any quarterly determination of the cost of construction or cost of equipment paid or accrued after the date of this contract the Engineer shall thereupon reconsider such determination, or any such item or items thereof, so objected to, and shall state his conclusions thereon in, or at the time of, his determination for the quarter year succeeding the quarter year for which the determination so objected to was made. Any such redetermination shall be final and conclusive unless the Com-

mission or the Lessee shall within thirty (30) days after the receipt thereof give written notice to the other that it requires the same to be submitted to arbitration or the court as hereinafter provided. In the case of Additions, the Engineer shall, in the same manner and subject to the same review as is provided in the case of determinations as to cost, determine the respective dates at which Additions are put into operation. Any period of time specified in this Article may be extended with the written consent of the Commission and the Lessee.

Chapter VI—Arbitration.

Article XXX. If the Commission or the Lessee shall desire to submit to arbitration any matter of difference arising under any provision of this contract in respect of which it is therein provided that arbitration may be had, then such matter of difference may be submitted to arbitration. Such arbitration shall be conducted as follows: Either the City, acting by the Commission, or the Lessee, may give written notice to the other that it requires the matter arising hereunder to be submitted to arbitration, and shall at the same time name a disinterested person as an arbitrator, and accompany the notice by a written acceptance by the arbitrator of the nomination. Within thirty (30) days after the receipt of such notice, the party receiving the same shall name a disinterested person as an arbitrator, and give written notice of such nomination to the other party, the notice to be accompanied by a written acceptance by the arbitrator of the nomination. If the party to whom notice of arbitration is given shall not so nominate an arbitrator, who shall so accept, then the arbitrator named by the party giving the first notice shall be the sole arbitrator. The Commission and the Lessee shall, upon the nomination of the second arbitrator, select a third arbitrator; but if they fail to agree upon such third arbitrator within thirty (30) days after the date of the nomination of the second arbitrator nominated, the third arbitrator shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within fifteen (15) days after being requested by either the Commission or the Lessee to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then an arbitrator shall be nominated upon the request of either the Commission or the Lessee and within a period of fifteen (15) days by any Associate Judge of said Court of Appeals in the order of seniority. The arbitrators shall hear the parties and their counsel or any statements or evidence which the parties or either of them desire to submit. The failure to give the notice provided for in Article XXIX shall not preclude the party failing to give such notice from setting up counter claims growing out of or incident to the matter as to which the other party shall have given such notice. Either party may, upon two (2) days notice (Saturdays, Sundays and Holidays excepted) to the other bring on the subject in dispute for hearing before the arbitrators. Within thirty (30) days after such hearing commences, unless such time shall be extended for good cause by written order of the arbitrators or a majority of them, the arbitrators shall make their determination in writing in duplicate, one to be delivered to the Commission and the other to the Lessee. In case any vacancy shall at any time occur by reason of the death, resignation or inability to serve of any arbitrator, his successor shall be nominated in the same manner and within the same times (during which times the other periods of time prescribed for or in the course of the arbitration shall be suspended) as above provided for in case of the original nomination of such arbitrator and in case the successor arbitrator shall not be nominated within such times the remaining arbitrator or arbitrators shall be the sole arbitrator or arbitrators. Any determination by a majority of the arbitrators shall be final and conclusive. Every such arbitrator shall be deemed to be employed both by the City and the Lessee. The fees and expenses of the arbitrators (including necessary expenses for stenographic and clerical services) and the expenses of the parties shall be assessed as the arbitrators consider equitable and as they direct in their award, but such assessment so made shall not be charged to cost of construction, cost of equipment or to operating expenses. Every such arbitrator shall, before proceeding to consider the matter, be sworn as nearly as may be in the same manner as referees in actions at law are required to be sworn.

Provided, however, that if in any case, or for any reason an arbitration cannot validly be had as aforesaid, then the City or the Lessee, if in no way responsible for the failure of the arbitration, may bring such action, suit or proceeding as either of them may be advised for the purpose of determining any of the matters for which an arbitration is herein provided.

Chapter VII—Miscellaneous.

Article XXXI. No correction or change in this contract shall be made except by written instrument duly authorized by the Commission, and approved by the Board of Estimate and consented to by the Lessee, and by the sureties upon his bonds; but this provision shall not limit or affect the right to prescribe variations whether of construction or location of route provided in Articles VI and X hereof.

Article XXXII. No claim shall be made by the Lessee against any member or members of the Commission or the Board of Estimate or by the City against any officer or director of the Lessee personally by reason of this contract or of any of its articles or provisions.

Article XXXIII. This contract shall not be assigned, sublet or mortgaged without the written consent of the Commission.

Article XXXIV. The provisions of Articles XVI, XXII, XXIII, XXIV, XXV, XXIX, LXVII, LXVIII and LXXXV (wherein no review by arbitration is provided) shall not deprive the Lessee of any right it may have to review the action of the Commission thereunder by suit for injunction or by any other proper action, suit or proceeding.

Article XXXV. It is the intent and understanding of the parties to this agreement that each and every provision of law now required to be inserted in this contract should be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is to be deemed to be inserted herein; and if, through mistake or otherwise, any such provision is omitted or is not inserted in correct form, then the contract shall forthwith, upon the application of either party, be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of either party hereunder.

Article XXXVI. If this contract contains any unlawful provision not an essential part of the general structure of the contract and which shall not appear to have been a controlling or very material inducement to the making thereof the same shall be deemed of no effect, and shall upon the application of either party be stricken from the contract without affecting the binding force of the contract as it shall remain after omitting such provision.

PART SECOND—EQUIPMENT PROVISIONS.

Chapter I—Lessee to Provide Equipment.

Article XXXVII. The Lessee shall, at its own expense, provide a complete equipment of the Railroad and when and as provided or delivered on the Railroad and accepted by the Commission the title to the Equipment shall immediately and without further assignment vest in the City. The Lessee shall at all times during the term of this contract keep upon the Railroad cars, motors and other equipment which (together with the equipment of the Existing Railroads) shall be adequate to the requirements of the traveling public. Nothing in this Article, however, shall preclude the Lessee from disposing of any part of the Equipment when necessary for purposes of replacement, substitution or renewal, nor shall anything in this Article preclude the Lessee, with the approval of the Commission, from disposing of any part of the Equipment no longer necessary, provided, however, that in the latter case the Lessee shall make equitable adjustments of the amounts received on such disposal and of any parts of the funds provided from the revenue applicable to the parts so disposed of, and in case the Commission and the Lessee are unable to agree upon such adjustment the same shall be determined by arbitration or by the court.

Article XXXVIII. The construction or completion of the power house or power houses and sub-stations, or of any one or more of them, for generation or furnishing of motive power may, with the consent of the Commission, be suspended during a period of ten (10) years from the date when any part of the Railroad shall be declared by the Commission to be completed and ready for operation; provided that during such period there shall, when required, be available for use, in lieu of such power house or power houses and sub-stations, motive power furnished to the Lessee under and pursuant to the terms of a contract or contracts for the purchase of power, which contract or contracts shall, as to the parties thereto, the sureties thereon and the terms thereof, be first approved by the Commission. In case of the expiration or termination of this contract as hereinafter provided, any sub-contract for the furnishing of power may be terminated or taken over by the City without making any allowance or paying any amount to the Lessee for or on account of any unexpired term of such sub-contract.

Article XXXIX. The Equipment provided for initial operation shall be of the best character known to the art of urban railway operation and in accordance with the specifications contained in Chapter II of this Part. After the beginning of initial

operation the Additional Equipment provided from time to time and repairs, replacements, substitutions and renewals shall be of a character at least equal to that of the Equipment originally provided but shall in addition embody such improvements as the state of the railway art and the exigencies of the operation of the Railroad and the Existing Railroads will permit. In case of any neglect to provide and maintain Equipment in the amount and of the character required by this contract, the Commission may, upon reasonable notice, require the defect to be made good; and, if the defect shall not forthwith and upon such notice be made good, then the Commission shall be at liberty, in addition to the City's other remedies for a breach of this contract, either by contract or otherwise as it may see fit, to make good such defect; and for such purpose the Commission shall, so far and for such time as may be necessary or convenient, be entitled to enter upon or take possession of any part of the Railroad or Equipment. The Lessee shall forthwith repay to the City the cost to which it shall be put in making good any such defect and the amount of such cost shall be charged to such fund as may be proper.

Article XL. At such time as may be approved by the Commission (or when the Commission shall so order) the Lessee shall begin and shall thereafter diligently proceed to provide the Equipment and at such rate that sufficient Equipment shall be ready to put any portion of the Railroad into immediate operation as soon as completed. At the time of such approval (or within a period specified in such order) the Lessee shall file with the Commission in duplicate a true schedule of the Equipment to be furnished by it for the initial operation of the Railroad, specifying separately the Equipment to be supplied for each of the separate lines and branches of the Railroad as described in Article IV and thereafter upon the construction of any Extension or the construction or provision of any Addition shall file a similar schedule. Such schedules shall be in detail and shall be prepared in such form as may be prescribed by the Commission. Such schedules shall be subject to the approval of the Commission, and if disapproved the Lessee shall make such additions thereto or changes therein as may be required by the Commission. After the operation of the Railroad, or any part thereof, shall have begun the Lessee shall within thirty (30) days after the end of each fiscal year file with the Commission a like schedule of the Equipment as of the end of such fiscal year. Every such schedule shall be verified by the affidavit of the general manager or other officer of the Lessee who shall be in the general care and control of the Equipment, and who shall in such affidavit state that he is in such general care and control.

Article XLI. In connection with the provision of Equipment the Lessee shall have the right to provide, lay or maintain in streets or other public places such conduits, pipes, ways or other means for the transportation or exchange of electricity, steam, water, air or other means of power or for signals, or for messages, but only as may be exclusively required for the operation of the Railroad and the Existing Railroads. The location and character of such conduits, pipes, ways or other means and the use of streets in connection therewith shall be determined by the Engineer.

Article XLII. In view of the necessity for identifying the Equipment for initial operation of the several Lines of the Railroad and for identifying Additional Equipment as between the various lines, Extensions and Additions and for distinguishing the Equipment of the Railroad from the equipment of the Existing Railroads the Lessee shall carefully comply with regulations to be issued from time to time by the Commission prescribing the manner and method of providing for such identification and distinction.

Article XLIII. In case the Lessee shall give notice to the Commission that any real estate is needed for Equipment and that it cannot be acquired by the Lessee from the owner or owners upon reasonable terms or by condemnation by the Lessee, the City shall begin and conduct with diligence proceedings to acquire such real estate so required.

The Lessee agrees to indemnify and promptly reimburse the City for all expenditures made or obligations incurred by it in or about the acquisition of real estate for Equipment. Upon being notified by the Commission that any moneys are necessary to pay for any such real estate acquired or to be acquired by purchase or to pay awards in condemnation proceedings with interest thereon, the Lessee shall within the time specified in any such notice pay to the Comptroller such amount as may be specified in any such notice.

Article XLIV. When and as provided or delivered on the Railroad and accepted by the Commission, the title to the Equipment shall vest in the City free from all liens and encumbrances except those imposed by this contract and except, with the approval of the Commission, liens on real estate purchased for Equipment, provision for the payment of which liens on real estate shall be made by the Lessee. The Lessee shall, moreover, submit to the Commission such proof as may be required of such title and shall execute and deliver, or cause to be executed and delivered, such instrument or instruments in form approved by the Commission, and in the case of real estate so proved as to entitle them to be recorded, as may properly or conveniently recite or prove the City's ownership of, or title to, the Equipment. The Lessee shall further provide such additional instruments and proof with respect to such ownership or title as may from time to time be required by the Commission.

Article XLV. The Equipment of the Railroad shall be at all times kept by the Lessee in thoroughly good order and repair; and the Lessee hereby expressly covenants to and with the City that the Lessee will not at any time before the end of the term of the Lease permit the Equipment to be less in quantity (except with the approval of the Commission and upon the adjustment of accounts as provided in Article XXXVII) or inferior in type, design or efficiency to the Equipment as it shall have been at any prior time during the term of the contract.

Article XLVI. The Lessee shall at all times during the term of the contract provide equipment for the Existing Railroads in an amount and character sufficient to equip the Existing Railroads as extended and provided with additional tracks under the said certificates and as reconstructed for initial operation under the provisions of Article XIII. for operation in connection with the Railroad. Such new equipment as is provided for initial operation shall be deemed included within the term "Reconstruction of Existing Railroads for Initial Operation" under the provisions of Article XIII. All such new equipment and all Additional Equipment for the Existing Railroads made from time to time shall be ordered or approved by the Commission in advance of the provision thereof and the detailed plans therefor shall also be submitted to and approved by the Commission in advance of the provision thereof. The cost of equipment shall be determined by the Engineer in the same manner as the cost of equipment of the Railroad and upon the basis of the definitions of Equipment, Additions and cost of equipment contained in Chapter I of Part First. No part of such cost shall be made the basis of any interest or amortization payments from the revenue as provided in Article XLIX unless the detailed plans are so approved, the vouchers filed as provided in Article XXVI and the cost so determined.

Article XLVII. On the dates given in the following schedule, the Lessee shall pay out of its own resources into the Depreciation Fund for the Existing Railroads provided for in paragraph 5 of Article XLIX the following amounts representing depreciation accrued upon the properties stated in the schedule prior to January 1, 1914.

Schedule of Rolling Stock of Existing Railroads Including Dates of Estimated Retirement and Accrued Depreciation.

Item No.	Date of Retirement.	Accrued Depreciation.
1	Jan. 1, 1924.	\$240,058.00
2	Jan. 1, 1929.	526,249.00
3	Jan. 1, 1929.	622,904.00
4	Jan. 1, 1934.	240,263.00
5	Jan. 1, 1936.	388,951.00
6	Jan. 1, 1936.	338,711.00
7	Jan. 1, 1936.	499,724.00
8	Jan. 1, 1946.	35,680.00

Group A comprises 118 converted motor cars bearing the following numbers:

No. 1000-1078 inclusive

No. 1080

No. 1082-1119 inclusive

Group B comprises 236 rebuilt motor cars bearing the following numbers:

No. 600-683 inclusive

No. 700-743 inclusive

No. 745-758 inclusive

No. 800-816 inclusive

No. 818-820 inclusive

No. 822-859 inclusive

No. 900-935 inclusive

Group C comprises 306 motor cars bearing the following numbers:

No. 684, 817, 936, 998, 1079, 1081.

No. 1200-1499 inclusive.

Group D comprises 268 trailer cars bearing the following numbers:

No. 1-6 inclusive

No. 8-81 inclusive

No. 83-125 inclusive

No. 127-271 inclusive

The dates cited in the above schedule represent the estimated dates of retirement of the car bodies, trucks and equipment named in the schedule.

Chapter II.—Equipment Specifications.

Section No. 1. The general and detailed plans, specifications and contracts for the Equipment shall be submitted to and approved by the Commission, or by the Engineer, as to character, quantity and design. The Equipment shall be in all respects suitable for the type of railroad and the service herein contemplated.

Section No. 2. The full and complete Equipment of the Railroad, including all material and work of installation and all apparatus or devices for the convenient and successful operation of the Railroad, in accordance with the full intent and meaning of the contract and specifications, excepting only those parts which, as specifically stated in Part First or indicated on the plans shall be a part of the Railroad and furnished as Construction shall be provided by and at the expense of the Lessee.

Section No. 3. The Equipment for initial operation of the Railroad shall constitute a complete operative system sufficient for the traffic requirements, and shall be capable of progressive and economical enlargement so as to permit the ultimate operation of the Railroad to its full attainable capacity. This full attainable capacity shall not be less than that defined in Section No. 4.

Section No. 4. The ultimate Equipment of the Railroad, inclusive of power system, signal system and rolling stock, shall be such as to maintain so far as practicable not less than the following schedules:

Fully loaded express trains each of maximum length that can be operated in conjunction with station platforms four hundred and eighty (480) feet long over all main line express tracks at a headway of one and one-half (1½) minutes and at an average speed between main line terminals of twenty-five (25) miles per hour, including stops of thirty (30) seconds at each intermediate station.

Fully loaded local trains each of maximum length that can be operated in conjunction with station platforms three hundred (300) feet long over all main line local tracks at a headway of one and one-half (1½) minutes and at an average speed between main line terminals of fifteen (15) miles per hour, including stops of twenty (20) seconds at each intermediate station.

Express and local trains to continue on all extensions and branches to such points and at such headway as the traffic shall require and at the maximum speed that local conditions will permit.

Equipment to be sufficient to operate the above service throughout the maximum traffic periods.

Section No. 5. Joints of the track rails shall be bonded to permit most advisable conductivity in the signal circuit and in the return circuit from the car motors to the source of power. Cross bonds between rails and between tracks shall be provided as required.

Section No. 6. Contact rail for the supply of power to the trains shall be installed throughout the length of all tracks. This rail shall be of approved design and its resistance, composition and cross-section, together with all details of construction and installation, shall be sufficient and suitable for the proper operation of the Railroad under conditions of maximum service. The rail shall be supported, installed and covered in the most approved manner for the prevention as far as practicable of accidental contact therewith by workmen or other persons. All joints of contact rails shall be mechanically and electrically connected in an approved and adequate manner. The standards of construction adopted for such contact rail shall permit of interchange of rolling stock with other similar rapid transit railways now operating in the city and also as far as practicable with the Existing Railroads.

Section No. 7. Feeder conductors shall be provided for the supply of current to the contact rail and for the return of current from the track rails. These conductors shall be installed of ample cross-section to provide, during times of maximum train service, a voltage suitable for the proper operation of the trains, and shall be sufficient to give a reasonably steady illumination of the cars. The return feeder system as aforesaid shall also be designed with a view to minimizing electrolytic action.

Section No. 8. All express tracks shall be equipped with an approved system of block signals of the most reliable character. The local tracks also shall be equipped with approved signals at danger points. All signals where deemed necessary by the Commission shall be equipped with devices for automatically stopping any trains passing a danger signal.

Section No. 9. If at any time during the life of this contract additional signals are necessary the same shall be promptly installed.

Section No. 10. All switches and all signals controlling traffic over special work of running tracks shall be interlocked in an approved manner and controlled from approved interlocking plants, suitably located and installed.

Section No. 11. An approved system of sectionalizing the power system shall be provided to minimize delays in case of difficulties on any section of the Railroad or track, and to furnish means by which the power supply to any section of contact rail can be quickly and certainly cut off in case of wreck or other emergency. The controlling points of this system shall be located at stations and elsewhere as may be deemed advisable.

Section No. 12. An approved system of inter-communication shall also be installed at all passenger stations on the line, by which all the ticket agents may be notified of traffic conditions. At least one sending and one receiving device shall be located at each station of the Railroad.

Section No. 13. In all tunnels under the East River a signal system shall be installed which will indicate the location of trains in the tunnel.

Section No. 14. Any other devices, apparatus or equipment, such as telephones, bells, etc., which are necessary to properly safeguard the operation of the Railroad shall be installed as a part of Equipment and any and all devices for emergency service shall be of an approved and reliable character.

Section No. 15. At each sump and at such other points as may be necessary in order to keep the Railroad or any part thereof clear of water a pumping plant shall be installed.

Section No. 16. Each of these plants shall be composed of not less than two (2) units, so supplied as to afford reliability of action at all times, and each plant shall be of sufficient capacity to remove all water accumulating at that point under ordinary conditions. If the local conditions require it, any of these plants shall be increased to take care of emergency conditions.

Section No. 17. All pumps shall start and stop automatically with the variations in water level at the sumps which they drain, and shall be designed and installed to give the greatest possible reliability in service.

Section No. 18. The delivery of these pumps shall be into the city sewers or elsewhere, as directed by the Engineer, and all piping, fittings and connections required therefor not forming part of the permanent structure shall be installed as a part of Equipment.

Section No. 19. At stations and at other points where the soil pipes cannot be connected directly to the sewer, the sewage shall be discharged into an approved sewage ejector. These ejectors, together with all necessary fittings, devices and connections necessary for the control or operation of the same, shall be furnished as a part of Equipment. The necessary pits or other permanent structures required for their installation, and all pipe work or other construction, built into and forming a part of the stations or other structures, which are required for the complete installation of the ejectors shall be a part of Construction.

Section No. 20. The ventilation system shall be so designed and operated as to maintain the summer temperature of the subway sections at as low a point as practicable and, at points where a sufficient supply of ground water can be obtained, special cooling plants shall be installed, if so directed by the Commission.

Section No. 21. In general, the ventilation of the subway sections shall be accomplished by the exhaling and inhaling action due to the movement of trains.

Section No. 22. The renewal of the air by train action is to be effected by removing air through the movable valves or louvres or other approved devices, located in the ventilating chambers in the sidewalls or roof of the Railroad as shown on the plans. These valves or louvres shall be provided as part of the Equipment and shall be so designed that air can only flow out through them into the chambers and thence

through gratings to the street. The air thus removed at the chambers is replaced by fresh air entering the subway through the stairway openings and grating at the stations.

Section No. 23. To augment this air supply, if necessary, and to provide at any time for the removal of smoke in case of fire, also to insure a supply at times of minimum operation of trains or entire stoppage thereof, motor-driven blowers of an approved pattern shall be provided. These blowers shall be of such capacity as may be necessary in order to provide for renewing the tunnel air once in every fifteen (15) minutes independent of the action of trains.

Section No. 24. The blowers shall each be provided with motors of adequate power to at all times operate them to their full capacity; and these motors shall be so arranged that groups of blowers may be started simultaneously from some convenient point of control. The power lines supplying these blowers shall in normal operation be independent of the contact rails.

Section No. 25. All subway toilet rooms and such other rooms as may be required shall be equipped with motor driven exhaust fans, discharging into suitable air ducts leading to the outside air. All parts of this equipment built into the station, including the electric conduits, and portions of the air ducts are provided under Construction. The blower equipment, including the necessary brackets and supports, and all wiring, switches and other devices and all air flues connecting to the air ducts provided under Construction, shall be a part of Equipment. When installed and operating in conjunction with air flues and ducts the blower equipment shall be such as to renew the air not less than once every five (5) minutes.

Section No. 26. All duct lines, including the necessary manholes, required for the operation of the Railroad for any purpose whatsoever, not built along the line of the Railroad as part of Construction, shall be supplied and installed by and at the expense of the Lessee as a part of the Equipment. Such lines shall include all branches leading from the line of the Railroad to substations, power houses or to any other location off the line of the Railroad and all connecting lines between power houses and substations and in general all duct lines which must be built and which do not lie along the line of the Railroad. These duct lines shall be ample as to size and number of ducts, and shall provide proper space for all cables required for the operation of the Railroad to its full capacity and a reasonable number of spare ducts shall be installed to provide for contingencies. The general construction of duct lines shall be as required under the construction contracts.

Section No. 27. All iron pipe conduit not installed in and forming part of the structures as provided under Construction shall be supplied and installed, complete with all outlet boxes, pull boxes and other approved details by and at the expense of the Lessee as a part of the Equipment. This work shall be, in all respects, equal to conduit work called for under Construction. Pipe conduit so installed shall include all runs, for any purpose whatsoever, installed upon the surface of any of the structures in a manner permitting its removal without seriously disfiguring the structure to which it is attached. In case any run of iron conduit has a part built into the structure and a part fastened to the surface thereof, such part as can be removed as above specified shall be Equipment and the remainder shall be Construction.

Section No. 28. All parts of the subway sections of the Railroad shall be illuminated by an approved system of electric lighting. The lights shall be so supplied as to afford reliability of action at all times and so arranged that the source of supply of the lighting will be automatically maintained. The cables and all other apparatus normally used in the lighting system shall not be used to supply power for any other purpose, such as for motors, heaters, etc., the normal operation of which would cause any appreciable fluctuation in the voltage at the lights. Certain lights, as specified by the Commission, shall be supplied from the contact rail. The lighting system shall be designed with reference both to the illumination obtained and to the safety of the public and the employees of the Lessee.

Section No. 29. Fixtures and fittings shall be of substantial design and construction in all respects suitable for work of this character.

Section No. 30. All elevated and subway stations shall be lighted by electric light, as specified in Section No. 28. At all parts of the station platforms, these lights shall be so arranged as to give a uniform illumination of not less than two (2) foot-candles on a plane four (4) feet six (6) inches above the floor. All other parts of the stations used by the public, including stairways, escalators, toilet rooms, etc., shall have a general illumination at least equivalent to that provided by one (1) sixteen (16) candle power light for each fifty (50) square feet of floor space. All additional lights necessary shall be installed as part of the Equipment. Emergency lights taking current from the contact rail shall be provided at station approaches, exits, stairways and other important points.

Section No. 31. All ticket offices, toilet rooms, news stands, signal towers, store rooms, shops, and all similar rooms and offices requiring heat in the subway sections shall be heated by electric heaters or other approved devices of ample capacity to maintain these rooms at a comfortable temperature under any conditions of outside temperature. On the elevated sections suitable stoves or other approved devices shall be installed for heating the waiting rooms and such other rooms where heat is necessary.

Section No. 32. At all points indicated upon the construction plans and where the difference in elevation between the platforms and the surface of the street at the entrance is thirty (30) feet or more, suitable elevators or moving stairways shall if required by the Commission be installed of size and construction approved by the Commission. The motors operating such elevators shall be provided with two different local sources of power, one of which shall be independent of the contact rail.

Section No. 33. All pits and permanent parts of the structure in which these devices are installed shall be a part of Construction, and all motors, machinery, cages, escalators and any other material or devices of a movable character shall be a part of Equipment.

Section No. 34. The motive power for propelling trains shall be electricity supplied to the contact rails, all as elsewhere specified. It shall be supplied at approximately 600 volts, direct current, or in any such other manner as may be approved by the Commission. The motive power shall be such as to permit the interchange of rolling stock with other similar rapid transit railways now operating in the City and also, as far as practicable, with the Existing Railroads.

Section No. 35. Such power house and substation buildings as may be provided shall be located, designed and constructed with reference to all the generating and transforming equipment required for the production of such power as the Lessee will generate or furnish. These buildings shall be of the best fire-proof construction, and of a design presenting an attractive appearance, in keeping with the magnitude of the work.

Section No. 36. The equipment of the power houses and sub-stations shall be of the most modern type at the time of its purchase and designed for the most economical operation. It shall be complete in all details, including boilers, stokers, pumps, engines, generators, measuring or switching devices, motors, rotary converters, transformers, and all other electrical or mechanical apparatus and devices required for the operation of the Railroad.

Section No. 37. Power house and sub-station equipment, which may be provided, shall be designed, as to phase and frequency, with a view to the eventual operation of all rapid transit railways in the city as one system.

Section No. 38. Passenger cars shall be constructed, as far as practicable to do so, of steel and fire-proof materials. The design, materials, and construction are to be such as will give the maximum safety and comfort.

Section No. 39. Passenger cars shall be of approved type and dimensions arranged to facilitate to the utmost the quick discharge and loading of passengers and shall present an attractive appearance both within and without.

Section No. 40. Passenger cars shall be properly equipped in all details for the safe and rapid transportation of passengers over the line of the Railroad. All modern devices or appliances which will improve the service or increase the safety of operation, shall be included in the car equipment.

Section No. 41. All cars shall be equipped with approved brakes and draft rigging, with special provisions for the stopping of the trains in emergencies without damage to any part of the Equipment. Suitable devices shall be applied to all motor cars which will automatically apply the brakes and bring the train to a stop in the shortest possible distance, in the event of the train passing a danger signal or in the event of an accident to the motorman.

Section No. 42. The electrical equipment of the cars shall preferably be such that all cars are motor cars; other systems of operation may, however, be submitted to the Commission for approval, but in any event shall have sufficient motor equipment to operate the schedules as hereinbefore provided.

Section No. 43. The equipment for the control of the motors shall be of an

approved automatic type, giving a smooth acceleration, and shall be provided with the necessary safety devices.

Section No. 44. All passenger cars shall be lighted by an approved system of electric lighting, so arranged and of such candle power, that the illumination shall not be less than three (3) foot-candles, at a height of three (3) feet six (6) inches above the floor, when the line voltage is 85 per cent. of the sub-station voltage. An approved method of emergency lighting shall be provided, to be used in case of failure of the power lines from which the regular lighting is supplied.

Section No. 45. All passenger cars shall be heated by electricity or other approved means. The heaters for this purpose shall be so arranged and connected that the heat shall be evenly distributed throughout the car and sufficient heat shall be provided to maintain the car at a temperature not less than forty (40) degrees F. under any conditions of outside air. Heaters shall be divided into not less than three graduations and no exposed parts of the heaters shall attain a temperature in regular operation liable to injure the clothing of the passengers.

Section No. 46. All cars shall be provided with fans or other devices for obtaining a movement of the air and ventilation as may be deemed necessary by the Commission.

Section No. 47. Service cars, and other rolling stock required for the operation of the road shall be provided complete as a part of Equipment.

Section No. 48. Vacuum or other approved cleaning devices for the purpose of cleaning the subway throughout shall be provided.

PART THIRD—THE LEASE.

Chapter I—Length of Term, Etc.

Article XLVIII. The City hereby leases the Railroad and the Equipment to the Lessee, for operation in conjunction with the Existing Railroads for a single fare. The Lease shall be for a term beginning on the first day of January, 1917, and expiring at midnight on the thirty-first day of December, 1965; subject, however, to earlier termination as hereinafter provided. Provided, however, that if the completion of the construction of Subdivisions I and II of the Broadway-Fourth Avenue Line to a condition susceptible of operation shall, by reason of strikes, injunctions or other causes beyond the control of the Lessee, be delayed beyond the first day of January, 1917, the Lessee, if not instigating such strikes, or if not instigating or being responsible for such suits for injunctions or such other causes of delay, shall be entitled to an extension of time for the commencement and the expiration of the Lease equal to the period between the first day of January, 1917, and the date when such subdivisions of the Railroad are actually ready for operation.

At the end of the said term, or at the earlier termination thereof as hereinafter provided, the Lessee shall surrender possession of the Railroad and the Equipment to the City or to a new lessee as hereinafter provided.

Chapter II—Rental.

Article XLIX. In consideration of the operation of the Railroad and the Existing Railroads in conjunction with each other for a single fare and of the contribution by the Lessee to or toward the cost of construction of the Railroad as aforesaid, upon the commencement of operation of Subdivisions I and II of the Broadway-Fourth Avenue Line, the gross receipts from whatever source derived directly or indirectly by the Lessee or on its behalf in any manner from, out of or in connection with the operation of the Railroad and the Existing Railroads (hereinafter referred to as the "revenue") shall be combined during the term of this contract and the City shall receive for the use of the Railroad at the intervals provided a specified part or proportion of the income, earnings and profits of the Railroad and the Existing Railroads. The amount of such income, earnings and profits shall be determined as follows:

From the revenue the Lessee shall at the end of each quarter year ending December 31, March 31, June 30 and September 30, deduct in the order named:

1 Such rentals, actually and necessarily payable by the Lessee for the use of property in connection with the Railroad and the Existing Railroads, under contracts or leases approved by the Commission, as are not included in operating expenses as classified in the accounting system prescribed by the Commission.

2 Taxes, if any, upon property actually and necessarily used by the Lessee in the operation of the Railroad and the Existing Railroads, together with all taxes or other governmental charges of every description (whether on physical property, stock or securities, corporate or other franchises, or otherwise) assessed or which may hereafter be assessed against the Lessee in connection with or incident to the operation of the Railroad and the Existing Railroads. Also such assessments for benefits as are not properly chargeable to cost of construction or cost of equipment.

3 All expenses, exclusive of maintenance, actually and necessarily incurred by the Lessee in the operation of the Railroad and the Existing Railroads.

4 An amount equal to twelve per centum (12%) of the revenue for the maintenance, exclusive of depreciation, of the Railroad and Equipment and the Existing Railroads. Such maintenance shall include the repair and replacement of tracks and also other parts of continuous construction and parts of equipment units, but shall not include the replacement of any of the principal parts of the railroad structure and equipment, as such principal parts are from time to time specified and defined by the Commission. If, in any quarter year, such maintenance shall cost less than twelve per centum (12%) of the revenue the unexpended balance shall be transferred to the depreciation funds provided for in paragraph 5 of this article; and if, in any quarter year, such maintenance shall cost more than such twelve per centum (12%) of the revenue an amount equal to the excess may be withdrawn from such depreciation funds and applied to such maintenance.

5 For the first year of temporary operation an amount equal to three per centum (3%) of the revenue for depreciation of such portions of the Railroad and the Equipment and the Existing Railroads as are not repaired or replaced through the expenditures for maintenance provided for in paragraph 4 of this article. Prior to the beginning of the temporary operation provided for in Article LII the Commission and the Lessee shall agree upon the classification of such three per centum (3%) to accord with its division into the depreciation funds hereinbefore in this article provided for. If prior to the beginning of such temporary operation the Commission and the Lessee are unable to agree upon such classification the same shall be determined by arbitration or by the Court. Within thirty (30) days after the thirtieth day of June following the beginning of such temporary operation and annually thereafter the Commission and the Lessee shall determine the classification and amount of depreciation, and excess maintenance not covered by the amount set aside under paragraph 4 of this Article, during the preceding fiscal year, and the deduction for such year shall thereupon be adjusted to conform with such determination. If within such period the Commission and the Lessee are unable to agree upon the classification and amount of depreciation during the preceding fiscal year, the amount thereof shall thereupon be determined by arbitration or by the Court. The said three per centum (3%) for the first year of such temporary operation and the amount determined as hereinbefore provided for future years shall be divided in accordance with such classification and paid into three (3) depreciation funds. The first of such funds shall be known as the "Depreciation Fund for the Railroad and Equipment," the second of such funds shall be known as the "Depreciation Fund for the Plant and Property of the Extensions and Additional Tracks," which shall be the plant and property of the extensions and additional tracks authorized by the Commission by said certificates and the third of such funds shall be known as the "Depreciation Fund for Existing Railroads," which shall be the Existing Railroads and equipment thereof other than that covered by the second fund hereinbefore in this article provided for. If necessary the maintenance fund provided for in paragraph 4 shall be similarly divided in accordance with the same procedure as hereinbefore outlined for the depreciation funds. Such funds shall be further divided from time to time as may be necessary. Such funds shall be in charge of and under the control and direction of the Depreciation Fund Board. The cost of all replacements of the principal parts (as such principal parts are from time to time specified and defined by the Commission) of the Railroad and Equipment and of the Existing Railroads due either to wear and tear or to obsolescence, inadequacy or age, and also any excess in the cost of maintenance as provided in paragraph 4 of this Article, shall be paid from the appropriate fund. When any principal part of the Railroad or Equipment or of the Existing Railroads is retired or withdrawn from service, an amount equal to its cost shall be withdrawn from the appropriate fund and expended on new construction or new equipment. Any salvage or proceeds on parts so retired or withdrawn shall (subject to the provisions of any now existing mortgage or mortgages covering the parts so retired or withdrawn) be paid into the appropriate fund. Any amounts in such funds not currently needed for the purposes herein specified shall be securely invested and reinvested by the Depreciation Fund Board and all interest and profits accruing thereon shall be returned to the revenue. The Depreciation Fund Board shall have the right to sell investments to meet current needs and for purposes of reinvestment. A permanent record of the depreciation of each class of construction and equipment of the Railroad and the Existing Railroads (as such classes are from time to time

defined or specified by the Commission) shall be kept by the Lessee in the form prescribed from time to time by the Commission. At the expiration of the term of the Lease, or upon earlier termination as hereinafter provided, any amount in the Depreciation Fund for the Railroad and Equipment shall be paid to the City or to a new lessee as may be directed by the Commission and any amounts in the Depreciation Fund for the Plant and Property of Extensions and Additional Tracks and in the Depreciation Fund for Existing Railroads shall be paid to the Lessee. In case the City shall terminate the contract as to a specified portion or portions of the Railroad as hereinafter provided, the Commission and the Lessee shall determine what proportion of the first of such funds shall then be paid over to the City or to a new lessee on account of depreciation of the specified portion (including the Equipment thereof) as to which the contract is so terminated and in case of their failure to agree upon such amount the same shall be determined by arbitration or by the court.

6 One-quarter ($\frac{1}{4}$) of the sum of three million five hundred thousand dollars (\$3,500,000) to be retained by the Lessee for each quarter year of the term of the Lease as representing the average annual income from the operation of the Existing Railroads during the two years prior to the date of the beginning of initial operation, out of which the Lessee shall pay interest charges on obligations representing capital investment (preceding the date of this contract) in the Existing Railroads.

7 One-quarter ($\frac{1}{4}$) of an amount equal to six per centum (6%) of (1) the Lessee's contribution toward the cost of construction of the Railroad, (2) the cost of equipment of the Railroad for initial operation, (3) the actual cost of the plant and property of the extensions and additional tracks authorized by the Commission by said certificates, and (4) the cost of Reconstruction of the Existing Railroads for Initial Operation, for each quarter year of the term of the Lease, out of which the Lessee shall set aside amounts sufficient, with interest and accretions thereon, to amortize within the term of the Lease such contribution and such costs. Such payments (subject to the reduction of the cost of construction as hereinafter provided) shall continue to be made to the Lessee for each quarter year of the term of the Lease irrespective of whether any part of the cost has been amortized or the bonds issued therefor retired. In the event of the temporary operation of the Railroad or the commencement of the term of the Lease prior to the completion of the Railroad, such one-quarter of six per centum ($\frac{1}{4}$ of 6%) shall be computed upon the basis of the portion of the Lessee's contribution toward the cost of construction of the Railroad, of the portion of the cost of equipment of the Railroad for initial operation, of the portion of the actual cost of the plant and property of such extensions and additional tracks and of the cost of Reconstruction of the Existing Railroads for Initial Operation then in operation. The Lessee shall, however, reduce the cost of construction borne by it and the cost of equipment by the sum of One Million Three Hundred and Thirty Thousand Dollars (\$1,330,000). Such reduction shall be apportioned among (a) the Lessee's contribution toward the cost of construction of the Railroad, (b) the cost of equipment of the Railroad for initial operation, (c) the cost of Reconstruction of the Existing Railroads for Initial Operation and (d) the actual cost of the plant and property of the extensions and additional tracks (exclusive of additions) authorized by said certificates in the proportion that the cost of each thereof bears to the cost to the Lessee of the whole. Such reduction shall bear interest in the same amount as is paid thereon from and after the beginning of initial operation under the provisions of this paragraph and the amount of such interest when paid shall be paid into the revenue. Such reduction (together with the said interest thereon) shall be accomplished by the Lessee applying thereto the first sums coming to it under the provisions of Article L on account of its fifty per centum (50%) of the income, earnings and profits of the Railroad and the Existing Railroads, provided, however, that the Lessee shall not be required to pay from its share of such income, earnings and profits in any one year an amount in excess of one-fifteenth thereof.

8 When the Lessee shall provide Additional Equipment for the Railroad (that is, Equipment in addition to that provided for initial operation as indicated by the schedule filed as provided in Article XL, except Additional Equipment belonging to the Extensions, unless the Extensions to which such Additional Equipment belongs shall become a part of the Railroad, as provided in Article LXXII, in which event the sinking funds provided for such Additional Equipment shall be combined with the funds provided for in this paragraph but the said sinking funds may continue to be separately identified on the books of the Lessee), or Additions to the Existing Railroads, then an amount to be retained by the Lessee equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the Lessee (or, in the event that the Lessee should not borrow money for such purpose, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the average annual rate payable by the Lessee on long term securities issued by it for the purpose of carrying out its obligations under this contract) upon the cost of each additional unit (as the words "additional unit" are defined in Article LXIX), together with a sum equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of each additional unit, which latter amount shall be paid into a separate sinking fund which with interest and accretions shall be promptly and securely invested and reinvested by it for the amortization of the cost of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts, or interest or accretions thereon, set aside for the amortization of the cost of the cost of such additional unit shall be paid into the revenue.

9 An amount to be paid to the City for each quarter year of the term of the Lease equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last preceding sale by the City of corporate stock or other long term interest bearing securities) upon its share of the cost of construction of the Railroad (exclusive of Additions) together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the City's share of the cost of construction of the Railroad (exclusive of Additions). Such payments shall continue to be made to the City for each quarter year of the term of the Lease irrespective of whether any part of such share of the cost of construction has been amortized or the bonds issued therefor retired.

10 An amount to be paid to the City equal to one-quarter ($\frac{1}{4}$) of the annual interest actually payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last preceding sale by the City of corporate stock or other long term interest bearing securities) upon the cost of construction of each additional unit of Additions to the Railroad, together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of construction of each additional unit of Additions to the Railroad to furnish a sinking fund for the amortization of the cost of construction of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts, or interest or accretions thereon, set aside for the amortization of the cost of construction of such additional unit shall be paid into the revenue.

11 One per centum (1%) of the revenue, which shall be paid into a separate fund to be in the charge and under the direction and control of the Depreciation Fund Board and which with interest and accretions shall be securely invested and reinvested by it to provide a contingent reserve fund. When any such fund with interest and accretions shall equal one (1%) per centum of the cost of construction and the cost of equipment of the Railroad or of the portion thereof remaining in operation, payments to such fund shall be suspended and interest thereon shall be paid into the revenue. If thereafter such fund shall fall below such one (1%) per centum, payments at the rate aforesaid shall be resumed until the fund with interest and accretions again equals such one (1%) per centum. Such fund shall be used to meet deficits in operation and the payment of the various obligations and deductions hereinbefore in this Article referred to and for such other purposes as may from time to time be approved by the Commission. At the end of the term, or sooner termination thereof, any balance in this fund, after the payment of any claims against the Lessee arising out of operation, shall be paid into the revenue.

12 The amount remaining after making all such deductions shall be deemed to be the income, earnings and profits of the Railroad and the Existing Railroads.

Article L. Of the income, earnings and profits of the Railroad and the Existing Railroads fifty (50%) per centum shall be paid to the City and the remaining fifty (50%) per centum shall be retained by the Lessee.

Article LI. If in any quarter year the revenue shall be insufficient to meet the various obligations and deductions referred to in Article LXIX, the deficits shall be cumulative and payments of such deficits shall be thereafter made in full before deduct-

ing the amounts required in the paragraph of such article, succeeding the paragraph providing for the payment of the obligations or deductions as to which there has been such deficit.

Article LII. When and as the Commission shall declare parts of the Railroad to be ready for equipment the Lessee shall forthwith equip the same and when declared by the Commission to be ready for operation the Lessee shall forthwith commence the operation of such part or parts in connection with the Existing Railroads, including such part or parts of the extensions and additional tracks authorized by said certificates as may have been completed and may be ready for operation. The earnings of such part or parts shall be combined with those of the Existing Railroads and the revenue shall be distributed as provided in Articles XLIX, L and LI, except that the deductions provided for in paragraphs 7 and 9 of Article LXIX, shall be computed on the basis of the cost of construction and the cost of equipment of such part or parts of the Railroad and such part or parts of the plant and property of the extensions and additional tracks authorized by said certificates and such part or parts of the Reconstruction of the Existing Railroads for Initial Operation as are placed in operation and except further that any deficit in the payments required to be made to the City instead of being cumulative shall be added to the cost of construction of the Railroad.

Provided, however, that if the term of the Lease shall not begin on the first day of January, 1917, as provided in Article XLVIII the Lessee shall have the right upon giving thirty (30) days notice in writing to the Commission to terminate the arrangement hereinbefore in this article provided in respect of temporary rental. In case of such notice being given the arrangement hereinbefore in this article provided for in respect of temporary rental shall on the expiration of such thirty (30) days cease and the City shall thereafter receive as compensation for the use of such part or parts of the Railroad and such part or parts of the said extensions and additional tracks as shall have been declared completed and ready for operation under the provisions of this article either a specified sum of money or a specified part or proportion of income, earnings or profits of such parts or parts of the Railroad and such part or parts of the said extensions and additional tracks or both a sum of money and a part or proportion of the income, earnings or profits of said part or parts of the Railroad and such part or parts of the said extensions and additional tracks as shall be agreed upon by the Commission (with the approval of the Board of Estimate) and the Lessee, or if the Commission (with such approval) and the Lessee are unable to agree thereon within thirty (30) days after such notice takes effect as hereinbefore provided such compensation shall be determined by arbitration or by the court.

Article LIII. The funds provided for in paragraphs 5 and 11 of Article LXIX and the depreciation funds provided for in paragraph 1 of Article LXX shall be in the charge of and under the control and direction of a Board to be known as the Depreciation Fund Board and to be organized and constituted as follows: Before the beginning of operation of any part of the Railroad the Commission and the Lessee shall each name an individual to be a member of such board. Within thirty (30) days thereafter the Commission and the Lessee shall agree upon the third member of such board or in the event of their failure to so agree within such time, the third member upon the application either of the Commission or of the Lessee shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within fifteen (15) days after being requested by either the Commission or the Lessee to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then the third member shall be nominated upon the request of either the Commission or the Lessee and within a period of fifteen (15) days by any Associate Judge of the said Court of Appeals in the order of seniority. In the event of a vacancy in the office of any of the members of the Board the successor shall be chosen in the same manner as above provided in case of the original nomination. Such Depreciation Fund Board shall administer the funds provided for in the paragraphs of Articles LXIX and LXX referred to and the members thereof shall receive as compensation for their services such amount and shall be appointed for such period as may from time to time be agreed upon by the Commission and the Lessee and such amount shall be included as part of the operating expenses referred to in paragraph 3 of Article LXIX. The Lessee shall also pay and include as part of such operating expenses the actual and necessary expenses of such Depreciation Fund Board including clerical and offices expenses.

Article LIV. All payments to be made to the City under the provisions of this contract shall be made on or before the thirtieth days of January, April, July and October in each year during the term of this contract. Receipts and interest and accruals shall be pro-rated and if necessary adjusted in the payments for the quarter succeeding the quarter in which they are actually paid. Any other readjustment of payments or deductions that is necessary shall be made (for the whole of the year preceding) as of the end of the fiscal year.

Article LV. The amounts payable to the City under Articles LXIX, L, LXX and LXXI shall be paid to the Comptroller at the times specified in the last preceding Article and the Lessee shall deliver to the Commission and to the Comptroller at the time of each payment a statement in the form and with details to be prescribed by the Commission showing the receipts and disbursements of the Lessee for the preceding quarter. Such statement shall be verified under oath by the officer of the Lessee, having charge of the books and accounts of the Lessee, or, in case of his absence or inability, then by its president, or other chief officer or manager.

Article LVI. The Comptroller and the Commission shall have the right to verify any of the said statements by an examination of the Lessee's and any sub-contractor's books, records and memoranda and the examination under oath of any of its officers or servants; and the Lessee hereby covenants that it will require its officers and servants to submit to such examination and produce such books, records and memoranda whenever and wherever they may be required by the Commission or the Comptroller.

Article LVII. In case of the termination of this contract separately as to any of the Lines of the Railroad (or of Extensions which become part of the Railroad for purposes of rental as provided in Article LXXII) and in case such terminations do not involve a readjustment of the rental as provided in Article LXXIX, the deductions from revenue provided in Article LXIX shall continue to be made as to the Line or Lines (or as to such Extensions) and the Additions thereto, remaining after such termination, but the deductions provided for in paragraphs 7, 8, 9, 10 and 11 of Article LXIX shall then be made upon the basis of the cost of construction and cost of equipment remaining after apportioning such cost of construction and cost of equipment between the several Lines of the Railroad as provided in Article LXXV.

Chapter III—Character of Service, Rate of Fare, Etc.

Article LVIII. The Lessee covenants to and with the City that it will, during the term hereof, operate the Railroad and the Existing Railroads carefully and skillfully, according to the highest standards of railway operation, and with due regard to the safety of the passengers and employees thereof and of all other persons.

Article LIX. The Lessee shall operate the Railroad and the Existing Railroads as one complete system and shall furnish with respect thereto such service and facilities as shall be safe and adequate and in all respects just and reasonable. Free transfers shall be given, as required by the Commission under regulations prescribed or approved by it, between all trains operated by the Lessee at common or connecting points (where interchange station facilities are supplied by the Lessee or required by the Commission), of (1) any part or parts of the Railroad and (2) any part or parts of the Existing Railroads and (3) between any part or parts of the Railroad and any part or parts of the Existing Railroads, so as to afford a continuous trip in the same general direction for a single fare. The Lessee agrees to make arrangements, if such arrangements be approved by the Commission, whereby free transfers shall be exchanged at 86th Street in the Borough of Brooklyn between the Railroad and the existing surface railroads now operating on Third Avenue and Fifth Avenue between 86th Street and Fort Hamilton. The Lessee also undertakes to endeavor to secure the necessary authority for the extension of the said surface railroads to a point near 86th Street and Fourth Avenue where a more convenient point of transfer can be installed.

Such transfers and arrangements relating thereto, and all other transfers, and arrangements relating thereto, shall be submitted to the Commission and its approval obtained before taking effect.

The Lessee also agrees to undertake to make arrangements, to be approved by the Commission, whereby free transfers shall be exchanged at 34th Street in the Borough of Manhattan between the Railroad and the Hudson and Manhattan Railroad Company to and from the Grand Central Station.

The City hereby assigns to the Lessee a certain indenture dated the 30th day of October, 1912, between Manhattan Hotel Company, a domestic corporation of the State of New York, and the City, acting by the Commission, providing for an entrance to the station at Canal Street and Broadway in the Borough of Manhattan on the Broad-

way-Fourth Avenue Line through property at the southwest corner of Broadway and Canal Street and all its rights under said indenture, and the Lessee hereby accepts such assignment, such assignment to continue in effect until the expiration or earlier termination of the contract as to the Broadway-Fourth Avenue Line.

Article LX. The Lessee shall run local trains and express trains, and if required by the Commission shall run trains part of the way as local and part of the way as express trains. The local and express trains shall be operated in conformity with the traffic requirements and at the highest speeds which the Equipment and conditions will permit.

Article LXI. The Lessee may use the Railroad for the carriage of freight, mail and express matter; provided, however, that such use shall not to any extent or in any way interfere with the use of the Railroad to its fullest capacity for all passengers who shall desire to be carried upon it. Within the limit aforesaid the Commission, if in its judgment the public interests so demand, may require the Lessee to carry upon the Railroad freight, mail or express matter.

Article LXII. The Lessee shall during the term of this contract be entitled to charge for a single fare upon the Railroad and the Existing Railroads the sum of five (5) cents but not more; provided, however, that the provisions of this article shall not prevent the Lessee from continuing to charge—until the time when trains may be operated for continuous trips wholly over connected portions of the Railroad (including both the Culver Line and Subdivision VIII of the Broadway-Fourth Avenue Line) from the Municipal Building, in the Borough of Manhattan, to the points at or near Coney Island, at which the construction of the Railroad shall be suspended as provided in Article VII—the same fare for a continuous ride over the Existing Railroads and over the Railroad and the Existing Railroads as that charged for a continuous ride over the Existing Railroads at the end of the fiscal year ending June 30, 1912.

Article LXIII. No part of the Railroad or stations or other appurtenances thereof shall be used for advertising purposes, except that the Lessee may use the structure for posting necessary information for the public relative to the running of trains and to the operation of the Railroad; nor shall any trade, traffic or occupation, other than required for the operation of the Railroad be permitted thereon or in the stations thereof, except such sale of newspapers and periodicals as may from time to time, always with the right of revocation, be permitted by the Commission. In case the present provisions of the Rapid Transit Act in respect of advertising or the carrying on of any trade, traffic or occupation are amended, the Commission, under rules and regulations to be prescribed by it, may permit the Lessee to carry on such advertising or such trade, traffic or occupation in accordance with the Rapid Transit Act as it may be amended from time to time.

The Lessee shall, under regulations (including the form of contract) prescribed by the Commission, advertise for proposals for the privilege of selling newspapers and periodicals in the stations of the Railroad in such manner as to permit of the contracting for such privilege separately for each news stand.

Article LXIV. The Lessee shall keep the stations and the tunnels and all other parts of the Railroad, and all cars and all other parts of the Equipment, clean, free from all unnecessary dampness, adequately heated, lighted and ventilated, and in these and in all other respects in thoroughly good order and condition.

Article LXV. The Commission contemplates, and the Lessee hereby approves, the most thorough and minute inspection by the Commission and the Engineer, and by their representatives or subordinates, of the Railroad and Equipment and the Existing Railroads during operation. The Lessee shall therefore at all times during the term of the lease provide all reasonable conveniences for the inspection of the Railroad and Equipment and the Existing Railroads and every part thereof by the Commission, its members, its engineers and subordinates. The members of the Commission, its engineers and subordinates shall at any time upon its authority have access to any part of the Railroad or Equipment or the Existing Railroads or to any materials for the Equipment which may be in process of manufacture or assembling.

Article LXVI. The Lessee hereby covenants to and with the City that it will save the City harmless of and from all claims of every nature arising from injuries to passengers, employees or other persons by reason of negligence on the part of the Lessee or of any of its employees, and all other claims by reason of the operation and maintenance of the Railroad, except those, such as vibration, due to the design of the Railroad, against which the City by this contract assures the Lessee, provided, however, that the provisions of this Article shall not prevent the Lessee from including any such damages as part of the expenses of operation referred to in paragraph 3 of Article XLIX.

Article LXVII. The Lessee shall during the period of operation keep the Railroad and Equipment and the Existing Railroads and each and every part thereof in thorough repair, and shall restore and replace every necessary part thereof which may wear out or cease to be useful so that at all times and at the end or sooner termination of the Lease the Railroad and the Existing Railroads shall be in thoroughly good and solid condition and fully and perfectly equipped, presently ready for continuous and practical operation to the full limit of their capacity so far as necessary to furnish adequate service. As part of this obligation the Lessee shall when required by the Commission provide adequate insurance, the premiums thereon to constitute an operating expense. If at any time the Commission or its Engineer shall notify the Lessee of any loss, wear, decay or defect in the Railroad or the Equipment or in the Existing Railroads, such loss, wear, decay or defect shall forthwith be completely remedied by the Lessee. If the Lessee shall neglect or refuse to remedy such loss, wear, decay or defect promptly and completely, the Commission may, in addition to the City's other remedies in such manner, whether by contract or otherwise, as it may deem proper, procure such loss, wear, decay or defect to be supplied and remedied, and for such purpose shall be entitled, so far as it shall deem necessary or convenient, to enter upon the Railroad and the Existing Railroads; and the Lessee shall forthwith, upon the demand of the Commission, pay to the City, as part of the expenses of maintenance, the entire cost incurred by the City in supplying such loss or wear or in remedying such decay or defect.

Chapter IV.—Additions and Changes.

Article LXVIII. The principal object of the City in making this contract is to secure for the public convenience an adequate, comfortable and rapid system of passenger transportation in the portions of New York which will be served by the Railroad and the Existing Railroads. By the foregoing provisions of the Lease the Lessee has covenanted, among other things, to operate the Railroad and the Existing Railroads carefully and skillfully, according to the highest standards of railway operation; to supply adequate equipment; to run trains so as to furnish adequate service; to use the best safety devices; to keep the Railroad and Equipment and the Existing Railroads clean, dry, well lighted, heated and ventilated; and to do other things, as hereinbefore set forth, for the convenience and accommodation of the public. These covenants on the part of the Lessee are among the principal moving considerations to the City in making this contract, and any breach thereof will entitle the City to the remedies provided in this contract. If at any time Additions to the Railroad or Equipment or to the Existing Railroads or any change in the mode of operating the Railroad or the Existing Railroads or conducting the business thereof are necessary in order to carry out the purposes of the Lease in securing service and facilities as shall be safe and adequate and in all respects just and reasonable, the Commission may direct the provision or construction of such Additions and the making of such changes in the mode of operation of the Railroad or the Existing Railroads or in the conduct of the business thereof as may be necessary to accomplish such purposes. Such provision or construction of Additions and such changes shall be made to the satisfaction of the Commission and, when necessary, under such forms of contracts, plans, specifications and directions as it may issue or approve. If the direction shall have reference to Equipment or operation or to the construction of Additions to the Existing Railroads the cost of complying therewith shall be borne by the Lessee. If the direction shall have reference to the construction of Additions to the Railroad the cost of complying therewith shall be borne by the City and the work necessary shall be done under the supervision and direction of the Commission and under contracts let by the Commission or directly by the Lessee as the Commission may elect. If the Lessee shall neglect or refuse to comply with such directions the Commission in addition to other remedies may cause such changes or Additions (other than Additions to the Railroad) to be made at the expense of the Lessee.

Article LXIX. All Additions shall be identified and the cost of equipment or the cost of construction as the case may be ascertained and determined in the following manner and by the following method: No Additions shall be provided or constructed until the same shall have been ordered or approved by the Commission and in its resolution so ordering or approving the Commission shall briefly describe the Addition so ordered or approved (which is hereinafter referred to as the additional unit) and shall assign thereto a work order number. All Additions shall be

subject to regulations issued by the Commission from time to time in accordance with the provisions of Article XLII prescribing the manner and method of providing for their identification and distinction. All papers or documents (including all bills, vouchers, pay rolls, plans, contracts, orders, etc.) relating to such additional unit shall refer to such work order number and no expenditure shall be included in the cost of construction or the cost of equipment by the Engineer unless it refers to such work order number. The cost of construction or equipment, as the case may be, of an additional unit shall be determined as provided in Articles XXIX and XXX.

Chapter V.—Operation of Extensions.

Article LXX. The Lessee further agrees (which agreement is one of the principal moving considerations to the City in making this contract) to equip, maintain and operate any Extensions which in the opinion of the Commission should be operated in conjunction with the Railroad. If the Commission shall determine to add any Extension to the Railroad it shall so inform the Lessee at least six months in advance of the time when the Lessee is to begin providing Additional Equipment for such Extension. Within three months after receipt of such notice the Lessee shall in writing inform the Commission whether it acquiesces in the addition of such Extension. If the Lessee acquiesces in the addition of such Extension it shall, upon the requirement of the Commission, forthwith equip such Extension and maintain and operate it as a component part of the Railroad in the same manner and to the same extent, except for purposes of termination, as if such Extension were described in Chapter II of Part First of this contract, paying the City rental therefor as provided in Articles XLIX, L and LI. If the Lessee shall not acquiesce in the addition of such Extension, it shall nevertheless upon the direction of the Commission forthwith equip such Extension and operate it as a component part of the Railroad but upon the following basis to wit:

The Lessee shall pay to the City as compensation for the use of the Extension an amount to be determined as follows:

The gross receipts of the Extension shall be ascertained by crediting to the Extension:

(a) The value of the tickets collected upon the Extension and all other earnings of whatsoever character of the stations of the Extension and

(b) The additional revenue derived by the Lessee from all advertising on the Extension, or the stations thereof, or in the cars operated on such Extension. In case it shall be necessary in determining such additional revenue, to pro-rate the receipts from all advertising on the Railroad, the Existing Railroads and all Extensions the proportions thereof shall be credited to the Extension that the value of the tickets collected upon the Extension bears to the total value of the tickets collected upon the Railroad, the Existing Railroads and all Extensions.

(c) The proportion of the general receipts of the Lessee derived from the operation of the Railroad, the Existing Railroads and all Extensions that the value of the tickets collected upon the Extension bears to the total value of the tickets collected upon the Railroad, the Existing Railroads and all Extensions.

Such amounts shall be deemed to be the gross receipts of the Extension and are hereinafter in this Article referred to as the "extension revenue." From the extension revenue the Lessee shall at the end of each quarter year ending December 31, March 31, June 30 and September 30, deduct in the order named:

1. All expenses actually and necessarily incurred by the Lessee in the operation of the Extension, which shall be ascertained by charging to the Extension all of the following expenses, as such expenses are defined in the uniform system of accounts for street and electric railways adopted by the Public Service Commission for the First District of the State of New York on December 8, 1908:

a. Maintenance of way and structure of the Extension and the Additions to the Extension, exclusive of way and structure required for the generation, conversion, transmission and distribution of power up to the contact rail and the local lighting and power circuits.

b. Station expenses of stations of the Extension.

c. Damages for accidents to persons or property (including all personal injury claims) occurring upon the Extension.

d. Taxes, if any, upon the Extension, upon Additions thereto or upon Additional Equipment belonging thereto, together with all taxes and other governmental charges of every description (whether on physical property, stocks or securities, corporate or other franchises, or otherwise) assessed or which may hereafter be assessed against the Lessee in connection with or incident to the operation of the Extension. Also such assessments for benefits to the Extension or to Additions thereto or to Additional Equipment belonging thereto as are not properly chargeable to cost of construction or cost of Equipment.

And the proportion of the following expenses of the Railroad, Existing Railroads and all Extensions which the value of the tickets collected upon the Extension bears to the value of the tickets collected upon the Railroad, Existing Railroads and all Extensions, as such expenses are defined in the uniform system of accounts for street and electric railways adopted by the Public Service Commission for the First District of the State of New York on December 8, 1908:

a. Maintenance of way and structure required for the generation, conversion, transmission and distribution of power up to the contact rail and power and lighting circuits.

b. Maintenance of equipment.

c. Transportation expenses, exclusive of station expenses.

d. General and miscellaneous expenses, exclusive of damages for accidents to persons or property.

Maintenance and depreciation funds shall be set aside and managed in the same manner as provided in the case of the Railroad and at the expiration of the term or upon the earlier termination any amount in such funds shall be paid to the City.

2. An amount to be retained by the Lessee equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the Lessee (or, in the event that the Lessee should not borrow money for such purpose, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the average annual rate payable by the Lessee on long term securities issued by it for the purpose of carrying out its obligations under this contract) upon the cost of each additional unit of Additional Equipment belonging to the Extension, together with a sum equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of each such additional unit, which latter amount shall be paid into a separate fund and with interest and accretions shall be promptly and securely invested and reinvested for the amortization of the cost of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts, or interest or accretions thereon, set aside for the amortization of the cost of such additional unit shall be paid into the extension revenue.

3. An amount to be paid to the City equal to one-quarter ($\frac{1}{4}$) of the annual interest actually payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last preceding sale by the City of corporate stock or other long term interest bearing securities) upon the cost of construction of the Extension, together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of such cost of construction to furnish a sinking fund for the amortization of such cost of construction. Upon the completion of the amortization of the cost of construction the payments provided for in this paragraph shall cease and any balance in the sinking fund of any amounts or interest or accretions thereon, set aside for the amortization of such cost of construction shall be paid into the extension revenue.

4. An amount to be paid to the City equal to one-quarter ($\frac{1}{4}$) of the annual interest actually payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last preceding sale by the City of corporate stock or other long term interest bearing securities) upon the cost of construction of each additional unit of Additions to the Extensions, together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of construction of each such additional unit to furnish a sinking fund for the amortization of such cost of construction. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts, or interest or accretions thereon, set aside for the amortization of the cost of such additional unit shall be paid into the extension revenue.

Article LXXI. If in any quarter year the revenue of the Extension shall be insufficient to pay the charges referred to in paragraphs 1 and 2 of Article LXX, the Lessee shall be entitled to deduct the amount of such deficit from the revenue of the Railroad and the Existing Railroads prior to the payment to the City of the amounts payable to it under the provisions of paragraphs nine (9) and ten (10) of Article XLIX and under Article L. Such deduction shall be deemed to be a payment to the City on account of the amounts payable to it under the provisions of Articles XLIX and L and any deficit caused thereby shall not be cumulative in respect of deficits of the City under Article LI. Any deficit in the payments to be made to the City under Article LXX and any amount paid to the Lessee to reimburse it for deficits in the payments provided for under paragraphs 1 and 2 of Article LXX shall, however, with interest be cumulative under this Article and shall unless waived by the City be discharged from the Extension revenue before the Extension becomes part of the Railroad as provided in Article LXXII.

If at the end of any entire fiscal year of operation of an Extension there shall be a deficit in the payments provided for in paragraphs 1 and 2 of Article LXX and there shall not be a sufficient amount of the revenue of the Railroad and Existing Railroads applicable to the payments to the City provided for in paragraphs 9 and 10 of Article XLIX and in Article L to cover such deficit, and such deficit is not made up by or on behalf of the City from any other source, the lease of the Extension shall cease and determine (unless the Lessee desires to continue the operation thereof as hereinafter provided) and the Lessee shall be entitled to withdraw from the operation of the Extension and the City shall thereupon take the Additional Equipment belonging to such Extension and pay the Lessee therefor an amount to be determined in the same manner as is hereinafter provided in the case of termination pursuant to notice. In case the Lessee shall desire to continue the operation of such Extension, such deficit shall be a cumulative and continuing charge against the revenue of the Railroad and the Existing Railroads applicable to payments to the City in the same manner as hereinbefore in this Article provided in respect of other Extension deficits, with interest adjusted on a semi-annual basis, and the Lessee shall have the right to cease operating such Extension at the end of any succeeding fiscal year, in case such deficits, together with any that may have subsequently accrued, are not so made up from the revenue of the Railroad and the Existing Railroads applicable to payments to the City or by the City or on its behalf from some other source.

Article LXXII. If, however, at the end of any fiscal year the revenue of the Extension (after the payment of all accrued cumulative deficits, if the City's deficits are not waived by the Commission with the approval of the Board of Estimate) shall be sufficient to pay all the charges provided for in Article LXX, such Extension shall thereupon cease to be an Extension and shall be deemed for all purposes, except for purposes of termination, to be a part of the Railroad in the same manner and to the same extent as if such Extension were described in Chapter II of Part First of this contract, and its receipts shall be included in the revenue of the Railroad and the Existing Railroads and distributed as provided in Articles XLIX and L and its depreciation funds shall be consolidated with the corresponding funds provided for under Article XLIX, but the sinking funds provided for in paragraphs 2, 3 and 4 of Article LXX may continue nevertheless to be separately identified on the books of the City and the Lessee. Any balance in the Extension revenue after the payment of all the charges provided for in Article LXX shall be paid into the revenue of the Railroad and the Existing Railroads. The City shall have the right to waive any and all accrued deficits.

Article LXXIII. The provisions of Articles LIV, LV and LVI *supra* relative to examinations and dates of payments shall apply as well to the separate accounts of the Extensions.

Article LXXIV. Except as to the compensation therefor, which shall be as hereinbefore provided, the equipment, maintenance and operation of Extensions shall be according to all the requirements governing the equipment, maintenance and operation of the Railroad.

Chapter VI—Termination Upon Notice

Article LXXV. Upon giving one year's notice in writing to the Lessee the City, acting by the Commission with the approval of the Board of Estimate, may terminate this contract as to all of the Railroad (including Extensions and Additions) at any time after the expiration of ten (10) years from the date when operation of any part of the Railroad shall actually begin; or the City, acting by the Commission, upon like notice and with like approval may terminate the contract separately as to each of the following specified portions thereof, to wit:

(1) The Broadway-Fourth Avenue Line, including any Extensions added thereto;

(2) The Culver Line, including any Extensions added thereto;

(3) The Fourteenth Street-Eastern Line, including any Extensions added thereto, at any time after the expiration of ten (10) years from the date when operation of any part of the Line, as to which the contract is so separately terminated, shall actually begin; and the City, acting by the Commission, upon like notice and with like approval may terminate the contract separately as to each of the Extensions at any time after the expiration of ten (10) years from the date when operation of any part of the Extension, as to which the contract is so terminated, shall actually begin. Such dates shall be evidenced by resolutions adopted by the Commission and entered in its minutes approving such dates as the dates for beginning of operation. Such right of termination shall, however, be upon condition as follows:

1. The City shall pay to the Lessee an amount to be determined as follows: For the purposes of this chapter in ascertaining the Lessee's contribution towards the cost of construction of each Line of the Railroad, the contribution of the Lessee towards the cost of construction of the Railroad shall be deemed to have been expended generally upon the construction of the Railroad, irrespective of the actual application of such contribution to particular parts through the method and manner of its disbursement as provided in Article XI. The amount of the Lessee's contribution towards the cost of construction of any Line of the Railroad shall therefore be ascertained by charging to each Line the proportion of the total contribution of the Lessee towards the cost of construction of the Railroad that the cost of construction of such Line bears to the cost of construction of the Railroad. The cost of equipment for each Line shall be the cost of the equipment provided for each Line in accordance with the provisions of Article XL. If the contract shall be terminated as to all of the Railroad the City shall pay to the Lessee the percentage of the Lessee's contribution towards the cost of construction of the Railroad (exclusive of Additions) and the percentage of the cost of equipment of the Railroad (exclusive of Additions) indicated in the following schedule. If the contract shall be terminated separately as to a Line the City shall pay to the Lessee the percentage of the Lessee's contribution towards the cost of construction of such Line (exclusive of Additions) and the percentage of the cost of equipment of such Line (exclusive of Additions) indicated in the following schedule.

Such schedule is as follows:

Schedule

If terminated at—	Percentage to be paid by City
10 years.....	38-39ths of 115
11 years.....	38-39ths of 115
12 years.....	37-39ths of 115
13 years.....	36-39ths of 115
14 years.....	35-39ths of 115
15 years.....	34-39ths of 115
16 years.....	33-39ths of 115
17 years.....	32-39ths of 115
18 years.....	31-39ths of 115
19 years.....	30-39ths of 115
20 years.....	29-39ths of 115
21 years.....	28-39ths of 115
22 years.....	27-39ths of 115
23 years.....	26-39ths of 115
24 years.....	25-39ths of 115
25 years.....	24-39ths of 115
26 years.....	23-39ths of 115
27 years.....	22-39ths of 115
28 years.....	21-39ths of 115
29 years.....	20-39ths of 115
30 years.....	19-39ths of 115
31 years.....	18-39ths of 115

If terminated at—	Percentage to be paid by City
32 years.....	17-39ths of 115
33 years.....	16-39ths of 115
34 years.....	15-39ths of 115
35 years.....	14-39ths of 115
36 years.....	13-39ths of 115
37 years.....	12-39ths of 115
38 years.....	11-39ths of 115
39 years.....	10-39ths of 115
40 years.....	9-39ths of 115
41 years.....	8-39ths of 115
42 years.....	7-39ths of 115
43 years.....	6-39ths of 115
44 years.....	5-39ths of 115
45 years.....	4-39ths of 115
46 years.....	3-39ths of 115
47 years.....	2-39ths of 115
48 years.....	1-39th of 115
49 years.....	0

2. The City shall also pay to the Lessee for such Additional Equipment of the Railroad or of such Line or of the Extension (as to any of which the contract is so terminated) as shall have been in operation less than thirty-nine (39) years the percentage of the cost of such Additional Equipment indicated in the following schedule according to the age of each additional unit as there indicated.

Such schedule is as follows:

Schedule

Upon termination	Percentage to be paid by City
If on provision.....	107.5
If 1 year after provision.....	106,488 371
If 2 years after provision.....	105,429 144
If 3 years after provision.....	104,320 077
If 4 years after provision.....	103,158 826
If 5 years after provision.....	101,942 936
If 6 years after provision.....	100,669 834
If 7 years after provision.....	99,336 830
If 8 years after provision.....	97,941 105
If 9 years after provision.....	96,479 708
If 10 years after provision.....	94,949 548
If 11 years after provision.....	93,347 390
If 12 years after provision.....	91,669 848
If 13 years after provision.....	89,913 372
If 14 years after provision.....	88,074 250
If 15 years after provision.....	86,148 593
If 16 years after provision.....	84,132 329
If 17 years after provision.....	82,021 194
If 18 years after provision.....	79,810 726
If 19 years after provision.....	77,496 249
If 20 years after provision.....	75,072 871
If 21 years after provision.....	72,535 467
If 22 years after provision.....	69,878 672
If 23 years after provision.....	67,096 857
If 24 years after provision.....	64,184 174
If 25 years after provision.....	61,134 429
If 26 years after provision.....	57,941 187
If 27 years after provision.....	54,597 695
If 28 years after provision.....	51,096 884
If 29 years after provision.....	47,431 351
If 30 years after provision.....	43,593 345
If 31 years after provision.....	39,574 805
If 32 years after provision.....	35,367 074
If 33 years after provision.....	30,961 415
If 34 years after provision.....	26,348 458
If 35 years after provision.....	21,518 450
If 36 years after provision.....	16,461 179
If 37 years after provision.....	11,165 951
If 38 years after provision.....	5,621 569
If 39 years after provision.....	000 000

The above schedule is computed upon the basis of the investment of the deductions from the revenue for amortization provided for in paragraph 8 of Article XLIX and paragraph 2 of Article LXX, in five per cent. bonds of the Lessee at one hundred and seven and one-half per cent. (107 1/2%) and seven and one-half per cent. (7 1/2%) has been added to each outstanding amount to cover premiums that may be payable by the Lessee as a condition for calling in outstanding bonds. If the amortization funds are invested at a more favorable rate than that above assumed or if the premiums payable upon outstanding bonds are less than seven and one-half per cent. (7 1/2%) then the amount to be paid by the City shall be correspondingly reduced.

Article LXXVI. If the termination pursuant to notice shall take effect other than at the end of a year as indicated in the schedules in this chapter the amount to be paid by the City shall be the amount indicated for the prior year diminished by such proportion of the difference between such amount and the amount indicated for the next succeeding year as the number of days elapsed bears to the total number of days in such year.

Article LXXVII. Upon termination of the contract pursuant to notice or upon the expiration of the contract any unliquidated claims or obligations arising out of operation shall be paid from the contingent reserve fund referred to in Article XLIX and if that fund be insufficient the payment of the balance shall be adjusted between the City and the Lessee and if not agreed upon between the Commission and the Lessee shall be determined by arbitration or by the court.

Article LXXVIII. The City, to the extent to which it is authorized by law to make such agreement, agrees in the event of the termination of the contract as to the Broadway-Fourth Avenue Line, pursuant to notice as aforesaid, to grant to the Lessee for a period equal to the then unexpired term of the contract (if it had not been so terminated) the right to use the tracks, structure and line equipment of the following portion of the Broadway-Fourth Avenue Line:

Two tracks beginning at a point in the Borough of Manhattan near the intersection of South and Broad Streets and extending thence under Broad Street and Nassau Street to Park Row and under Park Row to a point under the Municipal Building; thence four tracks under Centre Street to the point near Walker Street where the Line divides into two branches; thence one branch, two tracks, curving northeasterly under Centre Street, private property and Walker Street to Canal Street and under Canal Street to the Manhattan Approach of the Manhattan Bridge; thence two tracks easterly along and across the Manhattan Approach of the Manhattan Bridge and along and across the main span of the Manhattan Bridge and along and across the Brooklyn Approach thereto to a point in the Borough of Brooklyn at or near the intersection of Nassau Street and Flatbush Avenue Extension; thence two tracks southeasterly under Flatbush Avenue Extension to a point near Fulton Street, thence curving southerly and southeasterly under Flatbush Avenue Extension, private property, Fulton Street and private property to St. Felix Street and continuing under St. Felix Street to and under private property and intervening streets to Flatbush Avenue and thence southerly in Flatbush Avenue to a point near Malbone Street, where a connection can be made with the Brighton Beach Line of the New York Consolidated Railroad Company; and the other branch, four tracks, beginning at a point under Centre Street near Walker Street and extending thence under Centre Street to a point at or near Broome Street and thence curving in a general northeasterly direction under Centre Street and private property into Delancey Street and thence continuing easterly under Delancey Street to the Manhattan Approach of the Williamsburg Bridge; and thence two tracks over the Manhattan Approach to the Williamsburg Bridge and over the main span of the Williamsburg Bridge.

iamsburg Bridge to the Brooklyn Approach thereto and thence over the Brooklyn Approach to a point where a connection can conveniently be made with the Broadway Line of the New York Consolidated Railroad Company in Broadway in the Borough of Brooklyn.

The use of such portion of the Broadway-Fourth Avenue Line shall be apportioned as follows: The City (or any operator holding under the City) and the Lessee shall each be entitled to the use of one-third (1/3) of the capacity of such portion and the remaining one-third (1/3) of the capacity of such portion shall be apportioned between the City (or any operator holding under the City) and the Lessee in accordance with traffic requirements. The Lessee shall pay to the City for such trackage rights a reasonable compensation which, with the precise terms governing the use of such portion, shall be agreed upon by the Commission, with the approval of the Board of Estimate, and the Lessee, but if not so agreed upon shall be determined by arbitration or by the court. The City further agrees, in case additional legislation is either necessary or desirable to confirm the provisions of this Article, to aid the Lessee in securing such legislation.

Article LXXIX. In case the City shall terminate this contract as to the Broadway-Fourth Avenue Line in advance of terminating it as to the entire Railroad, the rental of the Line or Lines or Extensions of the Railroad remaining after such termination shall, upon demand of either the Commission or the Lessee by written notice delivered to the other at least six months in advance of the time when under the notice provided for in Article LXXV the termination shall take effect, be readjusted. The amount of such rental shall be reasonable and if not agreed upon by the Commission, with the approval of the Board of Estimate, and the Lessee within a period of three (3) months from the date of the receipt of such notice requiring readjustment the amount of the rental for the Line or Lines or Extensions remaining after such termination takes effect shall be determined by arbitration or by the court. If such rental shall not be so determined prior to the time when such termination takes effect the rental pending such determination shall be one-half of the amount remaining after making the deductions provided for in Article XLIX from the revenue of the Existing Railroads and the remaining Line or Lines of the Railroad. After the determination of the rental such temporary payments shall be adjusted to conform thereto with interest from the date when such termination takes effect.

Article LXXX. At the option of the City either at the expiration of the term of the Lease, or at the termination of the Lease pursuant to notice as aforesaid, the Lessee may be required to transfer the right to the possession of the Railroad or of any Line or Extension thereof and the Equipment directly to a new contractor upon his paying the amount to the Lessee which the City would have been required to pay as aforesaid.

Article LXXXI. In case the City itself shall take over the Railroad and the Equipment such payment shall be made by a City warrant drawn by the Comptroller, or otherwise, as may then be provided by law. In case the Railroad or any Line or Extension thereof and the Equipment shall be taken over directly by a new contractor such payment shall be made by a certified check, drawn by such new contractor upon a solvent bank or trust company having its main office in New York, to the order of the Lessee or by lawful money of the United States of America.

Article LXXXII. If the amounts to be paid to the Lessee upon any such termination shall not have been finally determined or paid prior to or at the time when the termination is under the said notice given to take effect the right of possession of the Railroad or of any Line or Extension thereof and Equipment shall nevertheless pass to the City or to a new contractor, free and clear of all liens or other incumbrances, in which event the City or such new contractor shall pay to the Lessee the amount so determined with interest from the date of taking possession, provided, however, that the possession of the Railroad or of any Line or Extension thereof and Equipment shall not pass to the City or to such new contractor in advance of payment as aforesaid unless the City or such new contractor shall give the Lessee a satisfactory bond or bonds in an amount at least equal to the difference between the portion of the cost of construction borne by the Lessee and the cost of Equipment and the amount thereof that should be amortized as indicated in the schedules hereinbefore contained and in addition an amount sufficient adequately to protect the Lessee, which latter amount, if not agreed upon by the Commission and the Lessee, shall be determined by arbitration or by the court.

Article LXXXIII. Upon the expiration of the term of the Lease, or the termination by notice as aforesaid, the Lessee shall execute and deliver such instruments as may be either necessary or convenient to assure and perfect the title of the City or such new contractor in and to the Equipment free and clear of all liens and incumbrances as aforesaid.

Article LXXXIV. It is the intention of the parties that the measure of any payments the City may be called upon to make hereunder shall be that provided in Article LXXV or Article LXXXVII as the case may be, but in pursuance of the provisions of Subdivision 1 of Section 34 of the Rapid Transit Act, as it now exists, it is further provided that if at any time in ascertaining the amount to be paid by the City as a condition of the termination, as herein provided, or at the expiration of the full term, it shall be necessary, as in the case of Equipment, that the valuation of any plant, property, equipment, construction or any investment in any thereof shall be determined, such valuation shall, in default of agreement, be determined by arbitration or by the Court.

Chapter VII.—Remedies in Case of Lessee's Default.

Article LXXXV. In case of default of the Lessee in paying the rental herein provided for or in case of the failure or neglect of the Lessee faithfully to observe, keep and fulfill any of the conditions, obligations and requirements of the Lease, the City, by the Commission, upon thirty (30) days' notice to the Lessee of its intention so to do, may:

(1) Serve notice of such default upon the Lessee, directing the Lessee to cure the default within ninety (90) days. If there should be any dispute as to the fact of default or as to the remedying thereof the Lessee may apply to the court. If the default be not remedied within such time, or within such further time as may be allowed by the Commission or by the court, the City shall thereafter be at liberty to enter upon and as the agent of the Lessee operate the Railroad and Equipment and the Existing Railroads at the rate of fare and in the manner provided in the Lease for the remainder of the term, or to enter into a contract, subject to the same conditions, with some other person, firm or corporation to operate the Railroad and Equipment and the Existing Railroads as the agent of the Lessee for such period of time as the City may elect. It shall be a condition of such further operation by the City or by the person, firm or corporation with whom or with which the City may contract, that the revenue otherwise distributable to the Lessee under paragraphs 6, 7 and 8 of Article XLIX hereof shall be devoted to the payment of interest and sinking fund charges, if any, upon bonds or other evidences of indebtedness which it will be necessary to pay to prevent any divestment of the Existing Railroads or of any part thereof and to the payment of interest and sinking fund charges, if any, upon bonds or other evidences of indebtedness (secured by the pledge of this contract) issued by the Lessee, with the approval of the Commission, for the purpose of Construction or Equipment under this contract, and any balance thereof after the payment of such interests and sinking fund charges and after the payment of damages suffered by the City by reason of such default and unpaid by the Lessee, from other sources, shall be paid to the Lessee. If for any reason during the period of any such operation by the City or such other person, firm or corporation as the agent of the Lessee the charges above referred to shall not be paid promptly when due then if the City shall not terminate this contract as provided in this chapter, the Lessee shall be entitled to regain possession and to resume operation of the Railroad and Equipment and the Existing Railroads. Or

(2) Serve notice of such default upon the Lessee directing the Lessee to cure the default within ninety (90) days. If there should be any dispute as to the fact of default or as to the remedying thereof the Lessee may apply to the court. If the default be not remedied within such time, or within such further time as may be allowed by the Commission or by the court, the City shall thereafter be at liberty to terminate the contract, in which event the City shall pay to the Lessee the portion of the amount to be paid to the Lessee in case of termination pursuant to notice under Chapter VI of this Part necessary to pay the unamortized part of the cost of construction of the Railroad borne by the Lessee and the unamortized part of the cost of equipment. Or

(3) The City may by the Commission or otherwise, bring such suit or proceeding as it may deem proper upon any security filed or deposited as provided in Chapter IV of Part First of this contract, or for any other purpose. Or

(4) The City may by the Commission or otherwise, but without suit, enforce by sale or otherwise its lien upon any cash, securities, bonds or securities or surety obligations held as aforesaid. Or

(5) The City may by the Commission or otherwise also bring any suit or proceed-

ing for injunction or for specific performance or to recover damages or to obtain any relief or for any purpose proper under this contract.

(6) The City may by the Commission or otherwise avail itself of each and every remedy herein specifically given to the City, and, subject to the foregoing provisions of this Article, every remedy herein specifically given or other remedy now or hereafter existing at law or in equity or by statute, and, subject as aforesaid, each of such remedies shall be in addition to every other remedy so given or otherwise so existing and may be exercised from time to time and as often and in such order as may be deemed expedient by the Commission, and the exercise, or the beginning of the exercise, of one remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other remedy, except that no two inconsistent remedies shall be exercised at the same time.

Article LXXXVI. The Lessee shall not be deemed nor declared to be in default under any of the conditions, obligations or requirements of the Lease, or of any other portion of this Contract, in any case in which the performance of any such condition, obligation or requirement is prevented by reason of strikes, injunctions or other causes beyond the control of the Lessee, provided that the Lessee shall not have instigated such strikes, or shall not be responsible for such suits for injunctions or such other causes.

Chapter VIII.—At End of Term.

Article LXXXVII. Upon the expiration of the period fixed in Chapter I of Part Third of this contract, the term of this contract shall end without compensation to the Lessee except, as hereinafter provided, for such Additional Equipment as shall have been in operation less than thirty-nine (39) years. The amount to be paid by the City to the Lessee for such Additional Equipment shall be the percentage of the cost of such Additional Equipment indicated in the following schedule according to the age of each additional unit as there indicated.

Such schedule is as follows:

Schedule

Upon expiration	Percentage to be paid by City
If on provision.	100.
If 1 year after provision.	99.058 950
If 2 years after provision.	98.073 622
If 3 years after provision.	97.041 932
If 4 years after provision.	95.961 699
If 5 years after provision.	94.830 638
If 6 years after provision.	93.646 357
If 7 years after provision.	92.406 354
If 8 years after provision.	91.108 005
If 9 years after provision.	89.748 565
If 10 years after provision.	88.325 161
If 11 years after provision.	86.834 782
If 12 years after provision.	85.274 277
If 13 years after provision.	83.640 346
If 14 years after provision.	81.929 535
If 15 years after provision.	80.138 226
If 16 years after provision.	78.262 631
If 17 years after provision.	76.298 785
If 18 years after provision.	74.242 535
If 19 years after provision.	72.089 534
If 20 years after provision.	69.835 229
If 21 years after provision.	67.474 853
If 22 years after provision.	65.003 416
If 23 years after provision.	62.415 681
If 24 years after provision.	59.706 208
If 25 years after provision.	56.869 237
If 26 years after provision.	53.898 779
If 27 years after provision.	50.788 554
If 28 years after provision.	47.531 985
If 29 years after provision.	44.122 187
If 30 years after provision.	40.551 949
If 31 years after provision.	36.813 772
If 32 years after provision.	32.899 604
If 33 years after provision.	28.801 316
If 34 years after provision.	24.510 193
If 35 years after provision.	20.017 163
If 36 years after provision.	15.312 724
If 37 years after provision.	10.386 931
If 38 years after provision.	5.229 367
If 39 years after provision	000 000

The above schedule is computed upon the basis of the investment of the deductions from the revenue for amortization provided for in paragraph 8 of Article XLIX and paragraph 2 of Article LXX, in five per cent. bonds of the Lessee at one hundred and seven and one-half per centum (107 1/2%). If the amortization funds are invested at a more favorable rate than that above assumed, then the amount to be paid by the City will be correspondingly reduced.

Article LXXXVIII. The City shall have the right at the expiration of the Lease, although the amounts hereinbefore in this chapter provided to be paid shall not have been ascertained or paid, to take possession and use and operate the Railroad and Equipment, but subject, however, to its liability to pay all amounts hereinbefore in this chapter provided to be paid with interest at the then legal rate from the time of taking possession.

Article LXXXIX. The provisions of Articles LXXVII, LXXX, LXXXI and LXXXIII, inclusive, shall apply as well to the expiration of the term as to termination by notice.

In Witness Whereof, this contract has been executed for The City of New York by the Public Service Commission for the First District, under and by the authority of a resolution duly adopted by the Commission, and the seal of the Commission has been hereto affixed and attested by its Secretary and these presents signed by the Chairman of the Commission; and the New York Municipal Railway Corporation has caused its corporate seal to be hereto affixed and attested by its Secretary and this contract to be signed by its President the day and year first above written.

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT,

By Chairman.

Attest Secretary.

NEW YORK MUNICIPAL RAILWAY CORPORATION,

By President.

Attest Secretary.

State of New York, County of New York, ss.:

On the day of , 1913, before me personally appeared Edward E. McCall and Travis H. Whitney, to me known and known to me to be the said Edward E. McCall, the Chairman, and the said Travis H. Whitney, the Secretary of the Public Service Commission for the First District; and the said Edward E. McCall and Travis H. Whitney being by me duly sworn, did depose and say, each for himself and not one for the other, the said Edward E. McCall, that he resides in the Borough of Manhattan, in the City, County, and State of New York, that he is the Chairman of the said Commission and that he subscribed his name to the foregoing Contract by virtue of the authority thereof; and the said Travis H. Whitney, that he resides in the Borough of Brooklyn, County of Kings, in the City and State of New York, that he is the Secretary of the said Commission and that he subscribed his name thereto by like authority; and both the said Edward E. McCall and Travis H. Whitney that they knew the seal of the said Commission and that the same was affixed to the foregoing instrument by the authority of the said Commission and of a resolution duly adopted by the same.

State of New York, County of New York, ss.:

On the day of , 1913, before me personally appeared Timothy S. Williams and Harry A. Bullock, to me known and known to me to be the said Timothy S. Williams, the President, and the said Harry A. Bullock, the Secretary of New York Municipal Railway Corporation, the corporation named in the foregoing contract, and they being by me duly sworn, did depose and say, each for himself and not one for the other, the said Timothy S. Williams, that he resides in Huntington, in the County of Suffolk and State of New York, that he is the President of the said New York Municipal Railway Corporation and that he subscribed his name to the foregoing

contract by virtue of the authority thereof; and the said Harry A. Bullock that he resides in the Borough of Brooklyn, County of Kings, in the State of New York, that he is the Secretary of said New York Municipal Railway Corporation and that he subscribed his name thereto by like authority; and both the same Timothy S. Williams and Harry A. Bullock that they knew the seal of the said New York Municipal Corporation and that the same was affixed to the foregoing contract by the authority of the Board of Directors of New York Municipal Railway Corporation and of a resolution duly adopted by the same.

BOND FOR CONSTRUCTION, EQUIPMENT, MAINTENANCE AND OPERATION.

Know All Men by These Presents, that New York Municipal Railway Corporation, a corporation duly organized and existing under the Laws of the State of New York (hereinafter called the "Lessee") and

(hereinafter called the "Sureties") are held and firmly bound, jointly and severally, unto The City of New York (hereinafter called the "City") in the penal sum of one million dollars (\$1,000,000), lawful money of the United States of America, to be paid to the City, for which payment well and truly to be made the Lessee and the Sureties do hereby bind themselves and their and each of their executors, administrators, successors and assigns, jointly and severally, firmly by these presents as follows:

The Lessee to be so held and bound in the full amount of the said One Million Dollars (\$1,000,000) and each of the said Sureties to be so held and bound, and bound only in a portion of said sum, as follows: The said

in the sum of Dollars (\$); the said in the sum of Dollars (\$); the said

in the sum of Dollars (\$), and the said in the sum of Dollars (\$).

In Witness Whereof, the Lessee has caused its corporate seal to be hereunto affixed and these presents to be duly executed by its proper officers and the Sureties have hereunto set their hands and seals and such of them as are corporations have caused their respective corporate seals to be hereto affixed and these presents to be executed by their proper officers this day of , in the year of our Lord, One Thousand Nine Hundred and Thirteen.

Whereas, the Lessee is a railroad corporation duly organized and existing under the Laws of the State of New York for the purpose of maintaining and operating railroads including the equipment thereof constructed pursuant to the provisions of Chapter 4 of the Laws of 1891 as amended; and

Whereas, the Lessee has the right and is under obligation by contract to operate certain existing railroads wholly within the limits of New York and belonging to the New York Consolidated Railroad Company; and

Whereas, the City, acting by the Public Service Commission for the First District (hereinafter called the "Commission"), has entered or is about to enter into a contract with the Lessee for the construction by the City and for the equipment, maintenance and operation by the Lessee of certain additional or proposed rapid transit railroads described in said contract in conjunction with such existing railroads; and

Whereas, the City has entered or is about to enter into such contract with the Lessee upon the condition and not otherwise that this Bond shall be given to the City and upon the faith thereof:

Now, Therefore, the condition of the foregoing obligation is such that if the Lessee shall promptly pay the amount of the annual rental specified in said contract and shall also faithfully perform all the covenants, conditions and requirements specified and provided for in said contract, then this obligation shall be null and void, but else it shall remain in full force and virtue.

It is expressly agreed between the City and the Sureties, and it is only upon such agreement that the City accepts this Bond, that the Sureties will and do waive any and every notice of default on the part of the Lessee; that they will and do permit the City to extend the time of the Lessee to make any payment or do any act; that no omission on the part of the City to give any notice of extension of time granted by or on behalf of the City shall be availed of by the Sureties or any of them as a defense upon this Bond; that the Sureties shall not set up or have any defense upon this Bond by reason of any alteration of the said contract unless such alteration shall be represented by a formal written instrument duly executed between the City and the Lessee, which shall have been duly authorized by a vote of the Commission, and that in case of such alteration, however made, the same shall be a defense to the Sureties only to the extent of the actual injury or damage caused to the Sureties by such alteration.

It is expressly agreed between the City and the Sureties that the Sureties hereby assume all the obligations prescribed for Sureties upon bonds like this by Chapter 4 of the Laws of 1891 and the various acts amendatory thereof (all such acts together being known as the Rapid Transit Act).

This Bond shall be a continuing security to the City for the entire term of the lease provided for in said contract.

And Whereas, the Lessee has deposited or is about to deposit with the City pursuant to the terms of said contract the sum of One Million Dollars (\$1,000,000) in cash or securities as security for the performance by the Lessee of some of the acts and things, the performance of which is secured hereby,

Now, Therefore, it is further expressly agreed between the City and the Sureties that the City shall be at liberty in case of any default by the Lessee against which this Bond is given as security to collect the loss or damage to the City caused thereby either from the Sureties on this Bond or out of the said deposit or out of both such securities as the City may elect.

NEW YORK MUNICIPAL RAILWAY CORPORATION.

By President

Attest: Secretary.

Now, therefore, it is

Resolved, That the Board of Estimate and Apportionment of The City of New York, by a majority vote according to the number of votes by law pertaining to each member of the Board, hereby approves and consents to the proposed contract to be entered into with the New York Municipal Railway Corporation.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the New York Municipal Railway Corporation be returned to the Public Service Commission with the request that it be amended by reducing the preferential deduction from gross earnings allowed the company from 6 per cent. to an amount sufficient to pay interest upon the actual cash investment of the company in construction and equipment, and to amortize the investment within the period of the lease.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the New York Municipal Railway Corporation be returned to the Public Service Commission with the request that it be amended by prohibiting the amortization out of earnings of the cost of certain property and the reconstruction cost of existing lines, to which property and lines the company will retain ownership after amortization, unless the deductions for such amortization be made from the preferential payable to the company, and not from gross earnings which might otherwise be applicable to interest and sinking fund upon the City's investment.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the New York Municipal Railway Corporation be returned to the Public Service Commission with the request that it be amended by providing that the company must pay all rentals on leased property out of its preferential in accordance with the report of the Transit Conference Committee of this Board of May 23, 1912.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the New York Municipal Railway Corporation be returned to the Public Service Commission with the request that it be amended by providing that The City of New York shall have a share in any premiums

above par realized in the sale of the bonds issued for construction and equipment, and to that end, that the company be required to sell its bonds at public sale and upon competitive bidding.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The resolution as offered by the President of the Borough of Manhattan was then adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

Interborough Rapid Transit Company.

Proposed certificate to construct, maintain and operate elevated railroad extensions known as Webster Avenue Line, Eighth Avenue and One Hundred and Sixty-second Street Connection, Queensboro Bridge Line, West Farms Subway Connection, in the Boroughs of Manhattan, The Bronx and Queens.

The Secretary presented the following:

Public Service Commission for the First District, New York, March 4, 1913.

To the Board of Estimate and Apportionment of The City of New York:

As stated in a communication of this date from the Chairman and the Secretary of this Commission, there is transmitted herewith a copy of the proposed certificate to be granted by the Commission to the Interborough Rapid Transit Company for the Webster Avenue Extension, the 8th Avenue and 162d Street Connection, the Queensboro Bridge Extension and the West Farms Subway Connection.

I also transmit herewith a certified copy of a motion amending the said certificate, together with a certified copy of the resolution approving and adopting such contract as amended. Yours very truly,

TRAVIS H. WHITNEY, Secretary.

Commissioner Eustis moved to amend the certificate to the Interborough Rapid Transit Company for elevated extensions in the following respect:

Page 22, line 9; omit "and" and insert "or."

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify that I have compared the above with the original adopted by said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the Commission, this fourth day of March, 1913.

[SEAL]

TRAVIS H. WHITNEY, Secretary.

Whereas, Counsel to the Commission has presented a form of proposed certificate to Interborough Rapid Transit Company for the construction, maintenance and operation of certain railroads therein referred to as the Webster avenue line, the 8th avenue and 162d street connection, the Queensboro Bridge line and the West Farms subway connection;

Resolved, That the form of the proposed certificate now submitted by Counsel, as amended, be and the same hereby is approved and adopted and that the Secretary be and hereby is authorized and directed to transmit the same to the Board of Estimate and Apportionment for appropriate action on its part under the Rapid Transit Act.

Resolved, That, if and when said certificate has been approved by said Board of Estimate and Apportionment and the construction and operation of the railroads therein described have been consented to by said Board of Estimate and Apportionment and by the Mayor, the Chairman be and hereby is authorized and directed to execute said certificate for the Commission in five identical originals and that the Secretary be and hereby is authorized and directed to attest the said certificate and to affix thereto the seal of the Commission.

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify that I have compared the above resolution with the original adopted by the said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the said Commission this 4th day of March, 1913.

[SEAL]

TRAVIS H. WHITNEY, Secretary.

Public Service Commission for the First District, New York, March 15, 1913.

To the Board of Estimate and Apportionment of The City of New York:

This Commission at its meeting to-day adopted a resolution amending in certain respects the proposed certificate to the Interborough Rapid Transit Company for elevated line extensions.

In accordance with this resolution, a certified copy of the same is transmitted herewith with the request that the Board of Estimate and Apportionment make the amendments described therein in the copy of the proposed certificate heretofore transmitted to it. Respectfully submitted,

TRAVIS H. WHITNEY, Secretary.

Resolved, That the proposed certificate to Interborough Rapid Transit Company for Webster avenue line, 8th avenue and 162d street connection, Queensboro Bridge line and West Farms subway connection, approved and adopted by the Commission on the 4th day of March, 1913, be and the same hereby is amended in the following respects:

Page 16, line 6, by striking out the word "Interborough" and inserting in the place and stead thereof the words "Manhattan Railway."

Page 32, line 3, by striking out the word "Interborough" and inserting in the place and stead thereof the words "Manhattan Railway."

Page 35, sixth line of paragraph (7), by striking out the word "Interborough" and inserting in the place and stead thereof the words "Manhattan Railway."

Page 54, first line of paragraph (1), by striking out the word "Interborough" and inserting in the place and stead thereof the words "Manhattan Railway."

Page 54, first line of paragraph (1), by inserting after "Company" the words "being the lessor of the Interborough Company."

Page 54, ninth line from bottom of page, by striking out the word "Interborough" and inserting in the place and stead thereof the words "said Manhattan Railway."

Page 54, sixth line from bottom of page, by striking out the word "Interborough" and inserting in the place and stead thereof the words "said Manhattan Railway."

Further resolved, That the Secretary be and hereby is authorized and directed to transmit a certified copy of this resolution to the Board of Estimate and Apportionment and to request the said Board to make the above amendments in the proposed certificate heretofore transmitted to it.

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify that I have compared the above with the original adopted by said Commission on March 15, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the Commission this 15th day of March, 1913.

[SEAL]

TRAVIS H. WHITNEY, Secretary.

Note—The pages and lines referred to above relate to the printed copy of the certificate as presented to the Board on March 6, 1913, and such corrections have been made.

The President of the Borough of Manhattan offered the following:

Whereas, The Public Service Commission for the First District has fixed and determined the routes designated as Webster avenue line, 8th avenue and 162d street connection, Queensboro Bridge line, West Farms subway connection, within the City of New York, by which the Interborough Rapid Transit Company may extend its elevated lines, and the location and plans of construction of the railroads upon such routes, and the times within which they shall be respectively constructed and the compensation to be made therefor to the City by the said company; and

Whereas, The Public Service Commission for the First District has transmitted to the Board of Estimate and Apportionment a proposed certificate in respect thereof, to be issued to the Interborough Rapid Transit Company, subject to certain terms, conditions and requirements, all as set forth in said proposed certificate; and

Whereas, Said proposed certificate was received by the Board of Estimate and Apportionment on the 6th day of March, 1913, at a meeting of said Board of Estimate and Apportionment, duly held on said day; and

Whereas, The Public Service Commission for the First District did, by resolution adopted March 15, 1913, amend in certain respects the proposed certificate to the Interborough Rapid Transit Company for elevated line extensions; and

Whereas, The proposed certificate, as amended, and the terms, conditions and requirements therein contained, are as follows:

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT TO INTERBOROUGH RAPID TRANSIT COMPANY.
CERTIFICATE.

1913.

The Public Service Commission For The First District does hereby certify as follows:

The word "City" as used herein means The City of New York, and any other corporation or division of government to which the ownership, rights, powers and privileges of The City of New York under the Rapid Transit Act shall hereafter come, belong or appertain.

The words "New York" as used herein mean the City of New York according to its boundaries as now or hereafter fixed.

The word "Commission" as used herein means the Public Service Commission for the First District of the State of New York, in so far as it acts herein under the Rapid Transit Act, or any official or public body to whom or to which the powers now conferred upon the said Commission by the Rapid Transit Act may hereafter be transferred by law.

The words "Interborough Company" as used herein mean the Interborough Rapid Transit Company, its successors, assigns, lessee, transferee, or any corporation which may hereafter succeed by consolidation or merger to the rights of the said Interborough Rapid Transit Company.

The word "Railroads" as used herein means the four railroads herein authorized which are referred to as the Webster Avenue Line, the Eighth Avenue and 162d Street Connection, the Queensboro Bridge Line and the West Farms Subway Connection.

The words "Rapid Transit Act" as used herein means Chapter 4 of the Laws of 1891 as heretofore amended.

The words "Board of Estimate" as used herein mean the Board of Estimate and Apportionment of The City of New York and any other board or officer to whom or to which its powers now existing under the Rapid Transit Act may hereafter be transferred by law.

The word "Comptroller" as used herein means the Comptroller of The City of New York and the officer or board to whom or to which his powers now existing under the Rapid Transit Act may hereafter be transferred by law.

Whereas, the Interborough Company, a railroad corporation existing under the laws of the State of New York whose certificate of incorporation was filed and recorded in the office of the Secretary of State on the 6th day of May, 1902, and in the office of the Clerk of New York County on May 7, 1902, and whose principal office is at No. 165 Broadway, in the Borough of Manhattan, City, County and State of New York, and which leases and actually operates a railroad wholly within the limits of New York; and

Whereas, the Manhattan Railway Company, a railroad corporation existing under the laws of the State of New York, on or about the first day of January, 1903, leased its railroads, property, rights and franchises to the Interborough Company (which said railroads are hereinafter referred to as the Manhattan Railroad) under and by virtue of and as appears in a certain indenture of lease between said companies, filed in the office of the Secretary of State on April 4, 1903, and recorded in the Register's office of the County of New York on April 1, 1903, in Liber 2, page 35 of General Conveyances; and

Whereas, the Interborough Company, as such lessee, under the provisions of the Rapid Transit Act has applied to the Commission for authority to extend its lines (meaning thereby the Manhattan Railroad), within New York to acquire terminal or other facilities, all as hereinafter described; and

Whereas, since in the judgment of the Commission the public interests so demand, the Commission has fixed and determined the route or routes by which the Interborough Company may extend its railroad and has fixed and determined the location and plan of construction of the Railroads upon such route or routes and of such tracks and facilities, the times within which they shall be respectively constructed, the compensation to be made therefor to the City by the Interborough Company, and such other terms, conditions and requirements as to the Commission appear just and proper; and

Whereas, this certificate has been approved by the Board of Estimate and the construction and operation of the Railroads hereby authorized have been consented to by the Board of Estimate and the Mayor of the City;

Now therefore, the Commission has authorized and does hereby authorize, but subject to the terms, conditions and requirements hereinafter set forth, the Interborough Company—

1. a. To construct, maintain and operate a three-track elevated railroad (which railroad is hereinafter referred to as the Webster Avenue Line), upon the following route or routes:

Diverging from the existing structures of the Third Avenue Line of the Manhattan Railroad, at a point about five hundred (500) feet north of Pelham Avenue and Third avenue, thence running northwesterly and crossing over the private right of way of the New York & Harlem Railroad to Webster avenue, thence northerly along and over Webster avenue to at or near Gun Hill road, thence curving northeasterly along and over streets and private property and the private right of way of the New York & Harlem Railroad to Gun Hill road, thence easterly over and along Gun Hill road to a point at or near White Plains road, thence curving northerly over streets and a public place to a point in White Plains road, where a connection can conveniently be made with a municipal railroad on White Plains road.

b. To construct, maintain and operate a railroad (which railroad is hereinafter referred to as the Eighth Avenue and 162nd Street Connection), upon the following route or routes:

Diverging from the existing structure of the Ninth Avenue Elevated Line of the Manhattan Railroad near West One Hundred and Fifty-seventh Street and Eighth Avenue and thence running northeasterly over private property and public streets to the Harlem River, thence crossing the Harlem River over the Putnam Bridge and crossing over the property and right of way of the New York Central and Hudson River Railroad Company to Sedgwick Avenue at a point north of One Hundred and Sixty-first Street, thence under Sedgwick Avenue, private property and public streets to a point near the intersection of One Hundred and Sixty-second Street and Ogden Avenue, thence under One Hundred and Sixty-second Street to a point at or near Anderson Avenue, thence curving southerly and easterly through private property and public streets to the intersection of One Hundred and Sixty-second Street and Jerome Avenue; thence easterly over and along One Hundred and Sixty-second Street to a point near River Avenue; thence curving northeasterly through private property into River Avenue to a point where a connection can conveniently be made with a municipal railroad on River Avenue.

The Eighth Avenue and 162nd Street Connection shall consist of two tracks. Two additional tracks may, if necessary to provide a convenient connection between the Eighth Avenue and 162nd Street Connection and the Ninth Avenue elevated road, be constructed over Eighth Avenue between a point one hundred feet north of 153rd Street and 157th Street. The Eighth Avenue and 162nd Street Connection shall be constructed as an elevated railroad excepting that part from a point on private property near the intersection of 161st Street and Sedgwick Avenue to a point on private property west of Jerome Avenue at or near 162nd Street which shall be constructed as a subway.

c. To construct (except such portions already built as are an integral part of the Queensboro Bridge or the approaches thereto), maintain and operate a two-track elevated railroad (which railroad is hereinafter referred to as the Queensboro Bridge Line) upon the following route or routes:

Diverging from the existing structures of the Second Avenue Elevated Line of the Manhattan Railroad on Second Avenue, between East 58th and East 60th streets, and running thence easterly across the Queensboro Bridge upon two of the upper tracks to the easterly side of Ely Avenue, in the Borough of Queens, in the City of New York.

d. To construct, maintain and operate a two-track elevated railroad (which railroad is hereinafter referred to as the West Farms Subway Connection) upon the following route or routes:

Diverging from the existing Third Avenue Elevated Railroad at about 143d Street; thence extending through private property and Willis and Bergen Avenues to a point near 149th Street; thence northeasterly crossing 149th Street over a public place, Gerard Street, the right of way of the existing Manhattan-Bronx

Rapid Transit Railroad constructed under the contract of February 21, 1900, and private property to a point near the intersection of Brook and Westchester Avenues, where a connection can conveniently be made with the West Farms Division of the said Manhattan-Bronx Rapid Transit Railroad.

2. To construct, maintain, and operate within the streets, avenues and public places included within the aforesaid routes or within the adjacent lines of intersecting streets and avenues lying within seventy-five (75) feet of the exterior line or side of the longitudinal streets, avenues and public places of the route, all necessary and proper connections with terminal yards, stations, landing places, stairways, platforms, elevators, escalators, telegraph, telephone and signal devices and other appliances and facilities, all as may be either necessary or convenient for the construction, operation and maintenance of the Railroads.

3. To acquire and use private property for the construction, maintenance and operation of the Railroads, including yards, stations, station extensions, terminal rooms, power plants, stairways, elevators, escalators, or other methods of access to and from the street, and for other purposes necessary or convenient to carry into execution the terms and authority of this grant.

4. To transport upon the Railroads persons and property and to use therefor and in connection therewith all suitable appliances.

5. To construct, maintain and operate upon, under or contiguous to the Railroads for the transmission or exchange of power, heat and light for the use of the Railroads and such other railroads as may be owned, operated or controlled by the Interborough Company (and for no other purposes), telegraph and telephone wires and wires, cables, contact rails, conduits and ways and other appurtenances; provided, however, that, except for the purpose of making necessary connections, all such appurtenances, when not placed upon the structure, shall be placed underground, unless otherwise directed by the Commission.

The authorizations or licenses hereby granted to construct, maintain and operate the Webster Avenue Line, the Eighth Avenue and 162d Street Connection, the Queensboro Bridge Line and the West Farms Subway Connection shall be held by the Interborough Company for a period of eighty-five (85) years from the date on which the Interborough Company shall first begin operation of any part of any of the Railroads, unless sooner terminated as hereinafter provided. Said date shall be evidenced by a resolution of the Commission entered in its minutes approving such date as the date of beginning operation of the Railroads and as the date from which the terms of these authorizations or licenses run and from which compensation payable hereunder accrues, and also the date from which the period of ten years begins to run, after which the City may terminate the authorizations or licenses hereby granted; provided, however, that if operation of any of the Railroads be first begun as to any part thereof at a later date, such date may be evidenced by a resolution of the Commission approving that date as the date of beginning operation of such railroad and as the date from which the period of ten years begins to run after which the City may separately terminate this authorization or license therefor.

Provided, however, and it is expressly agreed that the authorizations or licenses hereby granted are subject to certain terms, conditions and requirements which appear to the Commission to be just and proper, and which as so subject, are prescribed in the following articles, to wit:

I.

This certificate will be executed by the Commission in five identical originals, so proved as to be entitled to be recorded in the office of the Register of the County of New York and the Clerk of the County of Queens, and to be filed in the office of the Secretary of State of the State of New York, all of which will be delivered by the Commission to the president, vice-president, secretary or treasurer of the Interborough Company. The authorizations or licenses hereby granted shall be inoperative and this certificate shall be void unless within thirty days after such delivery or such further period as shall be prescribed in writing by the Commission, the Interborough Company shall have procured four of the said identical originals to be returned to the Commission, each of them having an acceptance of this certificate and all the terms, conditions and requirements thereof subscribed at the foot thereof by the Interborough Company, such acceptance being so proved as to entitle it to be recorded and filed as aforesaid.

II.

The authorizations or licenses hereby granted, if the Commission shall so determine, after due hearing, shall become void unless within one year from the time of the acceptance of this certificate by the Interborough Company that Company shall further and in due and lawful form obtain and submit to inspection by the Commission the consents of the owners of one-half in value of the property bounded on each portion of the streets, avenues or highways upon, under or over which the Railroads or any part thereof are authorized, to the construction and operation of the Railroads or such part thereof, or in case the consent of such property owners cannot be obtained, then the determination pursuant to law of commissioners to be appointed by the Appellate Division of the Supreme Court in the proper department that such portion of the Railroads ought to be constructed and operated, the said determination of such commissioners when confirmed by the Court, to be taken in lieu of such consent of property owners. Provided, however, and it is expressly stipulated, that the Commission shall have power, upon reasonable cause shown, to extend by written certificate either of the periods hereinbefore in this article prescribed.

The Interborough Company covenants that it will be diligent in prosecuting applications for the consents aforesaid, but if it shall not have secured the same within the period of one year after its acceptance as aforesaid of this certificate, then and in such case the Interborough Company shall, after a written notice of three months to the Commission, be released from its obligations hereunder, unless within such three months, or within such further period to be prescribed by the Commission, such consents shall have been given.

III.

The Interborough Company shall begin the construction of each of the Railroads within six (6) months after it shall have obtained the consents therefor, as aforesaid, and within two (2) years after such construction shall be begun, shall complete the construction of the same and begin the operation thereof.

In case the Interborough Company, within the said period of six (6) months after it shall have obtained the consents necessary as aforesaid, shall not have begun the actual construction of each of the Railroads, or if, after having begun, it shall suspend the same prior to the completion thereof for a period exceeding three (3) months, or if it shall not complete such construction and begin the operation of each of the Railroads within the said period of two (2) years, then and in either of such cases the authorizations or licenses hereby granted, or any part thereof, may be forfeited.

The Commission, nevertheless, shall have the power, upon reasonable cause shown, to extend by resolution any of the periods in this article prescribed. Additional time shall be allowed by way of extension of any period of such commencement of construction, or for the completion thereof, or for the commencement of operation of any of the Railroads equal to the total period of delay caused by strikes, injunction or by necessary proceedings for condemnation of real estate, easements or other property, or by other causes beyond the control of the Interborough Company so far as such strikes, proceedings or such other causes shall necessarily prevent the Interborough Company from prosecuting such construction, but no delay shall be so allowed for unless, during the delay, such proceedings shall be diligently prosecuted by or for the Interborough Company; and provided, further, that in no case shall such delay be deemed to begin until the Interborough Company shall have given written notice to the Commission of the injunction or other occasion of delay and delivered to the Commission copies of the injunction or other orders and of the papers upon which the same shall have been granted, and unless, upon the request of the Commission, the Interborough Company shall in writing consent that the Commission, either in its own name as a party or in the name of the City as a party, may intervene in any such injunction proceedings, or other suit or proceeding; and provided, further, that in case of forfeiture of any part of the authorizations or licenses the Interborough Company shall have no right to any return of payments which it shall have made to the City by way of rental or otherwise.

IV.

The plans and profiles of the Railroads, herewith attached, bearing the general title "State of New York, Public Service Commission for the First District, Engineering Department," signed by the Chief Engineer to the Commission, dated December 28, 1912, and numbered and designated respectively:

File No. 3, Drawing No. 100, Map and Profile of Webster Avenue Line.

File No. 3, Drawing No. 99, Map and Profile of Eighth Avenue and 162d Street Connection.

File No. 3, Drawing No. 98, Map and Profile of Queensboro Bridge Line.

File No. 3, Drawing No. 121, Map and Profile of West Farms Subway Connection.

are to be deemed a part of this certificate and to be construed with the text hereof. The same shall be substantially followed, but deviations therefrom not inconsistent with the other provisions hereof may be permitted by the Commission.

The Railroads, with necessary sidings, turnouts and switches, excepting the portion of the Eighth Avenue and 162nd Street Connection west of Jerome Avenue shall follow the general design of the elevated railroads known as the Van Cortlandt Park Extension heretofore constructed under the contract dated February 21, 1900, for the construction, equipment and operation of the Manhattan-Bronx Rapid Transit Railroad, except that the Interborough Company shall construct the following portions of the Webster Avenue Line and the Eighth Avenue and 162nd Street Connection upon approved plans involving a more elaborate and ornamental structure with solid floor or such other construction as will in the opinion of the Commission most effectually prevent noise and tremor, to wit:

(a) The portion of the Eighth Avenue and 162nd Street Connection, including the portal from the point where it emerges from the ground near 162nd Street, over private property and 162nd Street to a point about midway between Cromwell Avenue and River Avenue.

(b) The station on the Webster Avenue Line, near the intersection of Gun Hill Road and White Plains Road together with about 200 feet of the approaches thereto.

(c) The portion of the Webster Avenue Line crossing Mosholu Parkway, together with about 200 feet of the approaches thereto.

(d) The portion of the Webster Avenue Line over Fordham Square, together with about 200 feet of the approaches thereto.

And except further that the Queensboro Bridge Line shall be so constructed as to harmonize in all respects with the Queensboro Bridge structure and approaches.

In the subway portion of the Eighth Avenue and 162nd Street Connection the construction shall be of iron or steel or masonry or a combination of iron and steel or masonry. The tunnel shall have a clear height above the base of rail of not less than 13 feet 2 inches. The width of tunnel shall not exceed 15 feet for each track, in addition to the thickness of supporting walls, except that at stations, curves and crossovers the width may be increased; and the width of the open cut and embankment portion shall not exceed 15 feet for each track, in addition to the thickness of the necessary retaining walls, except that at stations, curves and crossovers the width may be increased.

The sidings constructed shall be such as the Commission shall approve as necessary for the convenient operation of the Railroads and shall not exceed in length, for any line of the Railroads, one quarter of a mile of single track for each mile of railway structure of such line.

No crossing is to be made at grade between tracks of diverging lines without the approval of the Commission.

The columns supporting the superstructure of the elevated portions of the Railroads except as hereinafter otherwise provided, may be placed within the roadway, but not less than thirteen (13) feet from the curb lines upon either side; the interior transverse distance between the columns shall not be less than twenty-three (23) feet. The distance from the face of elevated columns to the center of adjacent street railway track shall be not less than seven (7) feet unless permitted by the Commission. The center line of the said elevated structure shall coincide as nearly as may be with the center line of the street. Where, however, the width of the street is not sufficient to provide for a roadway upon each side of the columns or wherever by reason of special or local conditions, it may not in the judgment of the Commission be desirable to locate the columns as herein first provided, the columns may be located either in the roadway or within the curb lines, as may be expressly approved by the Commission.

The tracks of the elevated portions of the Railroads may rest upon longitudinal and transverse girders supported by the said columns, but no portion of the said girders, except with the approval of the Commission, shall approach within 14 feet of the surface of the roadway.

The structural details employed in constructing the elevated portions of the Railroads shall be substantially similar to the structural details employed in the construction of the said Van Cortlandt Park Extension, except as aforesaid.

The structural details employed in constructing the subway portion of the Railroads shall be substantially similar to the structural details employed in the construction of the subway portions of the Manhattan-Bronx Rapid Transit Railroad constructed under the said contract of February 21, 1900.

All plans and drawings for the construction of the Railroads other than mere shop drawings shall be submitted to and approved by the Commission in advance of construction, and the method of carrying on the work shall be subject to the approval of the Commission. Shop drawings shall so far as practicable be filed with the Commission. The right reserved to the Commission to approve the plans and drawings in advance of construction shall include the right to approve or disapprove the precise location of all tracks, columns, platforms, stations, stairways, escalators or other means of access to the Railroads and all other structures appurtenant thereto encroaching upon the surface of the streets.

The Interborough Company shall be authorized to open and occupy so much of the surface of the street or streets affected by this grant and to erect thereon such temporary supports as may be necessary for the purpose of building the said railroad structures; but the Commission may, whenever it deems it advisable, prescribe the manner in which the said work shall be performed. All necessary permits for opening of streets, and other necessary departmental permits, shall be obtained from the President of the Borough, or other officer as provided by law.

The City, the Commission and all duly authorized representatives of the City and the Commission, shall have the right at all reasonable times to inspect the Railroads herein authorized, and any part thereof, as well during construction as afterwards, and to enter thereon when necessary, for the examination, supervision or care of any property of the City, or of abutting property owners, or for any proper purpose. Such inspection shall include the inspection and approval of all materials, and the erection thereof, used in the construction of the Railroads. Nothing in this certificate shall be deemed to diminish or affect the sanitary or police jurisdiction which the public authorities shall lawfully have over property in the City.

V

The Interborough Company shall procure all necessary easements and rights, titles, titles and interests in real estate for the construction of the Railroads.

The Interborough Company shall make good to the City all physical but not consequential damage which shall be done to the property of the City by the construction or operation of the Railroads, and shall make good to every owner of property abutting upon the Railroads, or which shall be injured by the work of constructing or operating the same, all physical damage which shall be done to such abutting or injured property, through any act or omission of the Interborough Company, its successors, assigns, or lessees, or any contractor, sub-contractor or other person employed upon the construction or operation of the Railroads, or any part thereof.

The Interborough Company shall in the course of construction at its own expense maintain the care of all street surfaces and surface and sub-surface structures which may be interfered with, and any necessary interference therewith shall be subject to reasonable regulation by the department of the government of the City in control or charge thereof.

VI

The Interborough Company shall be entitled to charge for a single fare for each passenger for one continuous trip in the same general direction over the Railroads (including the parts of the municipal railroad over which the Interborough Company is provided with trackage rights as in this certificate provided) and the additional tracks (which shall mean the additional tracks authorized by the Commission by certificate to the Manhattan Railway Company bearing even date herewith) and the Manhattan Railroad the sum of five (5) cents but not more. A trip from any point on the Queensboro Bridge Line (including the part of the municipal railroad over which trackage rights are provided) to any point on the Manhattan Railroad or on the Railroads, or a trip from any point on the Manhattan Railroad or on the Railroads to any point on the Queensboro Bridge Line (including the part of the municipal railroad over which trackage rights are provided) shall be deemed a continuous trip in the same general direction.

VII

The Railroads shall be carefully and skilfully operated, according to the highest standards of railroad operation, and with the highest regard to the safety of the passengers and employees and of all other persons. The Interborough Company shall during the term of the grants keep the plant and property (as the words "plant and property" are hereinafter defined) of the Railroads and each and every part thereof

in thorough repair, and shall restore and replace every necessary part thereof which may wear out or cease to be useful, so that at all times and at the termination of the grants such plant and property of the Railroads shall be in thoroughly good and solid condition.

The power to be used shall be electricity or compressed air so used as to involve no combustion or impurity of air in cars or any other power of like description approved by the Commission.

The Interborough Company may transport over the Railroads passengers and property, provided, however, that the use of the Railroads for the transportation of property shall not to any extent or in any way interfere with the use of the Railroads to their fullest capacity for the carriage of passengers who shall desire to be carried upon them.

If the Queensboro Bridge will not permit of the operation to their full capacity of the Queensboro Bridge Line and other railroads that may be authorized to operate across it, the Interborough Company shall operate its trains over the bridge at such headway as the Commission shall direct.

No part of the Railroads, or stations or other appurtenances thereof shall be used for advertising purposes, except that the Interborough Company may use the structure for posting necessary information for the public relative to the running of trains and to the operation of the Railroads; nor shall any trade, traffic or occupation, other than required for the operation of the Railroads, be permitted thereon or in the stations thereof, except such sale of newspapers and periodicals as may, from time to time, always with the right of revocation, be permitted by the Commission. In case the present provisions of the Rapid Transit Act in respect of advertising or the carrying on of any trade, traffic or occupation are amended, the Commission, under rules and regulations to be prescribed by it, may permit the Interborough Company to carry on such advertising or such trade, traffic or occupation in accordance with the Rapid Transit Act as it may be amended from time to time.

VIII

The City reserves the right to use or to permit lessees or operators of any rapid transit railroad or railroads now or hereafter constructed operating between a point or points in the Borough of Queens and a point or points in the Borough of Manhattan to use the plant and structure (as the words "plant and structure" are hereinafter defined) of any portion of the Queensboro Bridge and approaches upon such reasonable terms and conditions as may be agreed upon between the Interborough Company and the City or such lessee or operator. In the event that they fail to agree upon reasonable terms and conditions the same shall be settled by arbitration or by the Court in the manner prescribed in Article XVI; provided, however, that the annual compensation to be paid by the City, or the lessee or the operator of such railroad shall not be less than such portion of the amount necessary to pay interest, sinking fund, and other like funds, upon the actual cost of the plant and structure, as hereinafter defined of said line, or the actual cost of that portion of such plant and structure so used by the City or by such lessee or operator, and to maintain and operate the same, including a reasonable allowance for depreciation, but excluding train operating costs, as the use of the said roads by the City or the participating company shall bear to the total use thereof; and, further provided, that no trackage rights shall be conferred hereunder that will prevent at least one-half the use of the line by the Interborough Company if at any time needed by the Interborough Company; and provided further, that the admission of such railroad to trackage rights upon the said lines shall not of itself involve upon the part of the Interborough Company any obligation to extend free transfers to the passengers of the said participating roads.

IX

The City also agrees to provide the Interborough Company with trackage rights over parts of the municipal railroads to be constructed and to be equipped, maintained and operated under a contract bearing even date herewith between the City and Interborough Rapid Transit Company and over any extensions of such parts, and the Interborough Company as grantee under this certificate agrees to operate over such parts in conjunction with the Railroads to the end that through service may be provided over such parts over the Railroads and over the Manhattan Railroad. The first of such parts of the said municipal railroads is described as follows:

Beginning at a point on the Queensboro Bridge Plaza at the easterly building line of Ely Avenue where a connection can conveniently be made with the Queensboro Bridge Line, thence continuing easterly over the Queensboro Bridge Plaza to a point at or about the Queensboro Bridge Plaza and Jackson Avenue where the line divides, one line curving southeasterly over the Queensboro Bridge Plaza and crossing over Jackson Avenue to Queens Boulevard, thence continuing southeasterly and easterly over and along Queens Boulevard to a point at or near Goman Avenue, thence curving northeasterly over Queens Boulevard to Greenpoint Avenue, thence continuing northeasterly over and along Greenpoint Avenue to Skillman Avenue and thence continuing over and along Skillman Avenue in a general easterly direction over Skillman Avenue and Woodside Avenue to Roosevelt Avenue as the same is laid down on the map or plan of The City of New York, and thence continuing easterly over and along Roosevelt Avenue as laid down upon said map or plan to Sycamore Avenue; and the other of said lines curving northeasterly over the Queensboro Bridge Plaza to a point in Jackson Avenue at or near Skillman Place, thence continuing northeasterly over and along Jackson Avenue to Second (formerly Debevoise) Avenue and thence continuing northerly over and along Second Avenue to Ditmars Avenue.

The second of such parts of the said municipal railroads is described as follows:

Beginning at a point in the Borough of The Bronx in River Avenue near 162nd Street where a connection can conveniently be made with the Eighth Avenue and 162nd Street Connection and extending thence northerly over and along Jerome Avenue to Jerome Avenue and thence continuing northerly over and along Jerome Avenue and reservoir property to a point in Jerome Avenue at or near Woodlawn Road.

The third of such parts of the said municipal railroads is described as follows:

Beginning at a point in the Borough of the Bronx in White Plains Road, near Gun Hill Road, where a connection can conveniently be made with the Webster Avenue Line and thence continuing northerly over and along White Plains Road to its intersection with East Two Hundred and Forty-first Street or Becker Avenue.

The terms and conditions for the use of such parts shall be reasonable and may be agreed upon between the Commission, the Interborough Company and the Interborough Rapid Transit Company as Lessee under the said contract. In the event of a failure to agree upon reasonable terms and conditions, the same shall be settled by arbitration or by the court. The precise terms and conditions for such trackage rights as so agreed upon or so settled shall be embodied in a written agreement, supplementary to the said contract, between the City, acting by the Commission, the Interborough Company, as grantee under this certificate, and the Interborough Rapid Transit Company as Lessee under the said contract.

X

Inasmuch as the City's compensation for the authorizations or licenses hereby given and its exercise of its right to take over the plant and property of the Railroads as hereinafter provided will be affected by the amounts of the Interborough Company's expenditures on account of constructing, equipping and maintaining the Railroads, the Interborough Company shall strictly comply with the provisions hereof for assuring to the Commission supervision by it of all operations of the Interborough Company in and about such enterprise. The Interborough Company shall, therefore, in addition to providing facilities for inspection as hereinbefore provided, provide the Commission with facilities for full and complete supervision of all operations of the Interborough Company in or about the enterprise of constructing, equipping, maintaining and operating the Railroads. The Interborough Company and any construction or supply company controlled by the Interborough Company or by any company directly or indirectly controlling the Interborough Company or affiliated with the Interborough Company, shall keep suitable and proper books, accounts, records and memoranda of all operations with contractors, bankers or persons furnishing labor, material, money or supplies and of all contracts directly or indirectly affecting the cost of the construction and equipment of the Railroads, showing in detail the cost of constructing and equipping the Railroads to the Interborough Company or any such construction company, including any additions thereto from time to time, and shall afford access to and permit the examination, use and production of any such books, records, memoranda or contracts, to the extent that the same have to do therewith.

The Interborough Company shall (except in such cases where permission to do otherwise is expressly granted from time to time by the Commission, by a resolution entered in its minutes) before entering into any contract, agreement, mortgage or undertaking having to do with the construction or equipment of the Railroads submit the same to the Commission for its approval and the Commission may as a condition

of its approval require the insertion of such terms and conditions therein as it may deem necessary. The Commission may further require the Interborough Company before entering into any agreement having to do with the construction or equipment of the Railroads to ask for proposals upon forms of contracts satisfactory to the Commission, in a specific manner and for a specified time.

Any contract, agreement or undertaking having to do with the maintenance or operation of the Company Lines extending beyond a period of one year or involving an expenditure in excess of fifty thousand dollars (\$50,000) (and any other contract, agreement or undertaking having to do with maintenance or operation of the Company Lines, which the Interborough Company shall desire to make subject to the approval of the Commission) shall be entered into by the Interborough Company subject to the approval of the Commission. Any payments made under any such contract so approved by the Commission shall not be subject to objection under other provisions of this Article unless the payments therefor shall not be in accordance with the terms of such contract. The provision of this paragraph shall also apply to all contracts, agreements or undertakings of the character specified above entered into after the date hereof which are to continue in force after the beginning of operation of the Railroads.

No contract, agreement or undertaking affecting the maintenance or operation of the Railroads and the Company Lines (except mortgages, assignments, leases, trackage agreements, power and advertising contracts, agreements amending or supplementing this certificate and contracts, agreements or undertakings amending, supplementing or extending any such instruments) shall extend over a period in excess of five (5) years.

The Commission may, whenever it deems advisable, establish a system of accounts to be used by the Interborough Company in connection with the construction, equipment, maintenance and operation of the Company Lines and may prescribe the manner in which such accounts shall be kept. It may also in its discretion prescribe forms of accounts, records and memoranda to be kept by the Interborough Company in connection with such enterprise, including the accounts, records and memoranda of the movements of traffic as well as the receipts and expenditures of moneys. Reasonable notice of alterations by the Commission in the required method or form of keeping a system of accounts shall be given to the Interborough Company by the Commission. The Commission shall at all times have access to all such accounts, records and memoranda kept by the Interborough Company, and may designate any of its officers or employees who shall thereupon have authority under the order of the Commission to inspect and examine any and all accounts, records and memoranda kept by the Interborough Company. The Commission may, after hearing, prescribe by order the accounts in which particular outlays and receipts shall be entered, charged or credited.

The Commission may from time to time adopt regulations, which the Interborough Company shall strictly comply with, as to the form of all vouchers and payrolls having to do with the construction or equipment of the Railroads, to the end that the cost data relating to various divisions of the construction and equipment of the Railroads can, at all times, be promptly and accurately determined and the property identified.

No payment, credit, compensation or concession of whatsoever character having in any way to do with the construction or equipment of the Railroads shall be included in the actual cost unless the Interborough Company upon making such payment, credit, compensation or concession forthwith file with the Commission a duplicate voucher, credit slip or other original evidence thereof. The Commission may from time to time (by resolution evidenced by entries in its minutes) relieve the Interborough Company from the obligation to file such vouchers, credit slips or other original evidences to such extent as it may deem advisable.

The Commission may object to any expenditure as unreasonable or improper, made or to be made by the Interborough Company in connection with maintaining and operating the Company Lines, by notice thereof to the Interborough Company. If the objection by the Commission refers to an expenditure already made, the Interborough Company forthwith upon receipt of notice shall remove the amount from the account or accounts to which it had been charged and hold the same in a suspense account until the item in dispute is adjudicated. If the objection refers to an expenditure to be made, the Interborough Company, if it make such expenditure, shall charge to and hold the same in a suspense account until the item in dispute is adjudicated. In case the Commission and the Interborough Company are unable within five (5) days after the delivery of such notice to agree upon the reasonableness and propriety of such expenditure, the same shall be determined by arbitration or by the court. Such arbitration shall be conducted in accordance with the provisions of Article XVI except that the periods for the appointment of arbitrators as therein prescribed shall for the purposes of all arbitrations under this paragraph be reduced to five (5) days, Saturdays, Sundays and Holidays excepted. Such notice of objection shall be given by the Commission within thirty (30) days after the Commission has become cognizant of such expenditure unless satisfactory reasons are given for any delay. Any such delay shall not excuse the Interborough Company from complying with the provisions hereof in respect of the money to be held in suspense, but such delay may be set up by the Interborough Company as a defense to the objection, and the adequacy of the reasons given for such delay shall be determined by arbitration or by the court. If it be agreed by the Commission and the Interborough Company or determined by arbitration or by the court that the expenditure objected to is reasonable and proper, the amount thereof shall be charged to operating expenses, and the interest, if any, shall be charged against the interest revenue. If, on the other hand, it be agreed or so determined that such expenditure is unreasonable or improper, the amount thereof with interest shall be borne by the Interborough Company. Similarly, if any expenditure shall be so agreed or so determined to be unreasonable or improper in part, the charges for such parts shall be adjusted in the same manner as charges for whole amounts as hereinbefore provided.

The Commission contemplates, and the Interborough Company hereby approves, the most thorough and minute inspection by the Commission and its Chief Engineer, and by their representatives or subordinates, of all work and materials (and of the manufacture or preparation of such materials) entering into the construction or equipment of the Railroads. The Interborough Company shall, therefore, at all times give to the Commission and its members, to the Chief Engineer and his assistants and subordinates, and to any person designated by the Commission or its Chairman, all facilities, whether necessary or convenient, for inspecting the materials to be furnished and the work to be done in and about the same. The members of the Commission, the Chief Engineer and any assistant or other person bearing his authorization or the authorization of the Commission or its Chairman, shall be admitted at any time summarily and without delay to any part of the work or to the inspection of materials at any place or stage of their manufacture, preparation, shipment or delivery.

It is the intention of the Commission and the Interborough Company, and the foregoing Article shall be construed in accordance with such intention, that the City shall be afforded all proper and necessary means for safeguarding its right to one-half ($\frac{1}{2}$) of the excess of net profits of the Company Lines and for safeguarding its exercise of the right to terminate the authorizations or licenses hereby given. At the same time it is neither intended nor desired that the fair and ordinary discretion of the Interborough Company in the management, construction, equipment, maintenance and operation of the Company Lines shall be interfered with.

XI

The actual cost of the plant and property of the Railroads shall be determined as follows:

The words "PLANT AND PROPERTY" as used herein mean as to any of the Railroads, the equipment and the plant and structure thereof.

The word "EQUIPMENT" means as to any of the Railroads, all cars, rolling stock, motors, power sub-stations and the real estate upon which they are built and all wires, cables and conduits suitable to and necessarily provided and used for the purposes of the Railroads not affixed to the railroad structure in streets or on rights of way, provided, however, that the cars, rolling stock and motors shall be such only as are specially purchased or constructed for use upon the Railroads, which shall at the time of purchase or construction be identified by suitable marking as "extension equipment."

The words "PLANT AND STRUCTURE" mean as to any of the Railroads, the foundations, structures, tracks, stations, terminal rooms, stairways and means of access thereto, consents, easements and rights of way and interests in real estate connected with the railroad as distinguished from the equipment as hereinbefore defined, terminal and storage yards and shops, signal towers, signal devices, contact rails, telephone and telegraph wires, wires, cables and all other fixtures suitable to and necessarily used for the purposes of the Railroads affixed to the railroad structure in streets or on rights of way.

The word "ADDITION" as used in this article with reference to equipment or plant and structure means a betterment, improvement or addition, during the term of this grant, ordered or approved by the Commission in advance of its construction or provision, to or of either the equipment or plant and structure as originally completed and put in operation, excluding anything furnished in the nature of repairs, maintenance or replacement.

The words "DEBT DISCOUNT AND EXPENSE" to mean the actual and necessary expense to the Interborough Company (including discounts) involved in the issuance or disposal of securities issued by the Interborough Company to provide means for constructing and equipping the Railroads or for additions, deducting therefrom any premiums received by or on behalf of the Interborough Company upon or in connection with the disposal of such securities.

The words "ACTUAL COST" mean as to any of the Railroads, in respect to the equipment thereof:

(1) The actual and necessary net cost in money to the Interborough Company for acquisition, or for all labor and materials entering into the construction, of the equipment and additions thereto from time to time, other than repairs, maintenance or replacements.

(2) The actual and necessary net cost in money to the Interborough Company of any real estate or interests therein including consents and easements (other than replacements) necessarily acquired for the construction or operation of equipment or such additions thereto, together with the actual and necessary expenses in connection with such acquisition.

(3) The debt discount and expense in connection with the equipment and additions thereto from time to time, provided, however, that the debt discount and expense, except in the case of additions, shall not exceed an amount equal to three per centum (3%) of the actual cost of equipment including in such actual cost any expenditures under this paragraph.

(4) Taxes, assessments and interest actually and necessarily paid or accrued upon the items of this definition pending the beginning of operation, including in the word "taxes," assessments and other governmental charges (including mortgage recording tax) of every description against the Interborough Company in and about the construction or acquisition of equipment and additions thereto from time to time. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to such actual cost.

(5) The sums actually and necessarily paid by the Interborough Company for superintendence, insurance, damages, engineering, legal expenses and administration; including in respect of equipment (other than additions) the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Interborough Company prior to the date of this certificate and in addition the actual and necessary expense incurred or payable by the Interborough Company in printing, engraving and certifying securities for equipment (other than additions).

Provided, however, that the actual and necessary net cost in money of all replacements, substitutions or renewals not due to wear and tear from operation and necessitated by the reconstruction of parts of the existing structures of the Manhattan Railway Company for the purpose of physically connecting the same with the Railroads shall be deemed to be included in the foregoing definition of actual cost of equipment.

The words "ACTUAL COST" mean as to any of the Railroads, in respect to the plant and structure thereof:

(1) The actual and necessary net cost in money to the Interborough Company of all labor and materials entering into the construction of the plant and structure and permanent additions thereto from time to time other than repairs, maintenance or replacements.

(2) The actual and necessary net cost in money to the Interborough Company of any real estate or interest therein, including consents and easements (other than replacements) necessarily acquired for the construction or operation of the plant and structure, or such permanent additions thereto, together with the actual and necessary expenses in connection with such acquisition.

(3) The debt discount and expense in connection with the construction of the plant and structure and additions thereto from time to time, provided, however, that the debt discount and expense, except in the case of additions, shall not exceed an amount equal to three per centum (3%) of the actual cost of the plant and structure including in such actual cost any expenditures under this paragraph.

(4) Taxes, assessments and interest actually and necessarily paid or accrued upon the items of this definition pending the beginning of operation of the said railroad line or portion thereof, including in the word "taxes," assessments and other governmental charges (including mortgage recording tax) of every description against the Interborough Company in and about the construction of the plant and structure and additions thereto from time to time. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to such actual cost.

(5) The sums actually and necessarily paid by the Interborough Company for superintendence, insurance, damages, engineering, legal expenses and administration; including in respect of the plant and structures (other than additions) the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Interborough Company prior to the date of this certificate and in addition the actual and necessary expense incurred or payable by the Interborough Company in printing, engraving and certifying securities for the construction of the plant and structure (exclusive of additions).

Provided, however, that the actual and necessary net cost in money of all replacements, substitutions or renewals not due to wear and tear from operation and necessitated by the reconstruction of parts of the existing structures of the Manhattan Railway Company for the purpose of physically connecting the same with the Railroads shall be deemed to be included in the foregoing definition of actual cost of plant and structure.

If any profit, salvage, rebate or benefit (other than resulting from operation) from any source derived shall accrue directly or indirectly to the Interborough Company or on its behalf in any manner out of or in connection with the construction or acquisition of such plant and structure or additions thereto, or equipment or additions thereto, then the amount of such profit, salvage, rebate or benefit shall be deducted from the cost of the other items referred to.

No expenditure made by the Interborough Company in or about the acquisition or construction of the plant and property of any of said Railroads shall be included in or made a part of the actual cost of plant and structure or of equipment thereof in ascertainment of the amount to be paid by the City upon termination of any authorization or license therefor unless as soon as any of the Railroads or any additions thereto or any equipment thereof or additions thereto are completed or put in operation the Interborough Company shall present to the Commission a statement in writing, in which shall be included said expenditure, showing the actual cost of the plant and structure of each of the Railroads or of such equipment or additions thereto from time to time of the same and in the case of additions the date of the making of the same.

If any expenditures are incurred by the Interborough Company in connection with the acquisition or construction of the plant and property of any of the Railroads, or any additions thereto, subsequent to the filing of any such statement, the Interborough Company shall include such expenditures in a supplemental statement or statements to be presented to the Commission within six months after the making of such additional expenditures. If such statement or statements, or such supplemental statement or statements, are approved by the Commission, both parties shall be estopped from raising any question with respect to any such expenditures, or the date of making the same. If such statements or supplemental statements are not agreed upon within one year from the date of presentation, the same shall forthwith be reviewed by arbitration or by the Court, as provided in Article XVI.

XII

As compensation, the Interborough Company shall pay to the Comptroller for the period beginning on the day when any part of any of the Railroads is put into operation and ending on the day when the Interborough Company shall cease to operate the Railroads in conjunction with the Manhattan Railroad, (in which event the compensation shall be readjusted as hereinafter provided at the time such joint operation is discontinued) a sum which shall be determined as follows:

After the beginning of operation of any part of any of the Railroads, the net profits upon all elevated lines operated by the Interborough Company (the same including the Railroads, the existing Manhattan Railroad, and the railroads or additional tracks authorized by a certificate granted to the Manhattan Railway Company bearing even date herewith which taken together are referred to as Company Lines) in excess of the average annual net profits of the existing Manhattan Railroad for the two years, one ending June 30, 1910, and the other June 30, 1911, shall be

ascertained and one-half ($\frac{1}{2}$) of the amount remaining of the said excess of net profits after deducting therefrom the rental for additional tracks (authorized by the Commission by certificate bearing even date herewith) shall be deemed to be the compensation payable to the City by the Interborough Company (in addition to said rental) under this certificate; provided, however, that the total payment to the City under both certificates shall not be less than the amount of the aforesaid rental.

The said excess of net profits upon the Company Lines shall be ascertained as follows:

From any and all income, increase or profits from whatever source derived, either directly or indirectly, by the Interborough Company or on its behalf in any manner out of or in connection with the operation of the Company Lines (hereinafter referred to as the "revenue") the Interborough Company shall at the end of each quarter year ending December 31, March 31, June 30 and September 30, deduct:

(1) Taxes, if any, upon property actually and necessarily used by the Interborough Company in the operation of the Company Lines, together with all taxes and other governmental charges of every description (whether on physical property, stock, securities, corporate or other franchises or otherwise), assessed or which may hereafter be assessed against the Interborough Company in connection with, or incident to, the operation of the Company Lines. Also such assessments for benefits as are not properly chargeable to the actual cost of plant and structure or actual cost of equipment.

(2) Such rental, actually and necessarily payable by the Interborough Company for the Manhattan Railroad or for the use of property in connection with the Company Lines under contracts or leases approved by the Commission, as are not chargeable to operating expenses in the uniform system of accounts prescribed by the Commission, including rental for additional tracks under the said certificate bearing even date herewith.

(3) All expenses, exclusive of maintenance, actually and necessarily incurred by the Interborough Company in the operation of the Company Lines.

(4) An amount equal to twelve per centum (12%) of the revenue for the maintenance, exclusive of depreciation of the Company Lines. Said maintenance shall include the repair and replacement of tracks and also parts of continuous construction and parts of plant and structure and equipment units, but shall not include the replacement of the principal parts of the plant and structure and equipment, as such principal parts are from time to time specified and defined by the Commission. If, in any quarter year such maintenance shall cost less than twelve per centum (12%) of the revenue the unexpended balance shall be transferred to the depreciation fund provided for in paragraph (5) of this article; and if, in any quarter year such maintenance shall cost more than such twelve per centum (12%) of the revenue an amount equal to the excess may be withdrawn from or charged to such depreciation fund and applied to such maintenance.

(5) For the first year of operation an amount equal to two per centum (2%) of the revenue for depreciation of such portions of the Company Lines or their equipment as are not retired or replaced through the expenditures for maintenance provided for in paragraph (4) of this article. Within thirty (30) days after the 30th day of June following the beginning of operation and annually thereafter the Commission and the Interborough Company shall determine the amount of depreciation and excess maintenance not covered by the amount set aside under the preceding paragraph during the preceding fiscal year, and the deductions for such year shall thereupon be adjusted to conform with such determination. If within such period the Commission and the Interborough Company are unable to agree upon the amount of depreciation during the preceding fiscal year, the amount thereof shall thereupon be determined by arbitration or by the court. The amount so determined shall be paid into a depreciation fund. Such fund shall be in the charge and under the control of the Depreciation Fund Board. The cost of all replacements of the principal parts (as such principal parts are from time to time specified and defined by the Commission) of the Company Lines and the equipment thereof due either to wear and tear or obsolescence, inadequacy or age and also any excess in the cost of maintenance as provided in paragraph (4) of this article shall be paid from this fund. When any principal part of the Company Lines or the equipment thereof is retired or withdrawn from service, an amount equal to its cost shall be withdrawn from this fund and expended on new equipment or new construction. Any salvage or proceeds on any part so retired or withdrawn shall be paid into this fund. Any amounts in such fund not currently needed for the purposes herein specified shall be securely invested and reinvested by the Depreciation Fund Board and all interest and profits accruing therein shall be returned to the revenue. The Depreciation Fund Board shall have the right to sell investments to meet current needs and for purposes of reinvestment. A permanent record of the depreciation of each class of construction and equipment (as such classes are from time to time defined or specified by the Commission) shall be kept by the Interborough Company in the form prescribed from time to time by the Commission. At the expiration of the term or upon earlier termination as hereinafter provided, any amount in such fund accrued with respect to the plant and property of the Railroads shall be paid to the City or to a new grantee as may be directed by the Commission and the balance shall be paid to the Interborough Company.

(6) An amount to be retained by the Interborough Company equal to one-quarter ($\frac{1}{4}$) of One Million Five Hundred and Eighty-nine Thousand Three Hundred and Forty-eight Dollars (\$1,589,348) as representing the average net profits of the existing Manhattan Railroad for the two years, one ending June 30, 1910, and the other June 30, 1911, provided, however, that if it should hereafter be decided that either the Manhattan Railway Company, or the Interborough Company is liable for the payment of the Federal corporation tax upon the sum distributable to the stockholders of the Manhattan Railway Company as a dividend, the aforesaid amount shall be reduced to the sum of One Million Five Hundred and Forty-seven Thousand Three Hundred and Fifty-one Dollars (\$1,547,351).

(7) An amount equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the Interborough Company upon the bonds issued to pay for the plant and property of the Railroads and of the plant and property of the railroads or additional tracks authorized by a certificate bearing even date herewith granted to the Manhattan Railway Company, together with a sum equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) upon such bonds, which latter amount shall be set aside and with interest and accretions promptly and securely invested and reinvested for the amortization of the actual cost of the said plants and properties. Such latter amount shall as promptly as possible be invested in bonds issued by the Interborough Company in connection with its obligations under this certificate and under the certificate bearing even date herewith for additional tracks. Such bonds shall be acquired at the lowest possible purchase price. Upon the completion of the amortization of such bonds the payments provided for in this paragraph shall cease and any balance in the Sinking Fund shall be paid into the revenue.

The Interborough Company shall also be entitled to deduct an amount equal to one-quarter ($\frac{1}{4}$) of the interest actually and necessarily payable by the Interborough Company upon bonds issued by the Interborough Company with the approval of the Public Service Commission for the First District of the State of New York, for improvements to power house, substations, transmission lines and electrical apparatus required in connection therewith, now forming part of and supplying the Company Lines, which shall be necessary to provide additional power for the operation of the Railroads (including trackage rights) and the additional tracks authorized by certificate bearing even date herewith.

(8) When the Interborough Company shall provide additions (as the word additions is defined herein and in the certificate for the additional tracks bearing even date, herewith) to the Company Lines or to the Equipment thereof, then an amount to be retained by the Interborough Company equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the Interborough Company (or, in the event that the Interborough Company should not borrow money for such purpose, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the average rate payable by the Interborough Company upon long term securities issued by it to carry out the purposes of this certificate) upon the actual cost of each additional item together with a sum equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the actual cost of each additional item, which latter amount shall be set aside and with interest and accretions shall be promptly and securely invested and reinvested for the amortization of the cost of such additional item. Upon the completion of the amortization of the actual cost of any additional item the payments provided for in this paragraph in respect of such additional item shall cease and any balance in the sinking fund shall be paid into the revenue.

(9) After making all such payments the amount of revenue remaining shall be the excess of net profits.

If in any quarter year the revenue shall be insufficient to meet the various obligations and deductions referred to above, the deficits shall be accumulated and payment of such deficits shall be thereafter made before deducting the amounts required in

the paragraph succeeding the paragraph for the payment of the obligation or deductions as to which there has been such deficit. Interest shall be payable upon such deficits at the actual rate payable by the Interborough Company, or in the event that the Interborough Company should not borrow money for the purpose of paying such deficits then at the prevailing rate of interest payable by the Interborough Company for short term loans. Interest payable upon such deficits, if not paid semi-annually, shall be added to, and form a part of, the cumulative deficits.

The fund provided for in paragraph (5) above shall be in the charge of and under the control and direction of a board to be known as the Depreciation Fund Board and to be organized and constituted as follows: Before the beginning of operation of any part of the Railroads or additional tracks authorized under the said certificate, the Commission and Interborough Company shall each name an individual to be a member of such board. Within thirty (30) days thereafter the Interborough Company and the Commission shall agree upon the third member of such board, or in the event of their failure to so agree within such time, the third member, upon the application either of the Commission or of the Interborough Company, shall be nominated in the same manner as is hereinafter provided in the case of arbitration in Article XVI. In the event of a vacancy in the office of any of the members of the Board, the successor shall be chosen in the same manner as above provided in case of the original nomination. Such Depreciation Fund Board shall administer the fund provided for in paragraph (5) above and the members thereof shall serve for such period and receive as compensation for their services such amount as may from time to time be agreed upon by the Commission and the Interborough Company, and such amount shall be included as part of the operating expenses referred to in paragraph (3) above. The Interborough Company shall also pay and include as part of the operating expenses referred to in paragraph (3) above, the actual and necessary expenses of such Depreciation Fund Board, including clerical and office expenses.

In case the Interborough Company shall cease to operate the Railroads in conjunction with the Manhattan Railroad the amounts to be paid by the Interborough Company as compensation under this certificate shall forthwith be readjusted as herein provided.

The amounts to be paid by the Interborough Company as aforesaid shall be payable to the City by the Interborough Company on the 30th day of July, after the beginning of the operation of any part of any of the railroads for the year or portion of the year ending on the 30th of June immediately preceding and upon the 30th day of July of each year thereafter for the preceding fiscal year. At the time of each payment the Interborough Company shall deliver to the Commission and to the Comptroller a statement, in the form and with details to be prescribed by the Commission, showing the receipts and expenditures for the preceding year or portion thereof. Such statement shall be verified under oath by the officer of the Interborough Company having charge of its books and accounts, or in case of his absence or disability, then by its president or other chief officer or manager. The Commission and the Comptroller shall have the right to verify any of the said statements by an examination of the Interborough Company's books, records and memoranda and an examination under oath of any of its officers or employees; and the Interborough Company hereby covenants to submit to such examination and produce such books, records and memoranda whenever and wherever they may be required by the Commission or the Comptroller.

The amounts to be paid by the Interborough Company as aforesaid shall be readjusted if and when the Interborough Company shall cease to operate the Railroads in conjunction with the Manhattan Railroad, and shall thereafter be readjusted at intervals of twenty years. The annual amounts to be paid by the Interborough Company for each and every period of twenty years after such first period shall be determined as follows, to wit: Each such determination shall be had upon the application of either the Interborough Company or the Commission. Such application shall be made at any time not earlier than two years and not later than one year before the expiration of each successive period. If the Interborough Company and the Commission shall agree upon the compensation to be paid for the ensuing period, their determination shall be expressed in writing, and, when approved by the Board of Estimate, shall be binding upon both parties. If the Interborough Company and the Commission shall not reach an agreement, or if the Board of Estimate shall not approve such agreement, on or before a date one year prior to the expiration of each period as to the compensation to be paid for the ensuing period, then the annual rate of compensation for such succeeding twenty years' period shall be reasonable; and the Commission and the Interborough Company shall be bound, upon the request of either, to submit the determination of such rate of compensation to arbitration or to the Court, as herein provided in Article XVI. If in any case the annual rate for a succeeding period shall not be fixed prior to the commencement of the said period, the Interborough Company shall pay the annual rate for the preceding period until such time as the new rate shall be determined; and upon the determination of the new rate the difference between the old and the new rate shall be adjusted and paid between the parties.

Any and all payments to be made according to the terms of this certificate by the Interborough Company shall not be considered in any manner in the nature of a tax, but such payments shall be made in addition to any and all taxes, now or hereafter lawfully imposed by the State of New York.

The City shall have a lien upon the authorizations or licenses hereby granted and upon the real property of the Interborough Company forming part of the Railroads, to secure the payment of such compensation.

In case of any failure to make such payment as herein prescribed, the lien aforesaid may be enforced by the Commission by foreclosure or other proper proceeding and by sale of such authorizations or licenses and real property.

The Commission may, in its own name or in the name and behalf of the City, bring action for specific performance or by mandamus or injunction or otherwise compel the performance by the Interborough Company of the duties and obligations imposed upon it under the terms of this certificate. And the Commission may, in behalf or in the name of the City, bring any action or proceedings to recover possession of any part of the property of the City to be used by the Interborough Company as aforesaid, or to enforce the said lien of the City, or to enforce any provision of this certificate in the manner provided by Section 9 of the Rapid Transit Act or any other proper action or proceeding.

XIII

The authorizations or licenses hereby given for the Webster Avenue Line, the Eighth Avenue and 162nd Street Connection, the Queensboro Bridge Line and the West Farms Subway Connection are separate grants, and the City, acting by the Commission or by such other board or boards as may be thereunto empowered, may terminate any such authorization or license and may purchase and take the plant and property as hereinbefore defined of such line or lines for which the authorization or license is so terminated at any time after the expiration of ten years from the date when operation of any part of the line for which the authorization or license is so terminated shall actually begin. In case it is determined to so terminate any or all of the authorizations or licenses hereby granted as hereinbefore provided, at least one year's notice thereof in writing shall be given to the Interborough Company.

Such right of termination shall, however, be upon condition that the City shall pay an amount for said plant and property as property excluding any value for the authorization or license hereby granted, to be determined as follows:

Upon termination as hereinbefore provided of the authorization or license of any of the Railroads the City shall pay as to the same, as follows:

(1) For the plant and property thereof (other than additions as hereinbefore defined) the percentage of the actual cost of the plant and property (other than additions) indicated in the following schedule:

Schedule

If terminated at—	Percentage to be paid by City
10 years.....	115
11 years.....	74-75ths of 115
12 years.....	73-75ths of 115
13 years.....	72-75ths of 115
14 years.....	71-75ths of 115
15 years.....	70-75ths of 115
16 years.....	69-75ths of 115
17 years.....	68-75ths of 115
18 years.....	67-75ths of 115

If terminated at—	Percentage to be paid by City
19 years.....	66-75ths of 115
20 years.....	65-75ths of 115
21 years.....	64-75ths of 115
22 years.....	63-75ths of 115
23 years.....	62-75ths of 115
24 years.....	61-75ths of 115
25 years.....	60-75ths of 115
26 years.....	59-75ths of 115
27 years.....	58-75ths of 115
28 years.....	57-75ths of 115
29 years.....	56-75ths of 115
30 years.....	55-75ths of 115
31 years.....	54-75ths of 115
32 years.....	53-75ths of 115
33 years.....	52-75ths of 115
34 years.....	51-75ths of 115
35 years.....	50-75ths of 115
36 years.....	49-75ths of 115
37 years.....	48-75ths of 115
38 years.....	47-75ths of 115
39 years.....	46-75ths of 115
40 years.....	45-75ths of 115
41 years.....	44-75ths of 115
42 years.....	43-75ths of 115
43 years.....	42-75ths of 115
44 years.....	41-75ths of 115
45 years.....	40-75ths of 115
46 years.....	39-75ths of 115
47 years.....	38-75ths of 115
48 years.....	37-75ths of 115
49 years.....	36-75ths of 115
50 years.....	35-75ths of 115
51 years.....	34-75ths of 115
52 years.....	33-75ths of 115
53 years.....	32-75ths of 115
54 years.....	31-75ths of 115
55 years.....	30-75ths of 115
56 years.....	29-75ths of 115
57 years.....	28-75ths of 115
58 years.....	27-75ths of 115
59 years.....	26-75ths of 115
60 years.....	25-75ths of 115
61 years.....	24-75ths of 115
62 years.....	23-75ths of 115
63 years.....	22-75ths of 115
64 years.....	21-75ths of 115
65 years.....	20-75ths of 115
66 years.....	19-75ths of 115
67 years.....	18-75ths of 115
68 years.....	17-75ths of 115
69 years.....	16-75ths of 115
70 years.....	15-75ths of 115
71 years.....	14-75ths of 115
72 years.....	13-75ths of 115
73 years.....	12-75ths of 115
74 years.....	11-75ths of 115
75 years.....	10-75ths of 115
76 years.....	9-75ths of 115
77 years.....	8-75ths of 115
78 years.....	7-75ths of 115
79 years.....	6-75ths of 115
80 years.....	5-75ths of 115
81 years.....	4-75ths of 115
82 years.....	3-75ths of 115
83 years.....	2-75ths of 115
84 years.....	1-75th of 115
85 years.....	0

(2) For additions, as the word additions is hereinbefore defined, to the Railroads, or to any of the Railroads as to which the authorization or license is terminated, the percentage of the actual cost of such of said additions as may have been completed or put in operation within less forty (40) years indicated in the schedule following according to the age of each item as there indicated.

Schedule

Upon termination.	Percentage to be paid by City
If on provision.....	110.
If 1 year after provision.....	108.98863636
If 2 years after provision.....	107.9307925
If 3 years after provision.....	106.82429135
If 4 years after provision.....	105.66616697
If 5 years after provision.....	104.45637778
If 6 years after provision.....	103.19016790
If 7 years after provision.....	101.86574900
If 8 years after provision.....	100.48044509
If 9 years after provision.....	99.03145727
If 10 years after provision.....	97.51585797
If 11 years after provision.....	95.93058490
If 12 years after provision.....	94.27243516
If 13 years after provision.....	92.53805848
If 14 years after provision.....	90.72395065
If 15 years after provision.....	88.82644632
If 16 years after provision.....	86.84171162
If 17 years after provision.....	84.76573667
If 18 years after provision.....	82.59432686
If 19 years after provision.....	80.32309500
If 20 years after provision.....	77.94745218
If 21 years after provision.....	75.46259448
If 22 years after provision.....	72.86351337
If 23 years after provision.....	70.14494556
If 24 years after provision.....	67.30140229
If 25 years after provision.....	64.32713824
If 26 years after provision.....	61.21614410
If 27 years after provision.....	57.96213419
If 28 years after provision.....	54.55853393
If 29 years after provision.....	50.99846652
If 30 years after provision.....	47.27473898
If 31 years after provision.....	43.37982773
If 32 years after provision.....	39.30586320
If 33 years after provision.....	35.04461414
If 34 years after provision.....	30.58747088
If 35 years after provision.....	25.92542798
If 36 years after provision.....	21.04906594
If 37 years after provision.....	15.94853233
If 38 years after provision.....	10.61352169
If 39 years after provision.....	5.03325496
If 40 years after provision.....	.00000000

The above schedule is computed upon the basis of the investment of the deduction from the revenue for amortization provided for in paragraph (8) of Article XII in five per cent. bonds of the Interborough Company at one hundred and ten per

centum (110%) and ten per cent. (10%) has been added to each outstanding amount to cover premiums that may be payable by the Interborough Company as a condition for calling in outstanding bonds. If the amortization fund is invested at a more favorable rate than that above assumed or if the premiums payable upon outstanding bonds are less than ten per centum (10%) then the amount to be paid by the City shall be correspondingly reduced.

At the option of the City either at the expiration of a full term of the grant or at the earlier termination thereof, pursuant to notice as aforesaid, the Interborough Company may be required to transfer the title, if any, to and possession of the plant and property directly to a new grantee upon his paying the amount to the Interborough Company which the City would have been required to pay as aforesaid.

In case the City itself shall take over the plant and property such payment shall be made by a City warrant drawn by the Comptroller, or otherwise, as may then be provided by law. In case the plant and property shall be taken over directly by a new grantee such payment shall be made by a certified check, drawn by such new grantee, to the order of the Interborough Company or by lawful money of the United States of America.

If the amounts to be paid to the Interborough Company at the expiration of a full term of a grant or upon any such termination shall not have been finally determined or paid prior to or at the time when a full term is according to this certificate to end or the termination is under the said notice given to take effect, the title, if any, to and right of possession of the plant and property of the lines of the Railroads shall nevertheless pass to the City or to a new grantee, free and clear of all liens or other incumbrances, and the City or such new grantee shall pay to the Interborough Company the amount so determined with interest from the date of taking possession, provided, however, that the possession of such plant and property shall not pass to the City or to such new grantee in advance of payment as aforesaid unless the City or such new grantee shall give the Interborough Company a satisfactory bond or bonds in an amount at least equal to the difference between the actual cost of the plant and property and the amount thereof that should be amortized as indicated in the schedules contained herein and in addition an amount sufficient adequately to protect the Interborough Company, which latter amount, if not agreed upon by the Commission and the Interborough Company, shall be determined by arbitration or by the court.

Upon the expiration of a full term of the grant, or a termination by notice as aforesaid, the Interborough Company shall execute and deliver such instruments as may be either necessary or convenient to assure and perfect the title and the possession of the City or such new grantee in and to the plant and property free and clear of all liens and incumbrances as aforesaid.

The privilege of termination herein reserved by the City may be exercised on its behalf by the Commission, with the approval of the Board of Estimate, or by such other authority representing the City as is now or may hereafter be vested with the necessary power. Upon the exercise of such privilege, the plant and property shall forthwith vest in the City or the new grantee free from all leases, mortgages or other encumbrances whatsoever; and all right, title and interest of the Interborough Company therein, shall at once cease and determine.

In case the City shall terminate an authorization or license or a portion thereof under the privileges herein reserved all payments by way of compensation or otherwise, applicable thereto, except for damages for failure to perform any covenants herein required to be performed by the Interborough Company, shall cease upon the date of such termination, and upon payment in full of all such compensation up to the date of such termination the Interborough Company shall be relieved from any further payment of such compensation in respect to such authorization or license except as aforesaid.

It is the intention of the parties that the amount to be paid for plant and property to be ascertained as hereinbefore provided shall be the measure of any payment the City may be called upon to make therefor, but in pursuance of the provisions of Sub-division 1 of Section 34 of the Rapid Transit Act, as it now exists, it is further provided that if at any time in ascertaining the amount to be paid by the City as a condition of a termination of any authorization or license or portion thereof as herein provided or at the expiration of a full term, it shall be necessary that a valuation of any plant, property, equipment, construction or any investment in any part thereof shall be determined, such valuation shall in default of agreement be determined by arbitration or by the court.

XIV.

Upon the expiration of a full term of any authorization or license fixed herein, the authorization or license shall end and upon such termination thereof all the rights of property of the Interborough Company in the streets, avenues, parkways, highways and public places shall cease and terminate without compensation, and further, upon such expiration, the plant and property, together with the appurtenances thereto of the Interborough Company constructed pursuant to this certificate, except additions as hereinbefore defined, shall be and become the property of the City without further or other compensation to the Interborough Company, and additions as hereinbefore defined shall be and become the property of the City on its paying to the Interborough Company for such of said additions as may have been completed or put in operation within less than forty (40) years the percentage of the actual cost of said additions indicated in the schedule following according to the age of each item as there indicated.

Such schedule is as follows:

Upon expiration.	Percentage to be paid by City.
If on provision.....	100.
If 1 year after provision.....	99.08057851
If 2 years after provision.....	98.11889023
If 3 years after provision.....	97.11292114
If 4 years after provision.....	96.06085179
If 5 years after provision.....	94.96034344
If 6 years after provision.....	93.80924355
If 7 years after provision.....	92.60522636
If 8 years after provision.....	91.34585917
If 9 years after provision.....	90.02859752
If 10 years after provision.....	88.65077997
If 11 years after provision.....	87.20962264
If 12 years after provision.....	85.70221378
If 13 years after provision.....	84.1250771
If 14 years after provision.....	82.47631877
If 15 years after provision.....	80.75131484
If 16 years after provision.....	78.94701062
If 17 years after provision.....	77.05976061
If 18 years after provision.....	75.08575169
If 19 years after provision.....	73.02099545
If 20 years after provision.....	70.86132016
If 21 years after provision.....	68.60236225
If 22 years after provision.....	66.23955761
If 23 years after provision.....	63.76813233
If 24 years after provision.....	61.18309299
If 25 years after provision.....	58.47921658
If 26 years after provision.....	55.65104009
If 27 years after provision.....	52.69284926
If 28 years after provision.....	49.59866721
If 29 years after provision.....	46.36224229
If 30 years after provision.....	42.97703544
If 31 years after provision.....	39.43620703
If 32 years after provision.....	35.73260291
If 33 years after provision.....	31.85874013
If 34 years after provision.....	27.80679171
If 35 years after provision.....	23.56857089
If 36 years after provision.....	19.13551449
If 37 years after provision.....	14.49866575
If 38 years after provision.....	9.64865608
If 39 years after provision.....	4.57568624
If 40 years after provision.....	.00000000

The above schedule is computed upon the basis of the investment of the deductions from the revenue for amortization provided for in paragraph (8) of Article XII in five per cent, bonds of the Interborough Company at one hundred and ten per centum (110%). If the amortization fund is invested at a more favorable rate than that above assumed then the amount to be paid by the City shall be correspondingly reduced.

XV.

If the Interborough Company shall provide in connection with the Webster Avenue Line and the Eighth Avenue and 162d Street Connection and in connection with the municipal railroad on White Plains Road (with which the Webster Avenue Line will connect) and in connection with the municipal railroad on Jerome Avenue (with which the Eighth Avenue and 162d Street Connection will connect) terminals, storage yards or shops located upon White Plains Road and Jerome Avenue which shall be used in connection with those lines and such municipal lines and the Manhattan Railroad or other lines of rapid transit railroad operated or to be operated by the Interborough Company, upon the expiration or earlier termination of the authorization and licenses hereby granted, the Interborough Company shall provide the City, or any firm, individual or corporation with whom or with which the City may enter into an agreement with respect to the operation of the Webster Avenue Line or the Eighth Avenue and 162d Street Connection, or the municipal railroads on White Plains Road and Jerome Avenue, the use of so much of the said terminals as may be necessary to serve the equipment (as the word equipment is herein defined) exclusively provided for the Webster Avenue Line or the Eighth Avenue and 162d Street Connection and such municipal railroads. The terms shall be reasonable, and if not agreed upon by the parties, shall be settled by arbitration or by the court in the manner provided in Article XVI.

If the Interborough Company shall so provide such terminals, storage yards or shops the City shall upon terminating the authorization or license for the Webster Avenue Line and the Eighth Avenue and 162d Street Connection permit the Interborough Company or its assignee or lessor for a period equal to the then unexpired term of the authorization or license (if it had not been so terminated) to use the plant and structure of the Webster Avenue Line and the Eighth Avenue and 162d Street Connection in connection with rights reserved over the municipal railroads on White Plains Road and Jerome Avenue under the terms of the contract between The City of New York and the Interborough Company for the operation of such municipal railroads to reach such terminals, storage yards or shops. Such use of the plant and structure of the Webster Avenue and the Eighth Avenue and 162d Street Connection shall be solely for the purpose of reaching such terminals or storage yards and the Interborough Company shall not transport passengers or freight for hire over such lines. In no event shall the use of such plants and structures of such lines for such purposes interfere with their necessary use for passenger transportation. The Interborough Company shall pay to the City or any new lessee a reasonable compensation for such use of the plants and structures of such lines for such purpose, which if not agreed upon by the Commission, with the approval of the Board of Estimate, and the lessee, shall be determined by arbitration or by the court in the manner provided in Article XVI.

XVI.

In case it shall be necessary to submit to arbitration any question arising under any provision of this certificate in respect of which it is therein provided an arbitration may be had, such arbitration shall be conducted as follows: Either the City, acting by the Commission, or the Interborough Company may give written notice to the other that it requires the matter arising thereunder to be submitted to arbitration, and shall at the same time name an arbitrator, and accompany the notice by a written acceptance by the arbitrator of the nomination. Within thirty (30) days after the receipt of such notice, the party receiving the same shall name an arbitrator and give written notice of such nomination to the other party, the notice to be accompanied by a written acceptance by the arbitrator of the nomination. If the party to whom notice of arbitration is given shall not so nominate an arbitrator, who shall so accept, then the arbitrator named by the party giving the first notice shall be the sole arbitrator. Upon the appointment of the second arbitrator the Commission and the Interborough Company shall thereupon select a third arbitrator; but if they fail to agree upon such third arbitrator within thirty (30) days after the date of the nomination of the second arbitrator nominated, the third arbitrator shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within fifteen (15) days after being requested by the Commission or the Interborough Company to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then an arbitrator shall be named upon the request of the Commission or the Interborough Company within a period of fifteen (15) days by any Associate Judge of said Court of Appeals in the order of seniority; or, if within said period said judges shall decline or fail to make a nomination, then the third arbitrator shall be nominated by the President or Acting President for the time being of the Chamber of Commerce of the State of New York. The arbitrators shall hear the parties and their counsel or any statements or evidence which the parties or either of them desire to submit. Either party may upon two (2) days' notice to the other bring on the subject in dispute for hearing before the arbitrators. Within thirty days after such hearing commences, unless such time shall be extended for good cause by written order of the arbitrators or a majority of them, the arbitrators shall make their determination in writing in duplicate, one to be delivered to the Commission and the other to the Interborough Company. In case any vacancy shall at any time occur by reason of the death, resignation or inability to serve of any arbitrator, his successor shall be nominated in the same manner and within the same times (during which times the other periods of time prescribed for in the course of the arbitration shall be suspended) as above provided for in the case of the original nomination of such arbitrator, and in case the successor arbitrator shall not be nominated within such times the remaining arbitrator or arbitrators shall be the sole arbitrator or arbitrators. Any determination by a majority of the arbitrators shall be final and conclusive. Every such arbitrator shall be deemed to be employed both by the City and the Interborough Company. The fees and expenses of the arbitrators (including necessary expenses for stenographic and clerical services) and the expenses of the parties shall be assessed as the arbitrators consider equitable and as they direct in their award, but no assessments so made shall be charged to the actual cost of equipment, the actual cost of plant and structure or to operating expenses. Every such arbitrator shall, before proceeding to consider the matter, be sworn as near as may be in the same manner as referees in actions at law are required to be sworn. Provided, however, that if in any case, or for any reason an arbitration cannot validly be had as aforesaid, then the City or the Interborough Company, if in no way responsible for the failure of the arbitration, may bring such action, suit or proceeding as either of them may be advised for the purpose of determining any of the matters for which an arbitration is herein provided.

XVII.

The authorization or licenses hereby granted may be enjoyed, as well by the Interborough Company itself, as by any lessee, grantee, assignee, transferee or successor thereof; and the Interborough Company shall have the right to grant, convey, assign, transfer or mortgage the authorizations or licenses hereby granted, provided, however, that every grantee, assignee, or transferee thereof, not including, however, a mortgagee or mere lienor, but including any purchaser upon foreclosure of, or under or by virtue of any provision of any mortgage or lien, shall be a corporation subject to the laws of the State of New York, and shall upon accepting the grant, transfer, lease or assignment and before such grant, transfer lease or assignment shall be valid, assume and agree to perform all of the obligations which by the provisions hereof are assumed by the Interborough Company, and no such grant, conveyance, transfer lease or assignment and no mortgage hereafter made covering the authorization or licenses hereby granted shall relieve the Interborough Company of its obligations hereunder or be valid unless the same shall have been approved by the Commission.

And provided further that, in case the Interborough Company or any successor or future owner of any of the authorizations or licenses shall be consolidated with or merged into any other corporation the obligations of the Interborough Company or such successor or future owner hereunder shall remain unaffected and the authorizations or licenses shall pass to such new corporation only if the agreement or act of consolidation or merger (which shall not be valid or of any force or effect unless the same shall have been approved by the Commission) shall effectually provide that the new consolidated or merging corporation shall assume all such obligations, or if such act or agreement shall not so provide, then if and when such new consolidated or merging corporation shall in writing expressly assume such obligations—it being the express intention of this instrument that no change in the incorporation of the Interborough Company or of any such successor or future owner or in the ownership

or control of the authorizations or licenses hereby granted, or of any of them shall diminish or affect the obligations of the holder of the same.

XVIII.

The Commission in view of this certificate and in conjunction therewith, has awarded or may award, subject to the approval of the Board of Estimate,

(1) to the Manhattan Railway Company, being the lessor of the Interborough Company, a certificate of even date herewith authorizing additional tracks on Second Avenue, Third Avenue and Ninth Avenue, mainly in the Borough of Manhattan, City of New York, and

(2) to the Interborough Company a contract under or in pursuance of which a rapid transit railroad may be in part constructed, and may be maintained and operated upon lines known respectively as Seventh Avenue-Lexington Avenue Line, Eastern Parkway Line, Steinway Tunnel Line and White Plains Road Line as in said contract described,

It is now agreed, therefore, that if said certificate or contract shall not take effect or if the said Manhattan Railway Company shall be released from such certificate through failure to procure any such consents then this certificate hereby granted shall become null and void and all rights given hereby to the Interborough Company and all of its obligations hereunder shall cease and determine.

In Witness Whereof, This certificate has been prepared by the Public Service Commission for the First District, and is now attested by its seal and by the signature of its chairman, who is its presiding officer, and by the signature of its secretary this day of , 1913.

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT, By Chairman.

Attest: Secretary.

State of New York, County of New York, ss.:

On this day of , 1913, in the City of New York, in said county, before me personally appeared Edward E. McCall and Travis H. Whitney, each to me known and known to me to be the said Edward E. McCall, the Chairman, and the said Travis H. Whitney, the Secretary of the Public Service Commission for the First District, and the said Edward E. McCall and Travis H. Whitney, being by me duly sworn did depose and say, each for himself and not one for the other, the said Edward E. McCall, that he resides in the Borough of Manhattan, in the said city; that he is the Chairman of the said Commission, and that he subscribed his name to the foregoing certificate by virtue of the authority thereof; and the said Travis H. Whitney, that he resides in the Borough of Brooklyn, in the said city; that he is the Secretary of the said Commission, and that he subscribed his name thereto by like authority; and both the said Edward E. McCall and Travis H. Whitney that they know the seal of the said Commission and that the same was affixed to the foregoing certificate by the authority of the said Commission and of a resolution duly adopted by the same.

The Interborough Rapid Transit Company hereby accepts the foregoing certificate and all the terms, conditions and requirements thereof.

Dated, New York, , 1913.

INTERBOROUGH RAPID TRANSIT COMPANY, By President.

Attest: Secretary.

Approved as to form: JOHN L. O'BRIEN, Acting Corporation Counsel.

State of New York, County of New York, ss.:

On the day of , 1913, in the City of New York, before me personally came Theodore P. Shonts and H. M. Fisher, to me known and known to me respectively to be the said Theodore P. Shonts, the President, and the said H. M. Fisher, the Secretary, of Interborough Rapid Transit Company, and being by me duly sworn, they did depose and say, each for himself and not one for the other, the said Theodore P. Shonts that he resided in the Borough of Manhattan, City, County and State of New York, and is the President of the Interborough Rapid Transit Company, the corporation named in and which executed the foregoing acceptance, and that he subscribed his name to the foregoing acceptance by the authority of the Board of Directors thereof; and the said H. M. Fisher that he resided in Plainfield, in the State of New Jersey; that he is Secretary of the said Interborough Rapid Transit Company and subscribed his name to the foregoing acceptance by like authority; and both the said Theodore P. Shonts and the said H. M. Fisher, that they knew the seal of the said Interborough Rapid Transit Company; that the seal affixed to such acceptance was such seal, and that the same was affixed to the foregoing acceptance by authority of the Board of Directors of the said Interborough Rapid Transit Company and pursuant to a resolution adopted by the said Board.

Now, therefore, be it

Resolved, That the Board of Estimate and Apportionment of The City of New York, by a majority vote, according to the number of votes by law pertaining to each member of the Board, hereby approves the foregoing proposed certificate to the Interborough Rapid Transit Company, and hereby consents to the construction, maintenance and operation of the railroad extensions in accordance therewith.

Which was adopted by the following vote:

Affirmative—The Mayor, The Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

Manhattan Railway Company.

Proposed certificate to construct, maintain and operate certain additional tracks on its Second Avenue Line, Third Avenue Line and Ninth Avenue Line, in the Boroughs of Manhattan and The Bronx.

The Secretary presented the following:

Public Service Commission, for the First District, New York, March 15, 1913.

To the Board of Estimate and Apportionment of The City of New York:

Referring to the Commission's communication of March 4, 1913, transmitting contracts, agreements and certificates for the so-called "Dual System," the Commission now transmits a proposed certificate to Manhattan Railway Company for the construction and operation of additional tracks on the Second, Third and Ninth Avenue lines. This certificate will require the approval of the Board of Estimate and Apportionment, and in addition there will be necessary the consent of the Board of Estimate and Apportionment and the Mayor to the construction and operation of the railroads authorized by such certificate.

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT,

(SEAL) Attest: TRAVIS H. WHITNEY, Secretary. By EDWARD E. McCALL, Chairman.

Whereas, On or about the 27th day of February, 1912, Interborough Rapid Transit Company, as Lessee of Manhattan Railway Company, duly made application to the Public Service Commission for the First District for the grant of a certificate to Manhattan Railway Company, authorizing the construction and operation of additional tracks on the Second, Third and Ninth Avenue Elevated Lines of Manhattan Railway Company; and

Whereas, On the 15th day of March, 1913, Manhattan Railway Company has duly made application to the Public Service Commission for the First District for the grant of such certificate; and

Whereas, Counsel to the Commission has presented a form of proposed certificate to Manhattan Railway Company for laying additional tracks upon its Second, Third and Ninth Avenue Lines;

Resolved, That the form of the proposed certificate now submitted by Counsel be, and the same hereby is, approved and adopted, and that the Secretary be, and hereby is, authorized and directed, to transmit the same to the Board of Estimate and Apportionment for appropriate action on its part under the Rapid Transit Act.

Resolved, That if and when said certificate has been approved by said Board of Estimate and Apportionment, and the construction and operation of the railroads therein described have been consented to by said Board of Estimate and Apportionment, and by the Mayor, the Chairman be, and hereby is, authorized and directed to execute said certificate for the Commission in five identical originals and that the Secretary be and hereby is authorized and directed to attest the said certificate and to affix thereto the seal of the Commission.

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify, that I have compared the above with the original

adopted by said Commission on March 15, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the Commission, this 15th day of March, 1913.

(SEAL)

TRAVIS H. WHITNEY, Secretary.

The President of the Borough of Manhattan offered the following:

Whereas, The Public Service Commission for the First District has fixed and determined the location and plans of construction and proposes to authorize the Manhattan Railway Company to lay an additional track or tracks on, above or contiguous to portions of the route or routes of its Second Avenue Line, Third Avenue Line, Ninth Avenue Line within the City of New York, and has fixed the times within which they shall be respectively constructed and the compensation to be made therefor to the City by the railroad company; and

Whereas, The Public Service Commission for the First District has transmitted to the Board of Estimate and Apportionment a proposed certificate to be issued to the Manhattan Railway Company, subject to certain terms, conditions and requirements, all as set forth in said proposed certificate; and

Whereas, Said proposed certificate was received by the Board of Estimate and Apportionment on the 17th day of March, 1913, at a meeting of said Board of Estimate and Apportionment duly held on said day; and

Whereas, The proposed certificate and the terms, conditions and requirements therein contained, are as follows:

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT TO MANHATTAN RAILWAY COMPANY.

CERTIFICATE.

1913.

The Public Service Commission For The First District does hereby certify as follows:

The word "City" as used herein means The City of New York, and any other corporation or division of government to which the ownership, rights, powers and privileges of The City of New York under the Rapid Transit Act shall hereafter come, belong or appertain.

The words "New York" as used herein means the City of New York according to its boundaries as now or hereafter fixed.

The word "Commission" as used herein means the Public Service Commission for the First District of the State of New York in so far as it acts herein as the agent of the City and any other board, body, official or officials to which or to whom the powers belonging to the Commission under the Rapid Transit Act shall hereafter pass or be held to appertain.

The words "Manhattan Company" as used herein, mean the Manhattan Railway Company, its successors, assigns, lessee, transferee, or any corporation which may hereafter succeed by consolidation or merger to the rights of the said Manhattan Railway Company, except that nothing contained in this definition or in this certificate shall be deemed to vest in any lessee title to the authorizations or licenses granted by this certificate.

The word "Railroads" as used herein means the three sets of additional tracks and the appurtenances thereto, herein authorized and referred to as Second Avenue additional tracks, Third Avenue additional tracks and Ninth Avenue additional tracks.

The words "Rapid Transit Act" as used herein mean Chapter 4 of the Laws of 1891 as heretofore amended.

The words "Board of Estimate" as used herein mean the Board of Estimate and Apportionment of The City of New York and any other board or officer to whom or to which its powers now existing under the Rapid Transit Act may hereafter be transferred by law.

The word "Comptroller" as used herein means the Comptroller of The City of New York and the officer or board to whom or to which his powers now existing under the Rapid Transit Act may hereafter be transferred by law.

Whereas, the Manhattan Railway Company, is a railroad corporation existing under the laws of the State of New York having its principal office at No. 165 Broadway in the Borough of Manhattan, City of New York and owning certain elevated railroads wholly within the limits of New York including the following routes:

From at or about the northerly terminus of Eighth Avenue near the Harlem River, thence through Eighth Avenue to 10th Street; thence through 10th Street and private property to Columbus Avenue; thence through Columbus and Ninth Avenues to Gansevoort Street; thence through Greenwich Street to Battery Place; through Pearl Street, Hanover and Franklin Squares, New Bowery, Chatham Square, Bowery and Third Avenue to 129th Street and Third Avenue; thence through 129th Street to Second Avenue; thence across the Harlem River and through private right of way and intersecting streets to Third Avenue, near 145th Street; thence through Third Avenue to Pelham Avenue; thence through private right of way to a point opposite 198th Street.

From the intersection of Park Row and Brooklyn Bridge through Park Row to Chatham Square;

From the intersection of the Bowery and Division Street through Division Street and Allen Street, First Avenue, 23d Street and Second Avenue to the Harlem River.

From the intersection of Morris Street and Trinity Place, through Trinity Place, Church Street, Murray Street, West Broadway and West Third Street to Sixth Avenue, and thence through Sixth Avenue to 59th Street, and from the intersection of Ninth Avenue and 53d Street through 53d Street to Sixth Avenue; and

Whereas, third or additional tracks have been in part constructed by the Manhattan Railway Company upon said routes and portions of said tracks and the location thereof are described as follows:

Second Avenue Line.

On Division Street from a point near Chrystie Street 11 feet east of column 11, to Allen Street near Broome Street, 5 feet south of column 61.

On First Avenue from a point near 12th Street, 6 feet north of column 170, to the middle of 15th Street near column 190.

On First Avenue from a point near the middle of 21st Street, 10 feet north of column 225, to and along 23rd Street, to and along Second Avenue, to near 25th Street 8 feet north of column 263.

On Second Avenue from a point near the middle of 41st Street 32 feet north of column 365, to near 44th Street, column 386.

On Second Avenue from a point near 60th Street, column 481, to column 525 in the middle of 67th Street.

On Second Avenue from a point near 93rd Street, column 690, to the middle of 128th Street, column 904.

Third Avenue Line.

On the Bowery from a point near Pell Street 8 feet north of column 164, to near Canal Street 31 feet north of column 177.

On the Bowery from a point near 5th Street 12 feet south of column 285, to the middle of 16th Street and Third Avenue, 7 feet south of column 350.

On Third Avenue from a point near the middle of 22d Street 11 feet south of column 385, to near 25th Street, 8 feet north of column 404.

On Third Avenue from a point near the middle of 33rd Street 12 feet south of column 452, to near 35th Street, column 466.

On Third Avenue from a point near 41st Street 15 feet south of column 503, to near 129th Street, column 1030.

On Third Avenue, Borough of The Bronx, from a point near the middle of 147th Street, column 151, to near 148th Street 5 feet north of column 157.

On Third Avenue from a point 17 feet south of column 263, near 163rd Street, to near Franklin Avenue, 20 feet north of column 296.

On Third Avenue from a point between 175th and 176th Streets, column 464, to a point between 176th Street and Tremont Avenue, 19 feet north of column 475.

On Third Avenue from a point near Tremont Avenue, 14 feet from column 486, to near 181st Street, column 525.

On Third Avenue from a point near Lorillard Place 13 feet north of column 565, to a point near 189th Street, 23 feet north of column 605.

On Third Avenue from a point over Pelham Avenue 6 feet north of column 618, to near Bronx Park, 15 feet south of column 660.

Ninth Avenue Line.

On Greenwich Street from a point near Battery Place, column 41, to near Cortlandt Street, 28 feet south of column 97.

On Greenwich Street at a point near Gansevoort Street, column 356, along Greenwich Street, Ninth Avenue, Columbus Avenue, 110th Street and Eighth Avenue, to near 114th Street, column 1018.

On Eighth Avenue from a point near 117th Street, 22 feet north of column 1032, to near 123rd Street, 12 feet north of column 1064.

On Eighth Avenue from a point near 126th Street 18 feet south of column 1082, to near Harlem River, column 1284.

Whereas, it is affirmed by the Manhattan Railway Company that by virtue of certain franchises granted under the laws of the State of New York it possesses the power to construct, maintain and operate in connection with its existing elevated railroad structures third or additional tracks over and along its said routes, but that the public interests require that a more comprehensive express service should be provided by Manhattan Railway Company than under its power so affirmed is specifically authorized and that third or additional tracks as hereinafter authorized should be laid along the elevated lines of the Manhattan Railway Company at points not specifically covered by its power so affirmed relating to additional tracks, and that the right of the Manhattan Railway Company to construct and maintain third or additional tracks throughout the entire route hereinafter described should be secured and

Whereas, the Manhattan Railway Company, under the provisions of the Rapid Transit Act has applied to the Commission for authority to complete its facilities for an express service by the construction and maintenance of an additional track or tracks upon its Second Avenue Line between Chatham Square and Harlem River, upon its Third Avenue Line between the junction of Pearl Street and Franklin Square and the intersection of Pelham and Third Avenues, and on Park Row between Brooklyn Bridge and Chatham Square, and upon its Ninth Avenue Line between a point at or near Battery Place and 159th Street and Eighth Avenue; and

Whereas, in the judgment of the Commission the public interests demand that authority should be conferred upon the Manhattan Railway Company to lay down, complete, maintain and operate an additional track or tracks between the points covered by the said application of the said Company; and

Whereas, the Commission has prescribed such terms, conditions and requirements as to the Commission appear to be just and proper for the grants hereby made to the Manhattan Railway Company, including the terms, conditions and requirements provided by the Rapid Transit Act, and has included in them a provision that the Manhattan Railway Company shall from the time of the commencement of the operation of any portion of the Railroads annually pay to the City a sum or rental for certain periods of years hereinafter mentioned, beginning with the operation of any part of any of such Railroads and also providing for readjustment of the amount of such sum or rental at the expiration of such period and at intervals thereafter each of twenty years; and

Whereas, this certificate has been approved by the Board of Estimate and the construction and operation of the Railroads hereby authorized have been consented to by the Board of Estimate and by the Mayor of the City.

Now, therefore, without prejudice to any right that may exist in the Manhattan Railway Company to construct, maintain or operate a third or additional track, so affirmed as aforesaid, and without admitting the existence of any such right in the Manhattan Railway Company, but without derogation to any existing right of the Manhattan Railway Company to operate its railroads as they now exist in the event that the authorizations and licenses granted by this certificate should be terminated as herein-after provided, the Commission has authorized and does hereby authorize, but subject to the terms, conditions and requirements hereinafter set forth, the Manhattan Railway Company, as follows:

To lay additional tracks on, above, or contiguous to, portions of the route or routes of its railroads within New York, viz.:

Upon the Second Avenue Line, additional tracks hereinafter referred to as SECOND AVENUE ADDITIONAL TRACKS, as follows: A third track from Chatham Square through Division Street to Allen Street; thence through Allen Street and First Avenue to 23rd Street; thence through 23rd Street to Second Avenue; thence through Second Avenue to the Harlem River. In order that the express and local tracks may have a connection with the upper grade tracks of the Harlem River Bridge, and also permit the local tracks to continue to the present terminal at 129th Street and Third Avenue, the present station at 127th Street may be removed, and a station constructed at 125th Street having two island platforms and a mezzanine station located immediately under the tracks.

The tracks may begin to rise from the present grade at 122nd Street to an elevation of 6 1/2 feet above the present grade at 125th Street. North of 125th Street Station there may be also a fourth track and the existing and new tracks may be so arranged that the two middle tracks may ascend, to an elevation of not over 20 feet above the present grade, to a connection with the proposed upper deck structure of the Harlem River Bridge. The other two tracks may descend to the grade of the present tracks at a point near 127th Street.

Between 51st and 60th Streets, a third and fourth additional track may be laid on the existing structure, which may be raised not exceeding four feet, for the purpose of providing a connection over the Queensboro Bridge. One of the said additional tracks with the necessary graduated approaches may be erected over the raised structure at an elevation not exceeding twenty feet above the other tracks.

Upon the Third Avenue Line, additional tracks hereinafter referred to as THIRD AVENUE ADDITIONAL TRACKS, as follows: A third and fourth track from the intersection of Pearl Street and Franklin Square, through Pearl Street, the New Bowery and the Bowery to Canal Street, and a fifth track on the Bowery between Chatham Square and Canal Street. The said tracks may rise on an ascending grade from the level of the existing structure at or near Pearl Street to an elevation not exceeding twenty feet above the existing tracks, for the purpose of passing over the grade of the Second Avenue and Third Avenue tracks at Chatham Square, thence descending to a connection with the reconstructed tracks at or near Canal Street and the Bowery; thence a third track through the Bowery and Third Avenue to 129th Street; and through 129th Street to Second Avenue; thence two additional tracks over the Harlem River, to be constructed over the existing tracks, and to continue above and between the present tracks, which shall be separated for that purpose, through private property, crossing public streets, from the Harlem River to the intersection of Third Avenue and 145th Street and a third track from the intersection of 145th Street and Third Avenue, through Third Avenue to Pelham Avenue; also a fifth track between 138th Street and 142d Street. Between 122d Street and the Harlem River Bridge at the north end of Second Avenue the third track with the necessary graduated approaches may rise and run over the existing tracks at an elevation of not exceeding twenty feet above them in order to cross existing elevated tracks and make connection with the upper-deck tracks of the bridge. The structure may be widened not to exceed three (3) feet between 125th and 129th Streets to provide for supports of the upper grade track and a fourth track may be added immediately under the upper grade track between 126th Street and 129th Street. Also a third and fourth track from the City Hall station at Brooklyn Bridge through Park Row and Chatham Square to a connection with the Second Avenue line at Chatham Square. The said additional tracks may be constructed at a level of not exceeding twenty feet above the level of the existing tracks at said City Hall station, descending at or near Chatham Square to a level with and running alongside the present tracks as they now exist or may hereafter be reconstructed, to a connection with the Second Avenue line.

Upon the Ninth Avenue Line, additional tracks hereinafter referred to as NINTH AVENUE ADDITIONAL TRACKS as follows: A third track from a point at or near Battery Place and Greenwich Street through Greenwich Street, Ninth Avenue and Columbus Avenue to 109th Street; thence through private property 110th Street and private property, crossing public streets, to Eighth Avenue; thence through Eighth Avenue to the Harlem River. At 53d Street and Ninth Avenue, in order to provide for crossing the Sixth Avenue elevated railroad converging with the Ninth Avenue Line at that point, the third track may be reconstructed and with the necessary graduated approaches may rise above the existing tracks at an elevation of not exceeding twenty feet above them.

From a point on Eighth Avenue at or near 113th Street to a point at or near 118th Street, and from a point at or near 122nd Street to a point at or near 127th Street, the present existing structures may be widened six feet on each side thereof, and the present tracks may be spread to permit the reconstruction and relocating of the present inter-track stations and platforms which are now located at and known as the 116th Street and the 125th Street Stations of the Manhattan Company. This reconstruction may be made to allow the express and local trains to serve these stations from their respective tracks. All the tracks and station platforms, between these points, may be constructed on the present level.

At all points upon the aforesaid Second, Third and Ninth Avenue lines at which the Manhattan Company may hereafter establish express stations for the purpose of directly serving the third track, in order to provide access over the local tracks to such stations, the said track, with the necessary graduated approaches may rise not exceeding twelve feet above the level of the existing tracks, but no such location or construction shall be made without the approval of the Commission first obtained.

Together with the authority to reconstruct or replace under existing franchises the existing structures wherever required in order to provide for or accommodate the erection of the additional tracks and stations herein authorized; to acquire, locate, build, maintain and operate within the streets, avenues and places included within the aforesaid routes or within the immediately adjacent lines of intersecting streets and avenues, all such stations, landing places, stairways, platforms, elevators, telegraph, telephone and signal devices and other appliances, including wires, cables and conduits necessary for the utilization and transmission or exchange of power, heat and light, as may be essential to the construction, operation and maintenance of the additional track or tracks; to transport, over and by means of the same, passengers or freight, or both, by the power or force of electricity or compressed air so used as to involve no combustion or impurity of air in cars, or any other power of like description approved by the Commission; and to acquire and use private property for the construction, maintenance and operation of said additional track or tracks or extensions or stations or station extensions, power plant, stairways, elevators, or other methods of access to and from the street, and for all other purposes necessary to carry into execution the terms and authority of this grant.

The authorizations or licenses hereby granted to lay down and use the Second Avenue additional tracks, the Third Avenue additional tracks and the Ninth Avenue additional tracks as hereinbefore provided and described shall be held by the Manhattan Railway Company for a period of eighty-five years from the date on which the Manhattan Company shall first begin operation of any part of any of the Railroads unless sooner terminated as hereinafter provided. Said date shall be evidenced by a resolution of the Commission entered in its minutes approving such date as the date of beginning operation of said Railroads and as the date from which the term of these authorizations or licenses run and from which compensation payable hereunder accrues, and also the date from which the period of ten years begins to run after which the City may terminate the authorizations or licenses hereby granted; provided, however, that if operation of any of the Railroads be first begun as to any part thereof at a later date, such date may be evidenced by a resolution of the Commission entered in its minutes approving that date as the date of beginning operation of such railroad and as the date from which the period of ten years begins to run after which the City may separately terminate this authorization or license therefor.

Provided, however, and it is expressly agreed that the authorizations or licenses hereby granted are subject to certain terms, conditions and requirements which appear to the Commission to be just and proper, and which as so subject, are prescribed in the following articles, to-wit:

I.

This certificate will be executed by the Commission in five identical originals, so proved as to be entitled to be recorded in the office of the Register of the County of New York, and to be filed in the office of the Secretary of State of the State of New York, all of which will be delivered by the Commission to the president, vice-president, secretary or treasurer of the Manhattan Railway Company. The authorizations or licenses hereby granted shall be inoperative and this certificate shall be void unless within thirty (30) days after such delivery or such further period as shall be prescribed in writing by the Commission, the Manhattan Railway Company shall have procured four of the said identical originals to be returned to the Commission, each of them having an acceptance of this certificate and all the terms, conditions and requirements thereof subscribed at the foot thereof by the Manhattan Railway Company, such acceptance being so proved as to entitle it to be recorded and filed as aforesaid.

II.

The authorizations or licenses hereby granted, if the Commission shall so determine, after due hearing, shall become void unless within one year from the time of the acceptance of this certificate by the Manhattan Railway Company the Manhattan Company shall further and in due and lawful form obtain and submit to inspection by the Commission the consents of the owners of one-half in value of the property bounded on each portion of the streets, avenues or highways, upon or over which the Railroads or any part thereof are authorized to the construction and operation of the Railroads or such part thereof, or in case the consent of such property owners cannot be obtained, then the determination pursuant to law of commissioners to be appointed by the Appellate Division of the Supreme Court in the First Department that such portion of the Railroads ought to be constructed and operated, the said determination of such commissioners when confirmed by the Court, to be taken in lieu of such consent of property owners. Provided, however, and it is expressly stipulated, that the Commission shall have power, upon reasonable cause shown, to extend by written certificate either of the periods hereinbefore in this article prescribed.

The Manhattan Company covenants that it will be diligent in prosecuting applications for the consents aforesaid, but if it shall not have secured the same within the period of one year after its acceptance as aforesaid of this certificate, then and in such case the Manhattan Company shall, after a written notice of three months to the Commission, be released from its obligations hereunder, unless within such three months or within such further period to be prescribed by the Commission, such consents shall have been given.

III.

The Manhattan Company shall begin the construction of each of the Railroads within six (6) months after it shall have obtained the consents therefor as aforesaid and within two (2) years after such construction shall be begun shall complete the construction of the same and begin the operation thereof.

In case the Manhattan Company within the said period of six (6) months after it shall have obtained the consents necessary as aforesaid shall not have begun the actual construction of each of the Railroads, or if after having begun it shall suspend the same prior to the completion thereof for a period exceeding three months or if it shall not complete such construction and begin the operation of each of the Railroads within the said period of two (2) years, then and in either of such cases the authorizations or licenses hereby granted, or any part thereof may be forfeited.

The Commission, nevertheless, shall have the power, upon reasonable cause shown, to extend by resolution any of the periods in this article prescribed. Additional time shall be allowed by way of extension of any period for such commencement of construction, or for the completion thereof, or for the commencement of operation of any of the Railroads equal to the total period of delay caused by strikes, injunction or by necessary proceedings for condemnation of real estate, easements or other property, so far as such proceedings shall necessarily prevent the Manhattan Company from prosecuting such construction or by any other cause beyond the control of the Manhattan Company, but no delay shall be so allowed for unless, during the delay, such proceedings shall be diligently prosecuted by or for the Manhattan Company; and provided, further, that in no case shall such delay be deemed to begin until the Manhattan Company shall have given written notice to the Commission of the injunction or other occasion of delay and delivered to the Commission copies of the injunction or other orders and of the papers upon which the same shall have been granted, and unless, upon the request of the Commission, the Manhattan Company shall in writing consent that the Commission, either in its own name as a party or in the name of the City as a party, may intervene in any such injunction proceedings, or other suit or proceeding; and provided, further, that in case of forfeiture of any part of the authorizations or licenses the Manhattan Company shall have no right to any return of payments which it shall have made to the City by way of rental or otherwise.

IV.

The third or additional tracks hereinbefore described which already have been constructed upon said lines shall not be subject to the provisions of this certificate, and shall not be deemed part of the plant and property installed thereunder, and shall not be subject to be taken over by the City under Article XI hereof unless it shall finally be determined by the courts that such additional tracks were constructed and are now maintained without authority of law; in which event and to the extent so determined to have been constructed and maintained without authority of law they shall be subject to the provisions of this certificate, and shall be deemed part of the plant and property installed thereunder and in case of termination of any authority hereby granted may be purchased and taken over by the City as provided in said Article.

V.

The plan and profiles of the Railroads, hereto attached, bearing the general title "State of New York, Public Service Commission for the First District, Engineering Department," signed by the Chief Engineer to the Commission, dated December 28, 1912, and numbered and designated respectively:

File No. 3, Drawing No. 122, Map & Profile of Additional tracks on 2nd & 3rd Avenue Lines of the Manhattan Railway Company.

File No. 3, Drawing No. 123, Map & Profile of Additional tracks on 9th Avenue Line of the Manhattan Railway Company.

are to be deemed a part of this certificate and to be construed with the text hereof.

The same shall be substantially followed, but deviations therefrom not inconsistent with the other provisions hereof may be permitted by the Commission.

The additional tracks shall be erected upon the existing elevated railroad structures, strengthened as may be necessary, except that on Second Avenue between 51st and 60th Streets and between the 122d Street and the Harlem River and through Park Row and Chatham Square and on Eighth Avenue between 113th and 118th Streets and between 122d and 127th Streets, and on Third Avenue between 125th and 129th Streets, and in the Bronx on private right of way and intersecting streets from the Harlem River to 145th Street and 13th Avenue, the structure may be widened or altered to such extent as may be necessary to make effective the authority for building an enlarged structure through said streets and places herein granted. Wherever required by the raising of one track above the level of the others or at other points where the details of construction require the same, the structure may be widened, subject to the approval of the Commission first obtained.

The said tracks shall be constructed upon a level with the existing tracks, except at such points as they are in this certificate authorized to rise above existing tracks.

No portion of said additional tracks or the supporting girders, shall approach nearer the surface of the street than fourteen feet.

The structural details employed in constructing the additional tracks shall be substantially similar to the structural details authorized in the construction of the existing elevated railroads, except that the structure at and near the Manhattan terminal of the Queensboro Bridge shall be upon approved plans involving a more elaborate and ornamental structure so designed that the placing of tracks at different grades will be the least possible disfigurement.

Upon the Bowery between Chatham Square and a point two hundred and ten (210) feet southerly of the southerly line of Canal Street, the additional tracks shall be located near the middle of the street and shall be constructed upon the longitudinal girders supported by cross girders resting upon the existing columns strengthened as may be necessary or on new columns located on the sidewalk so that the distance from their faces to the curb lines shall be the same as with existing columns, and no additional columns shall be there placed within the roadway of the Bowery between the existing curb lines. From said point two hundred and ten (210) feet southerly of the southerly line of Canal Street northward upon the Bowery to Sixth Street the existing elevated structure may be relocated and reconstructed provided the supporting columns as relocated and reconstructed shall be so placed that the center line of all columns placed between the curb lines shall be at a distance of not less than fourteen (14) feet from the curb line and not less than seven (7) feet from the centers of any surface street railway tracks; the reconstructed structure may be raised above the existing structure in order to construct the mezzanine stations at Grand Street and Canal Street; and such relocated structure and reconstructed railroad shall be held under all the terms and privileges of the original franchise of the Manhattan Company for the construction of an elevated railroad between said point two hundred and ten (210) feet southerly of the southerly line of Canal Street and Sixth Street, and the said additional track or tracks through the Bowery between said points shall be placed between the easterly and westerly tracks on or near the middle of the street. Upon the Bowery the level of the tracks may be raised, not exceeding six feet above the level of the existing tracks, wherever necessitated by the increased depth of girders required to carry the structure over the surface car tracks, and in order to approach the island platforms at Grand and Canal Streets.

All plans and drawings for the construction of the Railroads or relocation and reconstruction of the said structure on the Bowery other than mere shop drawings shall be submitted to and approved by the Commission in advance of construction, and the method of carrying on the work shall be subject to the approval of the Commission. Shop drawings shall so far as practicable be filed with the Commission. The right reserved to the Commission to approve the plans and drawings in advance of construction shall include the right to approve or disapprove the precise location of all tracks, columns, platforms, stations, stairways, elevators or other means of access to the railroads or structures as relocated and all other structures appurtenant thereto encroaching upon the surface of the streets.

The Manhattan Company shall be authorized to open and occupy so much of the surface of the street or streets affected by this grant and to erect thereon such temporary supports as may be necessary for the purpose of building the said railroad structures, and maintaining the old or new structures pending the completion of the additional tracks or structures herein authorized, but the Commission may, whenever it deems it advisable, prescribe the manner in which the said work shall be performed. All necessary permits for opening of streets, and other necessary department permits, shall be obtained from the President of the Borough, or other officer as provided by law.

The City, the Commission and all duly authorized representatives of the City and the Commission, shall have the right at all reasonable times to inspect the Railroads or structure relocated or reconstructed herein authorized, and any part thereof, as well during construction as afterwards, and to enter thereon when necessary, for the examination, supervision or care of any property of the City, or of abutting property owners, or for any proper purpose. Such inspection shall include the inspection and approval of all materials, and the erection thereof, used in the construction of the Railroads or relocation or reconstruction of said structures. Nothing in this certificate shall be deemed to diminish or affect the sanitary or police jurisdiction which the public authorities shall lawfully have over property in the City.

VI.

The Manhattan Company shall procure all necessary easements and rights, titles and interests in real estate for the construction of the Railroads including relocation or reconstruction of said structure on the Bowery.

The Manhattan Company shall make good to the City all physical but not consequential damage which shall be done to the property of the City by the construction or operation of the Railroads or relocation or reconstruction of said structure and shall make good to every owner of property abutting upon the Railroads or structure relocated or reconstructed, or which shall be injured by the work of constructing or operating the same, all physical damage which shall be done to such abutting or injured property, through any act or omission of the Manhattan Company, its successors, assigns, or lessees, or any contractor, sub-contractor or other person employed upon the construction or operation of the Railroad or structure relocated or reconstructed or any part thereof.

The Manhattan Company shall in the course of construction at its own expense maintain the care of all street surfaces and surface and sub-surface structures which may be interfered with; and any necessary interference therewith shall be subject to reasonable regulation by the department of the government of the City in control or charge thereof.

VII.

The Railroads shall be carefully and skillfully operated according to the highest standards of railroad operation, and with due regard to the safety of the passengers and employees and of all other persons. The Manhattan Company shall during the term of the grants keep the plant and property as the words "plant and property" are hereinafter defined of the Railroads and each and every part thereof in thorough repair, and shall restore and replace every necessary part thereof which may wear out or cease to be useful, so that at all times and at the termination of the grants, such plant and property of the Railroads shall be in thoroughly good and solid condition.

The use of the Railroads for transportation of property shall not to any extent or in any way interfere with the use of the Railroads to their fullest capacity for the carriage of passengers who shall desire to be carried.

VIII.

As compensation there shall be payable by the Manhattan Company to the City on the 30th day of June, after the beginning of the operation of each line of the Railroads hereinbefore provided for, for the year or portion of year then ending, and upon the 30th day of June of each year thereafter for the year or portion thereof then ending, from the gross receipts from the transportation of passengers and property for such year or portion thereof, of each station served by express trains upon such line, whether such station be a new station, an enlargement of an existing local or express station or a relocation or reconstruction of such station, a sum equal to two per centum of the excess of such gross receipts over the gross receipts of the same station from the transportation of passengers and property upon said line for the year ending June 30, 1911, or for a corresponding portion of such year; but no percentage of the gross receipts of intermediate local stations, whether enlarged or not, shall be required to be paid. If a station be relocated, the increase shall be calculated by comparison with the earnings of the changed or abandoned station for such year, or portion thereof. An express train within the meaning of this article is any train which, operated pursuant to its schedule or orders, regularly omits to stop at any station.

The said rental as hereinbefore determined shall thereafter be paid to the Com-

troller within sixty days after said date for such year or portion thereof and for each succeeding year or portion thereof for a total period of twenty-five years from the date when any part of any of the Railroads is first put into operation.

At the time of each payment the Manhattan Company shall deliver to the Commission and to the Comptroller a statement, in the form and with details to be prescribed by the Commission showing the said gross receipts for the preceding year or portion thereof. Such statement shall be verified under oath by the treasurer of the Manhattan Company, or, in case of his absence or disability, by its president, or other chief officer or manager. The Comptroller and the Commission shall have the right to verify any of the said statements by an examination of the Manhattan Company's books, records and memoranda and the examination under oath of any of its officers or employees; and the Manhattan Company hereby covenants to submit to such examination and produce such books, records and memoranda whenever and wherever they may be required by the Comptroller or Commission.

The amounts to be paid by the Manhattan Company as aforesaid shall be readjusted at the end of such period of twenty-five years, and shall thereafter be readjusted at intervals of twenty years. The annual amounts to be paid by the Manhattan Company for each and every period of twenty years after such first period shall be determined as follows, to wit: Each such determination shall be had upon the application of either the Manhattan Company or the Commission. Such application shall be made at any time not earlier than two years and not later than one year before the expiration of each successive period. If the Manhattan Company and the Commission shall agree upon the compensation to be paid for the ensuing period, their determination shall be expressed in writing, and when approved by the Board of Estimate shall be binding upon both parties. If the Manhattan Company and the Commission shall not reach an agreement, or if the Board of Estimate shall not approve such agreement, on or before a date one year prior to the expiration of each period as to the compensation to be paid for the ensuing period, then the annual rate of compensation for such succeeding twenty years' period shall be reasonable; and the Commission and the Manhattan Company shall be bound upon the request of either, to submit the determination of such rate of compensation to arbitration, or to the Court, as provided in Article XIII hereof. If in any case the annual rate for a succeeding period shall not be fixed prior to the commencement of the said period, the Manhattan Company shall pay the annual rate for the preceding period until such time as the new rate shall be determined; and upon the determination of the new rate the difference between the old and the new rate shall be adjusted and paid between the parties.

Provided, however, in no event, shall any amount so readjusted be less than an amount equal to two per cent, of the excess of such gross receipts over such gross receipts from transportation of persons and property upon said lines for the year ending June 30, 1911. Any and all payments to be made according to the terms of this certificate to the City by the Manhattan Company shall not be considered in any manner in the nature of a tax, but such payments shall be made in addition to any and all taxes now or hereafter lawfully imposed by the State of New York.

The City shall have a lien upon the authorizations or licenses hereby granted and upon the plant and structure erected thereunder of the Manhattan Company, to secure the payment of such compensation.

In case of any failure to make such payment as herein prescribed, the lien aforesaid may be enforced by the Commission by foreclosure or other proper proceeding and by sale of such authorizations or licenses and property.

The Commission may, in its own name or in the name and behalf of the City, bring action for specific performance or by mandamus or injunction or otherwise compel the performance by the Manhattan Company of the duties and obligations imposed upon it under the terms of this certificate. And the Commission may, in behalf or in the name of the City, bring any action or proceeding to enforce the said lien of the City, or to enforce any provision of this certificate in the manner provided by Section 9 of the Rapid Transit Act or any other proper action or proceeding.

IX

Inasmuch as the City's exercise of its right to take over the plant and property of the Railroads as hereinafter provided will be affected by the amount of the Manhattan Company's expenditures on account of constructing, equipping and maintaining the Railroads, the Manhattan Company shall strictly comply with the provisions hereof for assuring to the Commission supervision by it of all operations of the Manhattan Company in and about such enterprise. The Manhattan Company shall, therefore, in addition to providing facilities for inspection as hereinbefore provided, provide the Commission with facilities for full and complete supervision of all operations of the Manhattan Company in or about the enterprise of constructing, equipping and maintaining the Railroads.

The Manhattan Company and any construction or supply company controlled by the Manhattan Company or by any company directly or indirectly controlling the Manhattan Company or affiliated with the Manhattan Company shall keep suitable and proper books, accounts, records and memoranda of all operations with contractors, bankers or persons furnishing labor, material, money or supplies and of all contracts directly or indirectly affecting the cost of the construction and equipment of the Railroads, showing in detail the cost of constructing and equipping the Railroads to the Manhattan Company or any such construction company including any additions thereto from time to time and shall afford access to and permit the examination, use and production of any such books, records, memoranda or contracts to the extent that the same have to do therewith.

The Commission may from time to time adopt regulations, which the Manhattan Company shall strictly comply with, as to the form of all vouchers and payrolls having to do with the construction and equipment of the Railroads to the end that the cost data relating to various divisions of the construction and equipment of the Railroads can, at all times, be promptly and accurately determined and properly identified.

The Commission contemplates, and the Manhattan Company hereby approves, the most thorough and minute inspection by the Commission and its Chief Engineer, and by their representatives or subordinates, of all work and materials (and of the manufacture or preparation of such material) entering into the construction or equipment of the Railroads. The Manhattan Company shall, therefore, at all times give to the Commission and its members, to its Chief Engineer and his assistants and subordinates, and to any person designated by the Commission or its Chairman, all facilities, whether necessary or convenient, for inspecting the materials to be furnished and the work to be done in and about the same. The members of the Commission, its Chief Engineer and any assistant or other person bearing his authorization or the authorization of the Commission or its Chairman, shall be admitted at any time summarily and without delay to any part of the work or to the inspection of materials at any place or stage of their manufacture, preparation, shipment or delivery.

X

The actual cost of the plant and property of the Railroads shall be determined as follows:

The words "PLANT AND PROPERTY" mean as to any of the Railroads, the equipment and the plant and structure thereof.

The word "EQUIPMENT" means as to any of the Railroads the following property (including additions), suitable to and necessarily used solely for the purposes of the "plant and structure" as hereinafter defined of the same and owned by the Manhattan Company, namely: Power sub-stations and the real estate upon which they are built and any and all wires, cables and conduits not affixed to the structure in streets or on rights of way.

The words "PLANT AND STRUCTURE" mean as to any of the Railroads only such third or additional tracks and other structures provided exclusively therefor as may hereafter be constructed pursuant to the authorization of this certificate (including additions) and such existing third or additional tracks or portions thereof as may become subject to the provision of this certificate in the manner defined by Article IV, together with such consents, easements of abutting property owners, interests in real estate as distinguished from equipment as hereinbefore defined, signal towers, contact rails, wires, cables and all other appurtenances affixed to the said third or additional tracks or structures in streets or on rights of way as may be suitable to and necessarily used solely for the purposes of the said tracks and owned by the Manhattan Company, not including, however, any right to operate said tracks upon the structure of said Company or any right to maintain the same.

The word "ADDITION" as used in this article with reference to equipment or plant and structure means a betterment, improvement or addition, during the term of this grant, ordered or approved by the Commission in advance of its construction or provision, to or of either the plant and structure or the equipment as originally completed and put in operation, excluding anything furnished in the nature of repairs, maintenance, or replacement.

The words "DEBT DISCOUNT AND EXPENSE" mean the actual and necessary

expense to the Manhattan Company (including discounts) involved in the issuance or disposal of securities issued by the Manhattan Company to provide means for constructing and equipping the Railroads or for additions, deducting therefrom any premiums received by or on behalf of the Manhattan Company upon or in connection with the disposal of such securities.

The words "ACTUAL COST" mean as to any of the Railroads, in respect to the equipment thereof:

(1) The actual and necessary net cost in money to the Manhattan Company for acquisition, or for all labor and materials entering into the construction, of the equipment and additions thereto from time to time, other than for repairs, maintenance, or replacements.

(2) The actual and necessary net cost in money to the Manhattan Company of any real estate or interests therein including consents and easements (other than replacements) necessarily acquired for the construction or operation of equipment or such additions thereto, together with the actual and necessary expenses in connection with such acquisition.

(3) The debt discount and expense in connection with the equipment and additions thereto from time to time, provided, however, that the debt discount and expense, except in the case of additions, shall not exceed an amount equal to three per centum (3%) of the actual cost of equipment including in such actual cost any expenditures under this paragraph.

(4) Taxes, assessments and interest actually and necessarily paid or accrued upon the items of this definition pending the beginning of operation, including in the word "taxes," assessments or other governmental charges (including mortgage recording tax) of every description against the Manhattan Company in and about the construction or acquisition of equipment and additions thereto from time to time. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to such actual cost.

(5) The actual and necessary net cost in money to the Manhattan Company for superintendence, insurance, damages, engineering, legal expenses and administration including in respect of equipment (other than additions) the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Manhattan Company prior to the date of this certificate and in addition the actual and necessary expense incurred or payable by the Manhattan Company in printing, engraving and certifying securities for equipment (other than additions).

Provided, however, anything herein contained to the contrary notwithstanding, that the actual and necessary net cost in money of replacements not due to wear and tear from operation and necessitated by the reconstruction of existing structures of said Manhattan Company to facilitate the construction or use of equipment under this certificate shall be deemed to be included in the foregoing definition of actual cost of equipment.

The words "ACTUAL COST" mean as to any of the Railroads, in respect to the plant and structure thereof:

(1) The actual and necessary net cost in money to the Manhattan Company of all labor and materials entering into the construction of the plant and structure and of additions thereto from time to time, and of all modifications, reconstructions, improvements or betterments of existing structures of said Manhattan Company to facilitate construction or use of such plant and structure under this certificate, other than for repairs, maintenance or replacements.

(2) The actual and necessary net cost in money to the Manhattan Company of any real estate or interest therein, including consents and easements (other than replacements) necessarily acquired for the construction or operation of the plant and structure, or such additions thereto, or for construction or operation of such modifications, reconstructions, improvements or betterments of existing structures, together with the actual and necessary expenses in connection with such acquisition.

(3) The debt discount and expense in connection with the construction of the plant and structure and additions thereto from time to time, provided, however, that the debt discount and expense, except in the case of additions, shall not exceed an amount equal to three per centum (3%) of the actual cost of the plant and structure including in such actual cost any expenditures under this paragraph.

(4) Taxes, assessments and interest actually and necessarily paid or accrued upon the items of this definition, pending the beginning of operation, including in the word "taxes," assessments or other governmental charges (including mortgage recording tax) of every description against the Manhattan Company in and about the construction of the plant and structure and additions thereto from time to time. During operation such assessments for benefits as are not properly chargeable against revenue shall be charged to such actual cost.

(5) The actual and necessary net cost in money to the Manhattan Company for superintendence, insurance, damages, engineering, legal expenses and administration including in respect to plant and structure (other than additions) the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Manhattan Company prior to the date of this certificate and in addition to the actual and necessary expense incurred or payable by the Manhattan Company in printing, engraving and certifying securities for construction of plant and structure (other than additions).

Provided, however, anything herein contained to the contrary notwithstanding, that the actual and necessary net cost in money of replacements not due to wear and tear from operation and necessitated by the modification or reconstruction of existing structures of the Manhattan Company to facilitate the construction or use of such plant and structure under this certificate shall be deemed to be included in the foregoing definition of actual cost of plant and structure.

If any profit, salvage, rebate or benefit (not resulting from operation) from any source derived shall accrue directly or indirectly to the Manhattan Company or on its behalf in any manner out of or in connection with the construction or acquisition of such plant and structure or additions thereto, or equipment or additions thereto or the modifications, reconstructions, improvements or betterments aforesaid, then the amount of any such profit, salvage, rebate or benefit shall be deducted from the cost of the other items referred to.

No expenditure made by the Manhattan Company in or about the acquisition or construction of the plant and property of any of said Railroads shall be included in or made a part of the actual cost of plant and structure or of equipment thereof unless as soon as any of the Railroads or any additions thereto or any equipment thereof or additions thereto, are completed or put in operation or in respect of any thereof which may be finally determined to be subject to the provisions of this certificate under Article IV thereof, within three months after such determination, the Manhattan Company shall present to the Commission a statement in writing, in which shall be included such expenditure, showing the actual cost of the plant and structure of each of the Railroads or of such equipment or additions thereto from time to time of the same including any such modifications, reconstructions, improvements, or betterments of said existing structures, and in case of additions the date of the making of the same. If any expenditures are incurred by the Manhattan Company in connection with the acquisition or construction of the plant and property of any of the Railroads, or any additions thereto, subsequent to the filing of any such statement, the Manhattan Company shall include such expenditures in a supplemental statement or statements to be presented to the Commission within six months after the making of such additional expenditures. If such statement or statements are approved by the Commission, both parties shall be estopped from raising any question that the same is the actual cost or date of making the same. If not agreed upon within one year from the date of presentation, the actual cost, and in case of additions, the date of making the same, shall forthwith be determined by arbitration as hereinafter provided in Article XIII.

XI

The authorizations or licenses hereby given for the Second Avenue additional tracks, the Third Avenue additional tracks and the Ninth Avenue additional tracks are separate grants, and the City, acting by the Commission or by such other board or boards as may be thereto empowered, may terminate any such authorization or license, and may purchase and take the plant and property as hereinafter defined of any of the Railroads for which the authorization or license is so terminated at any time after the expiration of ten years from the date when operation of any part of any of the Railroads for which the authorization or license is so terminated shall actually begin, but such privilege to terminate, purchase and take shall not be for railroad transit operation either by the City or by any other party, and in the event of such termination of any such authorization or license as to any of the Railroads, the City or its successors shall not use or maintain the same for railroad transit operation; and the said privilege of the City to terminate any such authorization or license and to purchase and take the plant and property as aforesaid of any of the said railroads shall be without prejudice to the rights of the said Manhattan Company in and to the lines of its now existing elevated railroad or railroads. In case it

is determined to so terminate any or all of the authorizations or licenses hereby granted as hereinbefore provided, at least one year's notice thereof in writing shall be given to the Manhattan Company.

Such right of termination shall, however, be upon condition that the City shall pay an amount for said plant and property as property excluding any value for the authorization or license hereby granted, to be determined as follows:

Upon termination as hereinbefore provided, of the authorization or license of any of the Railroads the City shall pay as to the same as follows:

(1) For the plant and property thereof (other than additions as hereinbefore defined) the percentage of the actual cost of the plant and property (other than additions) indicated in the following schedule:

Schedule

If terminated at—	Percentage to be paid by City.
10 years.....	115
11 years.....	74-75ths of 115
12 years.....	73-75ths of 115
13 years.....	72-75ths of 115
14 years.....	71-75ths of 115
15 years.....	70-75ths of 115
16 years.....	69-75ths of 115
17 years.....	68-75ths of 115
18 years.....	67-75ths of 115
19 years.....	66-75ths of 115
20 years.....	65-75ths of 115
21 years.....	64-75ths of 115
22 years.....	63-75ths of 115
23 years.....	62-75ths of 115
24 years.....	61-75ths of 115
25 years.....	60-75ths of 115
26 years.....	59-75ths of 115
27 years.....	58-75ths of 115
28 years.....	57-75ths of 115
29 years.....	56-75ths of 115
30 years.....	55-75ths of 115
31 years.....	54-75ths of 115
32 years.....	53-75ths of 115
33 years.....	52-75ths of 115
34 years.....	51-75ths of 115
35 years.....	50-75ths of 115
36 years.....	49-75ths of 115
37 years.....	48-75ths of 115
38 years.....	47-75ths of 115
39 years.....	46-75ths of 115
40 years.....	45-75ths of 115
41 years.....	44-75ths of 115
42 years.....	43-75ths of 115
43 years.....	42-75ths of 115
44 years.....	41-75ths of 115
45 years.....	40-75ths of 115
46 years.....	39-75ths of 115
47 years.....	38-75ths of 115
48 years.....	37-75ths of 115
49 years.....	36-75ths of 115
50 years.....	35-75ths of 115
51 years.....	34-75ths of 115
52 years.....	33-75ths of 115
53 years.....	32-75ths of 115
54 years.....	31-75ths of 115
55 years.....	30-75ths of 115
56 years.....	29-75ths of 115
57 years.....	28-75ths of 115
58 years.....	27-75ths of 115
59 years.....	26-75ths of 115
60 years.....	25-75ths of 115
61 years.....	24-75ths of 115
62 years.....	23-75ths of 115
63 years.....	22-75ths of 115
64 years.....	21-75ths of 115
65 years.....	20-75ths of 115
66 years.....	19-75ths of 115
67 years.....	18-75ths of 115
68 years.....	17-75ths of 115
69 years.....	16-75ths of 115
70 years.....	15-75ths of 115
71 years.....	14-75ths of 115
72 years.....	13-75ths of 115
73 years.....	12-75ths of 115
74 years.....	11-75ths of 115
75 years.....	10-75ths of 115
76 years.....	9-75ths of 115
77 years.....	8-75ths of 115
78 years.....	7-75ths of 115
79 years.....	6-75ths of 115
80 years.....	5-75ths of 115
81 years.....	4-75ths of 115
82 years.....	3-75ths of 115
83 years.....	2-75ths of 115
84 years.....	1-75ths of 115
85 years.....	0

(2) For additions, as the word additions is hereinbefore defined, to the Railroads, or to any of the Railroads as to which the authorization or license is terminated, the percentage of the actual cost of such of said additions as may have been completed or put in operation within less than forty (40) years, indicated in the schedule following according to the age of each item as there indicated.

Schedule

Upon termination.	Percentage to be paid by City.
If on provision.....	110.
If 1 year after provision.....	108,988,636.36
If 2 years after provision.....	107,930,792.5
If 3 years after provision.....	106,824,291.35
If 4 years after provision.....	105,666,166.97
If 5 years after provision.....	104,456,377.78
If 6 years after provision.....	103,190,167.90
If 7 years after provision.....	101,865,749.00
If 8 years after provision.....	100,480,445.09
If 9 years after provision.....	99,031,457.27
If 10 years after provision.....	97,515,857.97
If 11 years after provision.....	95,930,584.90
If 12 years after provision.....	94,272,435.16
If 13 years after provision.....	92,538,058.48
If 14 years after provision.....	90,723,950.65
If 15 years after provision.....	88,826,446.32
If 16 years after provision.....	86,841,711.62
If 17 years after provision.....	84,765,736.67
If 18 years after provision.....	82,594,326.86
If 19 years after provision.....	80,323,095.00
If 20 years after provision.....	77,947,452.18
If 21 years after provision.....	75,462,598.48

Upon termination.

Percentage to be paid by City.

If 22 years after provision.....	72,863,513.37
If 23 years after provision.....	70,144,945.56
If 24 years after provision.....	67,301,402.29
If 25 years after provision.....	64,327,138.24
If 26 years after provision.....	61,216,144.10
If 27 years after provision.....	57,962,134.19
If 28 years after provision.....	54,558,533.93
If 29 years after provision.....	50,998,466.52
If 30 years after provision.....	47,274,738.98
If 31 years after provision.....	43,379,827.73
If 32 years after provision.....	39,305,863.20
If 33 years after provision.....	35,044,614.14
If 34 years after provision.....	30,587,470.88
If 35 years after provision.....	25,925,427.98
If 36 years after provision.....	21,049,065.94
If 37 years after provision.....	15,948,532.33
If 38 years after provision.....	10,613,521.69
If 39 years after provision.....	5,033,254.86
If 40 years after provision.....	000,000.00

(3) From the sum of the percentages so determined there shall be deducted such amount of money as shall be necessary to put such plant and property in the condition provided for by Article VII of this certificate, to be ascertained in the absence of agreement by arbitration or by the Court as hereinafter provided in Article XIII.

In case the City itself shall take over the plant and property such payment shall be made by a City warrant drawn by the Comptroller, or otherwise, as may then be provided by law.

If the amounts to be paid to the Manhattan Company at the end of a full term or upon any such termination shall not have been finally determined or paid prior to or at the time when a full term is according to this certificate to end or the termination is under the said notice given to take effect, the title, if any, to and right of possession of the plant and property shall nevertheless pass to the City free and clear of all liens or other incumbrances, save as herein provided, and the City shall pay to the Manhattan Company the amount so determined with interest from the date of taking possession, provided that such payment shall be made to the Manhattan Railway Company and to its lessee or lessees, respectively, in proportion to the extent to which the said parties shall have paid the cost of the said plant and property, when the said proportions shall be ascertained but without liability for interest thereon pending the ascertainment of the respective interests of the said parties.

Upon the expiration of a full term or the termination by notice as aforesaid, the Manhattan Company shall execute and deliver such instruments as may be either necessary or convenient to assure and perfect the title and the possession of the City in and to the plant and property free and clear of all liens and incumbrances as aforesaid.

The privilege of termination herein reserved by the City may be exercised on its behalf by the Commission, with the approval of the Board of Estimate, or by such other authority representing the City as is now or may hereafter be vested with the necessary power. Upon the exercise of such privilege, the plant and property shall forthwith vest in the City free from all leases, mortgages or other incumbrances whatsoever save as herein provided; and all right, title and interest of the Manhattan Company therein, shall at once cease and determine.

In case the City shall terminate an authorization or license under the privileges herein reserved all payments herein required to be made by the Manhattan Company by way of compensation or otherwise, applicable thereto, except for damages for failure to perform any covenants hereof required to be performed by the Manhattan Company, shall cease upon the date of such termination, and upon payment in full of all such compensation up to the date of such termination, the Manhattan Company shall be relieved from any further payment of such compensation in respect to such authorization or license so terminated, except as aforesaid.

It is the intention of the parties that the amount to be paid for plant and property to be ascertained as hereinbefore provided shall be the measure of any payment the City may be called upon to make therefor, but in pursuance of the provisions of Sub-division 1 of Section 34 of the Rapid Transit Act, as it now exists, it is further provided that if at any time in ascertaining the amount to be paid by the City as a condition of a termination of any authorization or license as herein provided or at the expiration of a full term, it shall be necessary that a valuation of any plant, property, equipment, construction or any investment in any thereof shall be determined, such valuation shall in default of agreement be determined by arbitration or by the court.

XII

Upon the expiration of the full term of any authorization or license fixed herein, the authorization or license shall end and upon such termination thereof all the rights of property of the Manhattan Company in the streets, avenues, parkways, highways and public places held under the terms of this certificate shall cease and terminate without compensation, and further, upon such expiration, the plant and property, together with the appurtenances thereto of the Manhattan Company constructed pursuant to this certificate, except additions as defined in Article X, shall be and become the property of the City without further or other compensation to the Manhattan Company, but the same shall not be used for railroad transit operation either by the City or by any other party, and additions as so hereinbefore defined shall be and become the property of the City on its paying to the Manhattan Company for such of said additions as may have been completed or put in operation within less than forty (40) years the percentage of the actual cost of said additions indicated in the schedule following according to the age of each item as there indicated.

Such schedule is as follows:

Schedule

Upon expiration.	Percentage to be paid by City.
If on provision.....	100.
If 1 year after provision.....	99,080,578.51
If 2 years after provision.....	98,118,890.23
If 3 years after provision.....	97,112,992.14
If 4 years after provision.....	96,060,851.79
If 5 years after provision.....	94,960,343.44
If 6 years after provision.....	93,809,243.55
If 7 years after provision.....	92,605,226.36
If 8 years after provision.....	91,345,859.17
If 9 years after provision.....	90,028,597.52
If 10 years after provision.....	88,650,779.97
If 11 years after provision.....	87,209,622.64
If 12 years after provision.....	85,702,213.78
If 13 years after provision.....	84,125,507.71
If 14 years after provision.....	82,476,318.77
If 15 years after provision.....	80,751,314.84
If 16 years after provision.....	78,947,010.62
If 17 years after provision.....	77,059,760.61
If 18 years after provision.....	75,085,751.69
If 19 years after provision.....	73,020,995.45
If 20 years after provision.....	70,861,320.16
If 21 years after provision.....	68,602,362.25
If 22 years after provision.....	66,239,557.61
If 23 years after provision.....	63,768,132.33
If 24 years after provision.....	61,183,092.99
If 25 years after provision.....	58,479,216.58
If 26 years after provision.....	55,651,040.09
If 27 years after provision.....	52,692,849.26
If 28 years after provision.....	49,598,667.21
If 29 years after provision.....	46,362,242.29
If 30 years after provision.....	42,977,035.44
If 31 years after provision.....	39,436,207.03
If 32 years after provision.....	35,732,602.91

Upon expiration	Percentage to be paid by City
If 33 years after provision.....	31.85874013
If 34 years after provision.....	27.80679171
If 35 years after provision.....	23.56857089
If 36 years after provision.....	19.13551449
If 37 years after provision.....	14.49866575
If 38 years after provision.....	9.64865608
If 39 years after provision.....	4.57568624
If 40 years after provision.....	0.00000000

From the percentage so determined there shall be deducted such amount of money as shall be necessary to put such plant and property in the condition provided for by Article VII of this certificate, to be ascertained in the absence of agreement by arbitration or by the court as provided in Article XIII.

XIII

In case it shall be necessary to submit to arbitration any question, arising under any provision of this certificate in respect of which it is therein provided that an arbitration may be had, such arbitration shall be conducted as follows: Either the City, acting by the Commission, or the Manhattan Company may give written notice to the other that it requires the matter arising hereunder to be submitted to arbitration, and shall at the same time name an arbitrator, and accompany the notice by a written acceptance by the arbitrator of the nomination. Within thirty (30) days after the receipt of such notice, the party receiving the same shall name an arbitrator, and give written notice of such nomination to the other party, the notice to be accompanied by a written acceptance by the arbitrator of the nomination. If the party to whom notice of arbitration is given shall not so nominate an arbitrator, who shall so accept, then the arbitrator named by the party giving the first notice shall be the sole arbitrator. Upon the nomination of the second arbitrator, the Commission and the Manhattan Company shall thereupon select a third arbitrator; but if they fail to agree upon such third arbitrator within thirty (30) days after the date of the nomination of the second arbitrator nominated, the third arbitrator shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within fifteen (15) days after being requested by the Commission or the Manhattan Company to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then an arbitrator shall be nominated upon the request of the Commission or the Manhattan Company and within a period of fifteen (15) days by any Associate Judge of said Court of Appeals in the order of seniority; or if within such period the said Judges shall decline or fail to make a nomination then the third arbitrator shall be nominated by the President or Acting-President for the time being of the Chamber of Commerce of the State of New York. The arbitrators shall hear the parties and their counsel or any statements or evidence which the parties or either of them desire to submit. Within thirty (30) days after the nomination of the third arbitrator, unless such time shall be extended for good cause by written order of the arbitrators or a majority of them the arbitrators shall make their determination in writing in duplicate, one to be delivered to the Commission and the other to the Manhattan Company. In case any vacancy shall at any time occur by reason of the death, resignation or inability to serve of any arbitrator, his successor shall be nominated in the same manner within the same times (during which times the other periods of time prescribed for in the course of the arbitration shall be suspended) as above provided for in the case of the original nomination of such arbitrator, and in case the successor arbitrator shall not be nominated within such times the remaining arbitrator or arbitrators shall be the sole arbitrator or arbitrators. Any determination by a majority of the arbitrators shall be final and conclusive. Every such arbitrator shall be deemed to be employed both by the City and the Manhattan Company. The fees and expenses of the arbitrators (including necessary expenses for stenographic and clerical services) and the expenses of the parties shall be assessed as the arbitrators consider equitable and as they direct in their award, but no payments so made shall be charged to the actual cost of equipment, the actual cost of plant and structure or to operating expenses. Every such arbitrator shall, before proceeding to consider the matter, be sworn as nearly as may be in the same manner as referees in actions at law are required to be sworn. Provided, however, that if in any case, or for any reason an arbitration cannot validly be had as aforesaid, then the City or the Manhattan Company, if in no way responsible for the failure of the arbitration, may bring such action, suit or proceeding as either of them may be advised for the purpose of determining any of the matters for which an arbitration is herein provided.

XIV.

The authorizations or licenses aforesaid are hereby granted to the Manhattan Railway Company but may be enjoyed, as well as by the Manhattan Railway Company itself, by any lessee, grantee, assignee, transferee or successor thereof; and the Manhattan Company shall have the right to grant, convey, assign, transfer, lease or mortgage the authorizations or licenses hereby granted, provided, however, that every grantee, assignee, lessee, or transferee thereof, not including, however, a mortgagee or mere lienor, but including any purchaser upon foreclosure of, or under or by virtue of any provision of any mortgage or lien, shall be a corporation subject to the laws of the State of New York, and shall upon accepting the grant, transfer, lease or assignment and before such grant, transfer, lease or assignment shall be valid, assume and agree to perform all of the obligations which by the provisions hereof are assumed by the Manhattan Company, and no such grant, conveyance, transfer, lease or assignment and no mortgage hereafter made covering the authorizations or licenses hereby granted shall relieve the Manhattan Company of its obligations hereunder or be valid unless the same shall have been approved by the Commission.

And provided further that, in case the Manhattan Company or any successor or future owner of any of the authorizations or licenses shall be consolidated with or merged into any other corporation the obligations of the Manhattan Company or such successor or future owner hereunder shall remain unaffected and the authorizations or licenses shall pass to such new corporation only if the agreement or act of consolidation or merger (which shall not be valid or of any force or effect unless the same shall have been approved by the Commission) shall effectually provide that the new consolidated or merging corporation shall assume all such obligations, or if such act or agreement shall not so provide, then if and when such new consolidated or merging corporation shall in writing expressly assume such obligations—it being the express intention of this instrument that no change in the incorporation of the Manhattan Company or of any such successor or future owner or in the ownership or control of the authorizations or licenses hereby granted, or of any of them shall diminish or affect the obligations of the holder of the same.

XV.

The Commission, in view of this certificate and in conjunction therewith, has awarded or may award, subject to the approval of the Board of Estimate, to the Interborough Rapid Transit Company, being the lessee of the Manhattan Railway Company

(1) A certificate authorizing extensions of elevated railroads in New York therein designated as Webster Avenue Line, Eighth Avenue and 162d Street Connection, Queensboro Bridge Line, and the West Farms Subway Connection, and

(2) A contract under or in pursuance of which a rapid transit railroad may be in part constructed, and may be maintained and operated upon lines known respectively as Seventh Avenue-Lexington Avenue Line, Eastern Parkway Line, Steinway Tunnel Line and White Plains Road Line as in said contract described, and certain consents are or may be necessary to be procured under the terms of such certificate in order that the said Interborough Rapid Transit Company may have the right to construct, maintain and operate the railroads therein described;

It is now agreed, therefore, that if said certificate or contract shall not take effect, or if the said Interborough Rapid Transit Company shall be released from such certificate through failure to procure any such consents then this certificate hereby granted shall become null and void and all rights given hereby to the Manhattan Company and all its obligations hereunder shall cease and determine.

IN WITNESS WHEREOF, this certificate has been prepared by the Public Service Commission for the First District, and is now attested by its seal and by the signature of its chairman, who is its presiding officer, and by the signature of its secretary this day of , 1913.

PUBLIC SERVICE COMMISSION
FOR THE FIRST DISTRICT
By Chairman.

Attest: Secretary.

State of New York, County of New York, ss.:

On this day of , 1913, in the City of New York, in said before me personally appeared Edward E. McCall and Travis H. Whitney, each to me known and known to me to be the said Edward E. McCall, the Chairman, and the said Travis H. Whitney, the Secretary of the Public Service Commission for the First District, and the said Edward E. McCall and Travis H. Whitney, being by me duly sworn did depose and say each for himself and not one for the other, the said Edward E. McCall that he resides in the Borough of Manhattan, in the said City, that he is the Chairman of the said Commission, and that he subscribed his name to the foregoing certificate by virtue of the authority thereof; and the said Travis H. Whitney, that he resides in the Borough of Brooklyn, in the said City; that he is the Secretary of the said Commission, and that he subscribed his name thereto by like authority; and both the said Edward E. McCall and Travis H. Whitney that they know the seal of the said Commission and that the same was affixed to the foregoing certificate by the authority of the said Commission and of a resolution duly adopted by the same.

The Manhattan Railway Company hereby accepts the foregoing certificate and all the terms, conditions and requirements thereof.

Dated, New York, , 1913.

MANHATTAN RAILWAY COMPANY,

By President.

Attest: Secretary.

State of New York, County of New York, ss.:

On this day of , 1913, in the City of New York, before me personally came

respectively to be the said President, and the said , the Secretary, of Manhattan Railway Company, and being by me duly sworn they did depose and say, each for himself and not one for the other, the said

that he resided at in the State of , and was the President of the Manhattan Railway Company, the corporation named in and which executed the foregoing acceptance, and that he subscribed his name to the foregoing acceptance by the authority of the Board of Directors thereof; and the said

that he resided in the State of , in the State of Railway Company and subscribed his name to the foregoing acceptance by like authority; and both the said and the said , that they know the seal of the said Manhattan Railway Company; that the seal affixed to such acceptance is such seal, and that the same was affixed to the foregoing acceptance by authority of the Board of Directors of the said Manhattan Railway Company and pursuant to a resolution duly adopted by the said Board.

Now, therefore, be it

Resolved, That the Board of Estimate and Apportionment of The City of New York by a majority vote, according to the number of votes by law pertaining to each member of the Board, hereby approves the foregoing proposed certificate to the Manhattan Railway Company and hereby consents to the construction and operation of the additional track or tracks in accordance therewith.

Which was adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

Interborough Rapid Transit Company.

Proposed form of contract for the construction, maintenance, equipment and operation of additional rapid transit railroads to be known as Seventh Avenue-Lexington Avenue Line, Eastern Parkway Line, Steinway Tunnel Line, White Plains Road Line and future extensions in the several boroughs of the City.

The Secretary presented the following:

Public Service Commission for the First District, New York, March 4, 1913.

To the Board of Estimate and Apportionment of The City of New York:

As stated in a communication of this date from the Chairman and the Secretary of this Commission, there is transmitted herewith a copy of the proposed contract between The City of New York, acting by the Commission, and the Interborough Rapid Transit Company, for additional rapid transit railroads.

I also transmit herewith a certified copy of a motion amending the contract, together with a certified copy of the resolution approving and adopting such contract as amended. Yours very truly, TRAVIS H. WHITNEY, Secretary.

Commissioner Eustis moved to amend the contract with the Interborough Rapid Transit Company in the following respect:

Page 90, line 3, Article XXIII; omit first "and" and insert "or."

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify that I have compared the above with the original adopted by said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the Commission, this fourth day of March, 1913.

[SEAL] TRAVIS H. WHITNEY, Secretary.

Whereas, The Commission has determined that the public interests require the entering into a contract with Interborough Rapid Transit Company for additional rapid transit railroads; and,

Whereas, Counsel to the Commission has presented a form of proposed contract between The City of New York and Interborough Rapid Transit Company for additional rapid transit railroads;

Resolved, That the form of the proposed contract now submitted by Counsel as amended be and the same hereby is approved and adopted and that the Secretary be and hereby is authorized and directed to transmit the same to the Board of Estimate and Apportionment for appropriate action on its part under the Rapid Transit Act.

Resolved, That, if and when said contract has been approved and consented to by said Board of Estimate and Apportionment, the Chairman be and hereby is authorized and directed to execute the said contract for the Commission in four identical originals and that the Secretary be and hereby is authorized and directed to attest the said contract and to affix thereto the seal of the Commission.

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify, that I have compared the above resolution with the original adopted by the said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the said Commission, this 4th day of March, 1913.

[SEAL] TRAVIS H. WHITNEY, Secretary.

The President of the Borough of Manhattan offered the following:

Whereas, The Public Service Commission for the First District forwarded a communication to the Board of Estimate and Apportionment, transmitting, for approval and consent, a proposed contract to be entered into with the Interborough Rapid Transit Company, for additional rapid transit railroads; and,

Whereas, Said communication and proposed contract were received by the Board of Estimate and Apportionment at a meeting of said Board duly held on the 6th day of March, 1913; and,

Whereas, The contract proposed to be entered into with the Interborough Rapid Transit Company and submitted to this Board for approval and consent, is as follows:

THE CITY OF NEW YORK, BY THE PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT, WITH INTERBOROUGH RAPID TRANSIT COMPANY.

CONTRACT NO. 3.

APPROVED AS TO FORM THIS 10TH DAY OF MARCH, 1913.

JOHN L. O'BRIEN, Acting Corporation Counsel.

Agreement entered into this 19th day of March, in the year one thousand nine hundred and thirteen between The City of New York (hereinafter referred to as "The City,") acting by the Public Service Commission For The First District (hereinafter referred to as "The Commission,") party of the first part and Interborough Rapid Transit Company (hereinafter referred to as "The Lessee") party of the second part.

Whereas, on or about the 21st day of February, 1900, the Board of Rapid Transit Railroad Commissioners for the City of New York in the name and on behalf of the

City entered into a contract with John B. McDonald for the construction at the expense of the City and for the equipment, maintenance and operation of the Manhattan-Bronx Rapid Transit Railroad, which contract as modified and supplemented from time to time is hereinafter referred to as "Contract No. 1"; and

Whereas, on or about the 21st day of July, 1902 the said Board of Rapid Transit Railroad Commissioners in the name and on behalf of the City entered into a contract with Rapid Transit Subway Construction Company for the construction at the expense of the City and for the equipment, maintenance and operation of the Brooklyn-Manhattan Rapid Transit Railroad, which contract as modified and supplemented from time to time is hereinafter referred to as "Contract No. 2"; and

Whereas, on or about the 10th day of July, 1902, and the 10th day of August, 1905, John B. McDonald and Rapid Transit Subway Construction Company respectively assigned, with the written consent of the said Board of Rapid Transit Railroad Commissioners, to the Lessee so much of Contract No. 1 and of Contract No. 2 as applied to the equipment, maintenance and operation of the said railroads; and

Whereas, on or about the 11th day of July, 1911, Georgie Annie McDonald as Executrix under the last will and testament of John B. McDonald, deceased, assigned, with the written consent of the Commission, to Rapid Transit Subway Construction Company so much of Contract No. 1 as applied to the construction thereof; and

Whereas, on or about the 30th day of January, 1913, Rapid Transit Subway Construction Company assigned, with the written consent of the Commission, to the Lessee so much of Contract No. 1 and Contract No. 2 as applied to the construction thereof; and

Whereas, the Lessee is a railroad corporation duly organized and existing under the laws of the State of New York for the purpose of maintaining and operating railroads, including the equipment thereof, constructed pursuant to the provisions of the Rapid Transit Act and has entered into contracts for the equipment, maintenance and operation of railroads heretofore constructed in whole or in part at the expense of the City as in said chapter provided and is actually engaged in the maintenance and operation of the same within the limits of the City of New York; and

Whereas, the Commission has determined that the public interests require the entering into a contract with the Lessee for the equipment, maintenance and operation of additional or proposed rapid transit railroads in conjunction with the said railroads heretofore constructed at the expense of the City under Contract No. 1 and Contract No. 2, for a single fare and further require the modification of Contract No. 1 and Contract No. 2, all as in this contract provided; and

Whereas, the Board of Estimate has consented to and approved this contract.

Now, therefore, in consideration of the premises and of the mutual stipulations and covenants hereinafter contained, and under the authority of the Rapid Transit Act, the parties hereby do, the City for itself and its successors and the Lessee for itself, its successors and assigns

Agree each with the other as follows:

PART FIRST—GENERAL PROVISIONS.

Chapter I—Outline of Contract and Definitions.

Article I. The Lessee agrees with the City to contribute toward the cost of construction of the Railroad, to equip the Railroad as the several parts thereof are respectively constructed and ready for equipment and operation and thereafter to use, maintain and operate the same in conjunction with the railroads heretofore constructed at the expense of the City under Contract No. 1 and Contract No. 2 for a single fare, in accordance with this contract. The City on its part agrees as herein-after provided that if the Lessee will contribute toward the cost of construction it will construct the Railroad and hereby leases the Railroad to the Lessee for the term of years hereinafter specified but reserves the right upon the terms and conditions hereinafter provided to terminate this contract so far as it relates to the equipment, maintenance and operation of the Railroad at any time after the expiration of ten (10) years from the date when operation of any part of the Railroad shall actually begin; or separately as to any portion as specified in Article LXXVIII (and any Extensions added thereto) at any time after the expiration of ten (10) years from the date when operation of any part of such specified portion shall actually begin; and separately as to any of the Extensions at any time after the expiration of ten (10) years from the date when operation of any part of such Extension shall actually begin. The City and the Lessee further agree upon the modification of Contract No. 1 and Contract No. 2 in the respects herein set forth, but nothing in this contract shall be construed as a modification or waiver of any of the rights or obligations of the respective parties under Contract No. 1 and Contract No. 2, except in the respect and to the extent herein specifically set forth.

Article II. The following words and expressions used in this contract shall, except where by the context it is clear that another meaning is intended, be construed as follows:

1. The word "City" to mean The City of New York, and any other corporation or division of government to which the ownership, rights, powers and privileges of The City of New York under the Rapid Transit Act shall hereafter come, belong or appertain.

2. The word "Commission" to mean the Public Service Commission for the First District, in so far as it acts herein as the agent of the City, and any other board, body, official or officials, to which or to whom the powers belonging to the Commission under the Rapid Transit Act shall, by virtue of any act or acts, hereafter pass or be held to appertain.

3. The word "Lessee" to mean Interborough Rapid Transit Company, party of the second part to this contract, and its successors and assigns.

4. The words "Board of Estimate" to mean the Board of Estimate and Apportionment of the City and any other board, body, official or officials to which or to whom its powers under the Rapid Transit Act shall come to appertain.

5. The word "Comptroller" to mean the Comptroller of the City, and the officer or board to whom or to which his powers under the Rapid Transit Act shall come to appertain.

6. The word "Engineer" to mean the Chief Engineer of the Commission and any successor or successors duly appointed or, in the event of his absence or disability, any deputy or substitute for him or them who shall be appointed Acting Chief Engineer by the Commission or by its authority.

7. The words "Rapid Transit Act" to mean chapter 4 of the laws of 1891 as heretofore amended or supplemented.

8. The words "Contract No. 1" to mean the contract dated February 21st, 1900, between the City, acting by the Board of Rapid Transit Railroad Commissioners, and John B. McDonald for the construction, equipment, maintenance, and operation of the Manhattan-Bronx Rapid Transit Railroad as such contract has from time to time been modified and supplemented by the following agreements, among others to wit:

Date.	Subject.
(1) February 21, 1900—Modification as to security.	
(2) June 21, 1900—Fort George Change of Route.	
(3) January 10, 1901—City Hall Change of Route.	
(4) May 2, 1901—Broadway Terminals.	
(5) April 10, 1902—Correcting typographical error.	
(6) July 10, 1902—Assignment to Lessee.	
(7) July 21, 1902—Bergen Avenue (149th Street) Change of Route.	
(8) January 16, 1903—Lenox Avenue Extension.	
(9) July 16, 1903—Fort Lee Ferry Extension.	
(10) July 16, 1903—Connection with Manhattan Railroad.	
(11) November 24, 1903—Continuing Bond.	
(12) March 24, 1904—Third Track North of Fort George.	
(13) November 3, 1904—Computation of Rentals.	
(14) December 1, 1904—Return of Contractor's Deposit.	
(15) July 9, 1906—Outlet Chambers and Fan Houses.	
(16) November 1, 1906—Van Cortlandt Park Extension.	
(17) April 5, 1907—Third Avenue and 149th Street Station Entrances.	
(18) June 27, 1907—Additional Tracks at 96th Street.	
(19) June 27, 1907—Ventilation and Cooling.	
(20) December 12, 1907—Arbitration Provisions.	
(21) June 1, 1908—Adjustment of Park Avenue Litigation.	
(22) April 21, 1909—Additional Station Facilities at 181st Street and St. Nicholas Avenue Station.	
(23) August 3, 1909—Additional Station at Intervale Avenue.	
(24) August 9, 1909—Additional Station at 191st Street.	
(25) November 30, 1909—Zoological Park Station.	

Date. Subject.

- (26) January 18, 1910—Lengthening Station Platforms.
- (27) December 9, 1910—Additional Entrances and Exits.
- (28) December 30, 1911—Adjustment of Controversy over Extra Work and Omissions.
- (29) July 11, 1911 (2)—Reduction of Construction and Equipment Bond and consent to and Assignment of Construction Provisions to Rapid Transit Subway Construction Company.
- (30) January 30, 1913 (2)—Reduction of Continuing Bond and consent to and Assignment of Construction Provisions to Interborough Rapid Transit Company.

9 The Words "Contract No. 2" to mean the contract dated July 21st, 1902, between the City, acting by the Board of Rapid Transit Railroad Commissioners, and Rapid Transit Subway Construction Company for the construction, equipment, maintenance and operation of the Brooklyn-Manhattan Rapid Transit Railroad as such contract has from time to time been modified and supplemented by the following agreements, among others to wit:

- (1) September 11, 1902—Passenger Traffic Agreement.
- (2) December 23, 1904—Substitution of Continuing Bond for Continuing Deposit.
- (3) January 26, 1905—Borough Hall Change of Alignment.
- (4) June 9, 1905—Additional Tracks on Fulton Street and Flatbush Avenue.
- (5) August 10, 1905—Assignment to Lessee.
- (6) December 14, 1905—Computation of Rentals.
- (7) June 18, 1908—Shuttle Service, Bowling Green to South Ferry.
- (8) September 22, 1908—Return of Portion of Cash Deposit.
- (9) January 18, 1910—Lengthening Station Platforms.
- (10) September 20, 1910—Additional Entrances and Exits.
- (11) January 30, 1913 (2)—Reduction of Continuing Bond and consent to and Assignment of Construction Provisions to Interborough Rapid Transit Company.

10 The word "Railroad" to mean the rapid transit railroads which are described in Chapter II of this Part, together with all stations and real estate or interests therein belonging to and used in conjunction therewith and all appurtenances thereto and all other property provided therefor and actually used thereon or in connection therewith including tracks, terminals, storage yards and shops provided for the Railroad, excepting however the Equipment. Wherever the word "Railroad" is used in this contract (except in respect of the Lessee's obligation to contribute toward the cost of construction as provided in Articles IX to XII inclusive and in respect of the payment of rental as provided in Chapters II and V of Part Third and in respect of termination as provided for in the Lease) it shall be deemed to include not only the rapid transit railroads described in Chapter II of this Part, but also the Extensions and Additions, other than Extensions and Additions to the Existing Railroads.

11 The words "Existing Railroads" to mean the railroads constructed or provided under Contract No. 1 and Contract No. 2. Betterments, additions and improvements initiated prior to the beginning of the lease shall be deemed to be constructed under and in accordance with the provisions of Contract No. 1 or Contract No. 2 as the case may be. Whenever the expression "Railroad and Existing Railroads" is used in connection with maintenance and operation it shall be deemed to mean the maintenance and operation, as the case may be, of the Railroad in conjunction with the Existing Railroads under Part Third of this contract, except as provided in Article XXIII.

12 The words "Existing Equipment" to mean the equipment provided under Contract No. 1 and Contract No. 2 prior to the commencement of the Lease and any repairs, replacements, substitutions or renewals thereto or thereof.

13 The word "Extensions" to mean the rapid transit railroads not described herein for initial construction, equipment and operation but referred to in Chapter V of Part Third which the City may add to the Railroad and the Existing Railroads from time to time during the term of the Lease as branches, extensions and additional lines and which the Lessee is obligated to then equip, maintain and operate, together with all stations and real estate or interests therein belonging to and used in conjunction therewith (and provided exclusively therefor) and all appurtenances thereto and all other property provided exclusively therefor and actually used thereon or in connection therewith, including terminals, storage yards and shops, excepting however the Additional Equipment for the Extensions. The definitions of the words and expressions:—Construction, Equipment, Additions, cost of construction and cost of equipment shall apply to the Extensions.

14 The word "Construction" to mean all work of constructing the Railroad (together with the reconstruction of parts of the Existing Railroads for the purpose of physically connecting the same with the Railroad which the Engineer shall certify to be necessary) including the doing of work, the providing of materials, the restoration and reconstruction of street surfaces, sewers, and all surface, subsurface and overhead and abutting structures interfered with during the building of the Railroad and such reconstruction of the Existing Railroads and all other work to be done or materials to be furnished of every nature whatsoever necessary to the completion of the railroad structure, all tracks (meaning thereby the track structure complete, including all ballast, ties, concrete, rails, special work, spikes, joints, bolts, tie-plates and all other material or apparatus necessary to build the tracks, but not including electrical or signal material or apparatus), together with all real estate and interests therein necessary to be acquired or extinguished for the purpose of constructing and operating the Railroad and for the purpose of such reconstruction of the Existing Railroads.

15 The word "Equipment" to mean all equipment acquired and supplied for use on the Railroad including all rolling stock and appurtenances thereto, whether such cars are used for passengers, freight, express, or any other purpose, all motors, boilers, engines, wires, conductors, ways, conduits (other than any system of ways or conduits built as a part of the permanent railroad structure), mechanisms, machinery, power houses (if any are needed in addition to those now owned by the Lessee), power sub-stations, all tools, implements and devices of every nature whatsoever used for such generation, transmission, conversion, distribution or utilization of power and for the installation and maintenance of Equipment, all apparatus and all devices for lighting, heating, cleaning, signaling and ventilation (except such chambers and gratings as are built as part of the railroad structure), all pumps, fire alarm and fire prevention systems and appurtenances, and all telephone and telegraph wires or appliances, including all real estate or interests therein used therefor or in connection therewith—whether such Equipment be situate on or near or separate from the railway, provided that the same be acquired and supplied for use in connection therewith or for any of the purposes of the Railroad. Provided, however, that real estate or rights, franchises, easements or privileges therein or thereon acquired for terminals, storage-yards, shops, roadbed, stations, station approaches or otherwise for the Railroad shall not be included in Equipment, but shall be included in Construction.

The expression "Equipment for Initial Operation" shall mean Equipment provided for the initial operation of the Railroad costing twenty-two million (\$22,000,000) dollars or such sum as may remain of the said twenty-two million (\$22,000,000) dollars after making the additional contribution toward the cost of construction as provided in Article IX.

16 The word "Additions" to mean betterments, additions and improvements to the Railroad and Equipment and to the Existing Railroads and to the Existing Equipment which are constructed or provided after the commencement of initial operation in accordance with the provisions of Chapters IV and V of Part Third of this contract and also such Equipment as is provided for initial operation and which shall cost in excess of the amount specified above in the definition of Equipment for Initial Operation; but shall not mean repairs, replacements, substitutions or renewals to the Railroad or Equipment or to the Existing Railroads or Existing Equipment, made after the placing in operation of the portion thereof so repaired, replaced or renewed or for which such new part is substituted. The expression "Additional Equipment" shall be deemed to be synonymous with Additions when Additions is used in respect to Equipment or Existing Equipment. The definitions of the words and expressions:—Construction, Equipment, cost of construction and cost of equipment shall apply to Additions and Additional Equipment.

17 The words "Cost of Construction" to mean:

(1) The actual and necessary net cost in money to the City (and the Lessee through its contribution, including the Steinway Tunnel at three million (\$3,000,000) dollars, toward the cost of construction) of all labor and materials entering into Construction.

(2) The actual and necessary net cost in money to the City (and the Lessee through its contribution, including the Steinway Tunnel at three million (\$3,000,000) dollars, toward the cost of construction) of any real estate or interest therein hereafter acquired or extinguished therefor (or the reasonable value of any real estate or interest therein heretofore acquired and hereafter appropriated for the purpose of the

Railroad), including terminals, storage yards, and shops, together with the actual and necessary expense in connection with such acquisition, extinction or appropriation, but there shall not be included in the term "real estate or interest therein" any damages the City may have to pay for acquiring rights or easements for the Railroad in streets under the principles of the decision in *Matter of Board of Rapid Transit Railroad Commissioners (Joralemon Street)*, 197 N. Y., 81. There shall be included, however, damages the City may have to pay for extinguishing rights of light, air and access in connection with the Construction or operation of the elevated portions of the Railroad.

(3) The debt discount and expense actually and necessarily incurred in connection with Construction, provided, however, that the debt discount and expense, except in the case of Additions, shall not exceed an amount equal to three per centum (3%) of the Lessee's total contribution toward the cost of construction including the contribution under this paragraph (3).

(4) The actual and necessary net cost in money to the City for superintendence, insurance, damages, engineering, legal expenses and administration in and about construction and equipment; including in respect of the cost of construction for initial operation the expenses above referred to in this paragraph actually and necessarily incurred or payable by the City in and about Construction and Equipment prior to the date of this contract.

(5) The actual and necessary net cost in money to the Lessee for superintendence, insurance, damages, administration, engineering and legal expenses in and about Construction including in respect of the cost of construction for initial operation the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Lessee in and about Construction prior to the date of this contract and in addition the actual and necessary expense incurred or payable by the Lessee in printing, engraving and certifying securities for Construction.

(6) Taxes, assessments or other governmental charges (including mortgage recording tax) of every description against the Lessee actually and necessarily paid or accrued in and about Construction pending the beginning of operation of the part of the Railroad as to which such taxes, assessments or other governmental charges were paid or accrued. During operation, such assessments for benefits as are not properly chargeable against revenue shall be charged to cost of construction and treated as Additions.

(7) Interest actually and necessarily paid or accrued on moneys provided from time to time for the items of this definition from the respective times of providing said moneys to the beginning of operation of the part of the Railroad for which such moneys were provided, less any interest received by the City or by the Lessee on such moneys; provided, however, that in computing interest during the period of Construction of the Railroad (exclusive of Additions) the rate of interest paid by the Lessee shall be deemed to be six (6%) per centum and the rate received by the Lessee shall be deemed to be two and one-half (2½%) per centum, and provided, further, that money shall not be provided by the Lessee in excess of the amount fixed in annual estimates to be agreed upon by the Commission and the Lessee unless with the consent of the Commission.

In case any portion of the cost of construction borne by the City shall be met by other than corporate stock or other long term interest bearing securities the same shall be deemed to bear interest at the rate specified in the last then preceding sale by the City of corporate stock or other long term interest bearing securities.

There shall not be included in the cost of construction the cost of any repairs, replacements, substitutions or renewals made after the placing in operation of the portion of the Railroad (or of the reconstructed portion of the Existing Railroads) so repaired, replaced or renewed or for which such new part is substituted.

If any increase or profit (other than increase or profit resulting from operation or, if any, under paragraph (7) of this definition) from whatever source derived shall accrue directly or indirectly to the Lessee or on its behalf in any manner out of or in connection with Construction then the amount of any such increase or profit shall be applied to reduce the cost of construction. The provisions of this paragraph shall not, however, apply to any profits earned by any construction company, in which the Lessee is interested, which may be the contractor under any contract awarded by the Commission under competitive bidding.

18 The words "Cost of Equipment" to mean:

(1) The actual and necessary net cost in money to the Lessee of the acquisition of or for all labor and materials entering into the building or placing of the Equipment.

(2) The actual and necessary net cost in money to the Lessee of any real estate or interest therein hereafter acquired or extinguished for Equipment (or the reasonable value of any real estate heretofore acquired and hereafter appropriated for Equipment) together with the actual and necessary expenses in connection with such acquisition, extinction or appropriation.

(3) The debt discount and expense in connection with Equipment, provided, however, that the debt discount and expense, except in the case of Additional Equipment, shall not exceed an amount equal to three per centum (3%) of the cost of equipment for initial operation including the cost under this paragraph (3).

(4) The actual and necessary net cost in money to the Lessee for superintendence, insurance, damages, administration, engineering and legal expenses in and about the provision of the Equipment including in respect of the cost of equipment for initial operation the expenses above referred to in this paragraph actually and necessarily incurred or payable by the Lessee in and about Equipment prior to the date of this contract and in addition the actual and necessary expense incurred or payable by the Lessee in printing, engraving and certifying securities for Equipment.

(5) Taxes, assessments or other governmental charges (including mortgage recording tax) of every description against the Lessee actually and necessarily paid or accrued in and about the provision of the Equipment pending the time when the portions of the Equipment as to which such taxes, assessments or other governmental charges were paid or accrued are placed in operation. During operation, such assessments for benefits as are not properly chargeable against revenue shall be charged to cost of Equipment and treated as Additions.

(6) Interest actually and necessarily paid or accrued on moneys provided from time to time for the items of this definition from the respective times of providing said moneys to the beginning of operation of the part of the Equipment for which such moneys were provided, less any interest received by the Lessee on such moneys; provided, however, that in computing interest during the period of provision of the Equipment for initial operation the rate of interest paid by the Lessee shall be deemed to be six (6%) per centum and the rate of interest received by the Lessee shall be deemed to be two and one-half (2½%) per centum, and provided, further, that money shall not be provided by the Lessee in excess of the amount fixed in annual estimates to be agreed upon by the Commission and the Lessee unless with the consent of the Commission. There shall not be included in the cost of equipment the cost of any repairs, replacements, substitutions or renewals made after the placing in operation of the portion of the Equipment so repaired, replaced or renewed or for which such new part is substituted.

If any increase or profit (other than increase or profit resulting from operation or, if any, under paragraph (6) of this definition) from whatever source derived shall accrue directly or indirectly to the Lessee or on its behalf in any manner out of or in connection with the provision of the Equipment, then the amount of any such increase or profit shall be applied to reduce the cost of Equipment.

19 The words "Debt Discount and Expense" to mean the actual and necessary expense (including discounts) involved in the issue and disposal of securities to provide means for Construction or Equipment (including three (3%) per centum upon the sum of three million (\$3,000,000) dollars contributed by the Lessee by the construction of the Steinway Tunnel as provided in Article X) or for Additions, deducting therefrom any premiums received by or on behalf of the Lessee upon or in connection with the disposal of such securities.

20 The words "Fiscal Year" to mean any year ending June 30.

21 The words "New York" to mean the City of New York according to its boundaries as now or hereafter fixed.

22 The words "Daily Newspaper" to mean any paper regularly published in New York on every day or every day except Sundays and holidays.

23 The word "Notice" to mean a written notice and the word "Direction" to mean a written direction. Every such notice or direction to be served upon the Lessee, or upon any surety, if not delivered personally, shall either be delivered at such office in New York as shall have been designated by the Lessee or surety, or shall be mailed by deposit in the general or any branch postoffice in New York, postage prepaid, addressed to the office so designated, or to such office as the Lessee shall designate by written notice delivered to the Commission, or if no such office shall have been designated, or if such designation shall have for any reason become inoperative,

then addressed to the Lessee at New York. The Lessee may designate any individual, association or corporation who or which may be the trustee under any mortgage executed by the Lessee to provide means for carrying out its obligations under this contract and the address of such individual, association or corporation to whom or to which notice of default or termination pursuant to notice and proceedings in connection with default or such termination shall be given in addition to the notice of default or termination pursuant to notice and proceedings in connection with default or such termination hereinafter required to be given the Lessee, and in case any such designation of such trustee is made the Commission in the event of default or termination pursuant to notice and proceedings in connection with default or such termination shall also give notice thereof to the trustee so designated. Such delivery or mailing shall be equivalent to direct personal notice.

24 The word "Lease" to mean the provisions of Part Third of this contract as modified or explained by other provisions of this contract.

25 The word "Operation" to mean using, operating and maintaining the Railroad and Existing Railroads according to this contract.

26 The words "Initial Operation" to mean the commencement of operation at the beginning of the term of the Lease of the Railroad and the Existing Railroads, except as to such lines or parts of lines of the Railroad as shall not have been at that time completed and ready for operation, as to which uncompleted lines or parts of lines the words "initial operation" to mean the commencement of operation of such lines or parts of lines respectively.

Article III. This contract is made pursuant to the Rapid Transit Act which is to be deemed a part hereof as if incorporated herein.

Chapter II—The Railroad.

Article IV. The Railroad to be constructed for initial operation and to be equipped, maintained and operated under this contract is that hereinafter described. The Railroad is divided into several lines to be known respectively as Seventh Avenue-Lexington Avenue Line, Eastern Parkway Line, Steinway Tunnel Line and White Plains Road Line, as follows:

Seventh Avenue-Lexington Avenue Line

The Seventh Avenue-Lexington Avenue Line is further divided into the Seventh Avenue Branch and the Lexington Avenue Branch.

Seventh Avenue Branch

The Seventh Avenue Branch is further divided into subdivisions as follows:

Subdivision I. A two-track underground railroad beginning at a point under Battery Park in the Borough of Manhattan near the waterfront and thence extending northerly under Battery Park and under and across Battery Place to Greenwich Street and under and along Greenwich Street to West Broadway, and thence continuing northerly under and along West Broadway to a point therein at or near Murray Street where a connection can conveniently be made with Subdivision II and Subdivision III hereinafter described (Seventh and Eighth Avenue Route, Section 4-D).

Subdivision II. A four-track underground railroad beginning at a point in West Broadway at or near Murray Street at the northerly end of Subdivision I above described and thence extending northerly under and along West Broadway to a point therein at or near Leonard Street; thence curving into Varick Street and continuing northerly under and along Varick Street (as widened) and the extension of Seventh Avenue as the same are laid down on the map or plan of The City of New York to Seventh Avenue; and thence continuing northerly under and along Seventh Avenue to a point therein at or near West Forty-third Street where a connection can conveniently be made with the Existing Railroad constructed under Contract No. 1 (Seventh and Eighth Avenue Route, Sections 4-O, 4-B, 4-C and 4-D; Seventh Avenue Extension and Varick Street Route).

Subdivision III. A two-track underground railroad beginning at a point in West Broadway at or near Murray Street at the northerly end of Subdivision I above described and thence curving southerly under West Broadway and private property to Park Place; thence continuing southeasterly under and along Park Place to Broadway and under and across Broadway, the Post-office and Park Row to Beekman Street; thence continuing southeasterly under and along Beekman Street to a point therein between Nassau Street and William Street; thence curving southerly under Beekman Street and private property to William Street; thence continuing southwesterly under and along William Street; to a point therein at or near Exchange Place; thence curving southerly under and along William Street to Old Slip; thence continuing southeasterly under and along Old Slip to the East River; thence continuing easterly under the East River to a point in waterfront property in the Borough of Brooklyn at or near the foot of Clark Street produced; thence continuing easterly under waterfront property, Furman Street and public or private property to Clark Street; thence continuing easterly under and along Clark Street to a point therein near Fulton Street; thence curving southeasterly under Clark Street and private property to Fulton Street; and thence continuing southerly under and along Fulton Street to a point therein at or near Joralemon Street where a connection can conveniently be made with the Existing Railroad constructed under Contract No. 2 (Park Place, William and Clark Street Route; Brooklyn and Manhattan Loop Lines, Sections 9-B and 9-E 2).

Lexington Avenue Branch

The Lexington Avenue Branch is further divided into subdivisions as follows:

Subdivision I. A four-track underground railroad beginning at a point in Park Avenue south of East Forty-second Street in the Borough of Manhattan where a connection can conveniently be made with the Existing Railroad constructed under Contract No. 1 and thence extending under Park Avenue and curving under private property, East Forty-second Street and private property to a point in Lexington Avenue north of East Forty-second Street; thence continuing northerly under and along Lexington Avenue to the Harlem River and under the Harlem River to a point in the Borough of The Bronx; thence continuing northerly under private property and Park Avenue in the Borough of The Bronx to the intersection of Park Avenue and East One Hundred and Thirty-fifth Street (Lexington Avenue Route, Sections 5-O and 5-C).

Subdivision II. A two and three track underground railroad beginning at Park Avenue and East One Hundred and Thirty-fifth Street in the Borough of The Bronx where a connection can conveniently be made with Subdivision I above described and thence extending northerly under private property, Mott Avenue, East One Hundred and Thirty-eighth Street and private property to a point in Mott Avenue north of East One Hundred and Thirty-eighth Street; thence continuing northerly under and along Mott Avenue to a point therein south of East One Hundred and Forty-sixth Street where a spur or connection will begin as hereinafter stated; thence continuing northerly under and along Mott Avenue to a point therein near East One Hundred and Fiftieth Street; thence curving northwesterly under Mott Avenue, East One Hundred and Fifty-third Street and Franz Sigel Park and continuing northwesterly under Walton Avenue, private property, Gerard Avenue and private property to a point in private property in the block bounded by Gerard Avenue, East One Hundred and Fifty-seventh Street, River Avenue and East One Hundred and Fifty-third Street where the road emerges from the ground and becomes an elevated railroad; thence continuing northwesterly as a three-track elevated railroad over private property to River Avenue; thence continuing northerly over and along River Avenue to Jerome Avenue; and thence continuing northerly over and along Jerome Avenue and reservoir property to a point in Jerome Avenue at or near Woodlawn Road. This subdivision shall also include a two-track underground spur or connection beginning at a point in Mott Avenue south of East One Hundred and Forty-sixth Street and thence curving and running northwesterly, northerly and northeasterly under Mott Avenue, East One Hundred and Forty-sixth Street, Walton Avenue and Gerard Avenue and under private property to points in East One Hundred and Forty-ninth Street between Walton Avenue and Mott Avenue where a connection can conveniently be made with the Existing Railroad constructed under Contract No. 1 (Lexington Avenue Route, Section 5-C; River Avenue Elevated Road; Jerome Avenue Elevated Road; One Hundred and Forty-ninth Street and Mott Avenue Subway Connection).

Subdivision III. A two and three track underground railroad beginning at Park Avenue and East One Hundred and Thirty-fifth Street in the Borough of The Bronx, where a connection can conveniently be made with Subdivision I above described and thence extending northeasterly under and along Park Avenue and under private property, Canal Street West and private property to East One Hundred and Thirty-eighth Street; thence continuing easterly under and along East One Hundred and Thirty-eighth Street to a point therein near Robbins

Avenue; thence curving northerly under East One Hundred and Thirty-eighth Street and private property to the Southern Boulevard; thence continuing northerly under and along the Southern Boulevard to a point therein between Barretto Street and Hunts Point Road; thence curving northeasterly under the Southern Boulevard, private property, Hunts Point Road and the Public Park to and under Whitlock Avenue; thence continuing northerly under and along Whitlock Avenue to a point therein between Aldus Street and Bancroft Street where the road emerges from the ground and becomes an elevated railroad; thence continuing northerly as a three track elevated railroad over and along Whitlock Avenue to a point therein near Westchester Avenue; thence curving easterly over Whitlock Avenue and private property to Westchester Avenue; and thence continuing over and along Westchester Avenue to Pelham Bay Park (Lexington Avenue Route, Section 5-C; Southern Boulevard and Westchester Avenue Route; Southern Boulevard and Whitlock Avenue Route).

Eastern Parkway Line.

The Eastern Parkway Line is further divided into subdivisions as follows:

Subdivision I. A four-track underground railroad beginning at a point in Flatbush Avenue at or near Atlantic Avenue in the Borough of Brooklyn where a connection can conveniently be made with the Existing Railroad constructed under Contract No. 2 and thence extending southeasterly under and along Flatbush Avenue (with two tracks on the easterly and two tracks on the westerly side of Flatbush Avenue) to the Prospect Park Plaza or Circle; thence curving easterly under Flatbush Avenue, the Prospect Park Plaza or Circle and private property to the Eastern Parkway; and thence continuing easterly under and along the Eastern Parkway to a point therein near Buffalo Avenue (Eastern Parkway Route, Sections 12-O and 12-D).

Subdivision II. A two-track underground railroad beginning at a point in the Eastern Parkway west of Nostrand Avenue where a connection can conveniently be made with Subdivision I above described and thence curving southeasterly under the Eastern Parkway and private property to Nostrand Avenue, and thence continuing southerly under and along Nostrand Avenue to Flatbush Avenue (Eastern Parkway Route, Section 12-O; Nostrand Avenue Route).

Subdivision III. A two-track underground railroad, with provision for a third track, beginning at a point in the Eastern Parkway west of Buffalo Avenue where a connection can conveniently be made with Subdivision I above described and thence curving southeasterly under the Eastern Parkway and Lincoln Park and continuing southeasterly under Buffalo Avenue and private property and across Union Street and private property to a point in private property in the block bounded by Union Street, East New York Avenue, President Street and Buffalo Avenue where the route emerges from the ground and becomes an elevated railroad; thence continuing southeasterly as a two-track elevated railroad over President Street, private property and East New York Avenue to East Ninety-eighth Street; thence continuing southeasterly over and along East Ninety-eighth Street to a point therein near Livonia Avenue; thence curving over East Ninety-eighth Street, private property and Howard Avenue to Livonia Avenue; and thence continuing easterly over and along Livonia Avenue to New Lots Avenue (Eastern Parkway Route, Section 12-O; Livonia Avenue Route).

Steinway Tunnel Line.

The Steinway Tunnel Line is further divided into subdivisions as follows:

Subdivision I. A two-track underground railroad beginning at Forty-second street and Broadway in the Borough of Manhattan and thence extending easterly under Forty-second Street to the East River; thence continuing easterly under the East River to a point in the Borough of Queens near the intersection of Fifth Street produced with the bulkhead line; thence continuing easterly under the freight yards of the Long Island Railroad and private property to a point under Fourth Street near West Avenue; thence continuing easterly under Fourth Street to a point therein near Van Alst Avenue where a connection can conveniently be made with Subdivision II hereinafter described; provided, however, that a portion of the Existing Railroads in Forty-second Street between Sixth Avenue and Broadway may be utilized (Steinway Tunnel-Times Square Extension; Steinway Tunnel Route).

Subdivision II. A two-track underground railroad beginning at a point in Fourth Street near Van Alst Avenue at the easterly end of Subdivision I above described and thence curving northeasterly under Fourth Street and private property to Van Alst Avenue; thence continuing northeasterly across Van Alst Avenue, through private property and under Hunters Point Avenue to a point in the freight yards of the Long Island Railroad Company; thence continuing northeasterly through said yard to a point therein where the road becomes an elevated railroad; thence continuing northeasterly as a two-track elevated railroad over said yard to Davis Street; thence continuing northwesterly over and along Davis Street to Ely Avenue; thence continuing northeasterly over and along Ely Avenue to a point therein near Henry Street; thence curving northeasterly over Ely Avenue and private property to the Queensboro Bridge Approach; and thence continuing easterly over and along the Queensboro Bridge Approach and the Queensboro Bridge Plaza to at or about the Queensboro Bridge Plaza and Jackson Avenue, where a connection can conveniently be made with Subdivision III and Subdivision IV hereinafter described (Steinway Tunnel and Queensboro Plaza Route).

Subdivision III. A two and three track elevated railroad beginning at or about the Queensboro Bridge Plaza and Jackson Avenue at the easterly end of Subdivision II above described where a connection can conveniently be made with Subdivision I of the Broadway-Fourth Avenue Line as described in a contract between the City and the New York Municipal Railway Corporation, and thence curving southeasterly over the Queensboro Bridge Plaza and crossing over Jackson Avenue to the Queens Boulevard; thence continuing southeasterly and easterly over and along the Queens Boulevard to a point at or near Gosman Avenue; thence curving northeasterly over Queens Boulevard to Greenpoint Avenue; thence continuing northeasterly over and along Greenpoint Avenue to Skillman Avenue; and thence continuing over and along Skillman Avenue to a point at or near Fifth Street where a connection can conveniently be made with Subdivision V hereinafter described (Fifty-ninth Street, Woodside and Astoria Route, Section 36-A).

Subdivision IV. A two and three track elevated railroad beginning at or about the Queensboro Bridge Plaza and Jackson Avenue at the easterly end of Subdivision II above described, where a connection can conveniently be made with Subdivision I of the Broadway-Fourth Avenue Line as described in a contract between the City and the New York Municipal Railway Corporation, and thence curving northeasterly over the Queensboro Bridge Plaza to a point in Jackson Avenue at or near Skillman Place; thence continuing northeasterly over and along Jackson Avenue to Second (formerly Debevoise) Avenue; and thence continuing northerly over and along Second Avenue to Ditmars Avenue (Fifty-ninth Street, Woodside and Astoria Route, Section 36-B).

Subdivision V. A two and three track elevated railroad beginning at a point in Skillman Avenue at or near Fifth Street at the easterly end of Subdivision III above described and thence extending in a general easterly direction over Skillman Avenue and Woodside Avenue to Roosevelt Avenue as the same is laid down on the map or plan of The City of New York, and thence continuing easterly over and along Roosevelt Avenue as laid down upon said map or plan to Sycamore Avenue (Roosevelt Avenue Route).

White Plains Road Line.

A two and three track elevated railroad beginning at a point in Boston Road in the Borough of The Bronx about halfway between East One Hundred and Seventy-eighth Street and East One Hundred and Seventy-ninth Street where a connection can conveniently be made with the Existing Railroad constructed under Contract No. 1, and thence extending over Boston Road, private property, East One Hundred and Seventy-ninth Street, Bronx Street, private property, the Bronx River, private property, Devoe Avenue, East One Hundred and Seventy-ninth Street and private property to a point in private property in the block bounded by Devoe Avenue, Lebanon Street, Bronx Park Avenue and East One Hundred and Seventy-ninth Street; thence continuing northeasterly over private property, Lebanon Street and private property to a point in Bronx Park Avenue between Lebanon Street and East One Hundred and Eightieth Street; thence curving northeasterly over Bronx Park Avenue and private property to a point in East One Hundred and Eightieth Street between Bronx Park Avenue and Morris Park Avenue; thence continuing still northeasterly over East One Hundred and Eightieth Street, private property, Adams Street, private property, Bronx Park Avenue and private property to a point in private property north of Bronx Park

Avenue between Bronx Park and the tracks of the New York, Westchester and Boston Railway; thence continuing northerly over private property between Bronx Park and the tracks of the New York, Westchester and Boston Railway to Unionport Road; thence continuing northerly over Unionport Road and private property to Birchall Avenue; thence continuing northerly over and along Birchall Avenue to White Plains Road; and thence continuing northerly over and along White Plains Road to its intersection with East Two Hundred and Forty-first Street or Becker Avenue (Boston Road and White Plains Road Connection; West Farms Road and White Plains Road Route).

Article V. The precise number and the general location of tracks and the dimensions and other characteristics of the Railroad are generally indicated on the contract drawings and plans which bear date the 25th day of January, 1913, are stamped with the seal of the Commission, signed by the Engineer, bear the general title "Contract Drawings, Contract between The City of New York and Interborough Rapid Transit Company, for New Rapid Transit Railroads," and are designated or numbered as follows:

Key Map—File No. 36, drawing No. 1.

Seventh Avenue-Lexington Avenue Line—File No. 36, drawings Nos. 2 to 64 inclusive.

White Plains Road Line—File No. 36, drawings Nos. 65 to 76 inclusive.

Eastern Parkway Line—File No. 36, drawings Nos. 77 to 101 inclusive.

Steinway Tunnel Line—File No. 36, drawings Nos. 102 to 122, inclusive, 126 to 131 inclusive.

Steinway Tunnel Line-Queensboro Plaza—File No. 36, drawings Nos. 159 and 160, and *Typical Drawings*—File No. 36, drawings Nos. 132 to 158 and No. 161 inclusive.

The Railroad is to be constructed generally in accordance with such contract drawings and plans and with the specifications (differing, however, so far as necessary to care for varying conditions) included in the form of contract adopted by the Commission on September 1, 1910, for the construction of the various sections of Subdivision I of the Lexington Avenue Branch. The station finish of the subway stations of the Railroad shall in general be similar to the station finish of the portion of the Fourth Avenue Subway already constructed by the City, and the station finish of the elevated stations of the Railroad shall in general be similar to the station finish of the Van Cortlandt Park Extension of the Existing Railroads. At such places as in the opinion of the Commission the public interests demand the elevated portion of the Railroad shall be constructed upon approved plans involving a more elaborate and ornamental structure with solid floor or such other construction as will in the opinion of the Commission most effectually prevent noise and tremor.

The routes and general plans of the various parts of the Railroad as heretofore adopted by the Commission shall be deemed to be incorporated in this contract as a partial description of the Railroad and its Equipment.

Article VI. The Commission reserves the right during the progress of the work of construction to make such modifications, alterations or revisions of the plans or changes in the specifications (within, however, the purview of a rapid transit railroad as described in the routes and general plans of the various parts of the Railroad) as may in the judgment of the Commission be found necessary to best serve the public interests.

CHAPTER III—Construction of the Railroad.

Article VII. The Railroad (exclusive of the Steinway Tunnel) will be constructed by the City under separate construction contracts and the Lessee will contribute toward the cost of construction thereof as hereinafter provided and as soon as any part or parts are ready for equipment will equip the same.

Article VIII. The City agrees upon the terms and conditions hereinafter set forth to construct the Railroad (including, from time to time as may be necessary, terminals, storage yards and shops sufficient with the terminals, storage yards and shops forming part of the Existing Railroads to accommodate and care for the ultimate Equipment as defined in Chapter II of Part Second) with reasonable diligence; provided, however, that as to the following routes forming part of the Railroad this contract is upon the condition that it shall not become operative or go into effect as to such of the following routes as the City may be unable to acquire the right to construct by obtaining the consents required by the Rapid Transit Act. The routes referred to are as follows:

Park Avenue-Lexington Avenue Connection at Forty-second Street (Route No. 43) as laid out by the Commission by resolutions adopted on February 4, 1913.

Seventh Avenue Extension and Varick Street Route (Route No. 38) as laid out by the Commission by resolutions adopted on March 25, 1912.

149th Street and Mott Avenue Subway Connection (Route No. 27) as laid out by the Commission by resolutions adopted on May 17, 1912.

Nostrand Avenue Route as laid out by the Commission by resolutions adopted on March 3, 1911.

Steinway Tunnel, Times Square Extension (Route No. 35) as laid out by the Commission by resolutions adopted on March 25, 1912.

Steinway Tunnel and Queensboro Plaza Route (Route No. 50) as laid out by the Commission by resolutions adopted on May 20, 1912.

59th Street, Woodside and Astoria Route (Route No. 36) as laid out by the Commission on October 10, 1911.

Roosevelt Avenue Route (Route No. 37) as laid out by the Commission by resolutions adopted on October 10, 1911.

Boston Road and White Plains Road Connection (Route No. 44) as laid out by the Commission by resolutions adopted on May 20, 1912.

If such consents cannot be obtained for any route or routes referred to above, the Commission will, in lieu of such route or routes as to which such consents shall have been refused, adopt another route or routes as nearly similar thereto in location and extent as may be and endeavor to secure such consents for such substituted route or routes and the provisions of this contract as to the routes referred to above shall be applicable to such substituted routes.

Article IX. As one of the considerations moving to the City and upon the faith of which it makes this contract, the Lessee agrees to contribute toward the cost of construction of the Railroad. The amount of such contribution including all the items entering into the cost of construction as hereinbefore defined, shall in no case be less than Fifty-eight million (\$58,000,000) Dollars, unless the total cost of construction of the Railroad shall be less than One hundred and sixteen million (\$116,000,000) Dollars, in which event the amount of the Lessee's contribution shall be diminished by one-half the difference between One hundred and sixteen million (\$116,000,000) Dollars and the total cost of construction of the Railroad. If the cost of Equipment for Initial Operation in accordance with the provisions of this contract (including the cost of improvements on Existing Equipment for the purpose of providing for initial operation) shall be less than Twenty-two million (\$22,000,000) Dollars, then the difference between the cost of such equipment and Twenty-two million (\$22,000,000) Dollars, shall be added to the Lessee's contribution toward the cost of construction to the extent necessary to make the amount of such contribution equal one-half the cost of construction of the Railroad.

Such contribution (except such amounts as shall be expended on the items referred to in paragraphs (3), (5), (6) and (7) of the definition of cost of construction and specifically on such other items of cost of construction as may be approved by the Commission), shall be disbursed in the following manner and by the following method, but the actual application of the Lessee's contribution to particular parts of the Railroad through the method and manner of its disbursements as provided in this Article shall be without prejudice to the apportionment of such contribution to the several Lines of the Railroad for purposes of recaption in accordance with the provisions of Chapter VI of Part Third of this contract.

The forms of construction contracts, including specifications, involving the use of any part of the Lessee's contribution, together with the contract drawings therefor, will be prepared from time to time by the Commission.

The forms of such construction contracts shall be generally similar to those heretofore adopted by the Commission for the portion of Subdivision I of the Lexington Avenue Branch already under construction (differing so far as necessary to provide for varying conditions), except that the Lessee shall also be a party thereto for the purpose of disbursing its contribution toward the cost of construction. Each such contract shall specify an amount to be fixed by the Commission, beyond which the Lessee shall not be liable thereunder. Upon the adoption of the form of contract, together with the specifications and contract drawings, the Commission before advertising for proposals shall transmit a copy of the same to the Lessee and within ten (10) days after such receipt, or within such further time as the Commission may allow, the Lessee shall return the same to the Commission with its criticisms or suggestions. The Commission shall thereupon consider any such criticisms and suggestions and its decision thereon shall be final and binding upon the Lessee. Proposals

for making such contracts shall then be invited by the Commission in the form and manner required by Section 36 of the Rapid Transit Act.

As soon as such proposals are received the Commission will consider the same, but the Commission shall not be bound to accept any proposals so received, but may reject all such proposals and readvertise for proposals or may accept any of such proposals as will, in the judgment of the Commission, best promote the public interest, and award the contract accordingly. As soon as the contract is awarded, and consented to by the Board of Estimate, the Commission shall transmit to the Lessee three (3) identical originals of the form of contract duly executed by the contractor with its certificate setting forth its action in the premises and stating that the Lessee is required to enter into any such construction contract for the purpose of disbursing part of its contribution toward the cost of construction of the Railroad. The Lessee shall thereupon within a period of ten (10) days cause such form of contract to be duly executed and returned to the Commission for execution by it on behalf of the City and for delivery to the contractor. One such fully executed contract shall be delivered to the Lessee. The Commission shall thereupon undertake sole supervision and direction of the work under such contract.

In order to assist the construction contractor to prosecute his work advantageously, the Engineer shall from time to time, as the work progresses, but not oftener than once a month, make in writing an estimate in duplicate, such as in his opinion shall be just and fair, of the amount and value of the work done and materials incorporated in the work by the construction contractor according to the terms of his contract. The first such estimate shall be of the amount or value of the work done and materials incorporated in the work since the contractor commenced the performance of the contract on his part. Every subsequent estimate except the final estimate shall be of the amount and value of the work done and materials incorporated in the work since the last preceding estimate was made.

Upon each such estimate being made and certified in writing to the Commission, the Commission shall forthwith prepare and certify a voucher for payment by the Lessee for the proportion of the amount stated in such estimate or certificate, that the amount of the Lessee's maximum liability under such contract shall bear to the total estimated cost to the City and to the Lessee under such contract, less the same proportion of such part thereof as may be retained as security for the due performance of the contract on the part of the contractor under the provisions of the construction contract. The Commission shall thereupon transmit such voucher accompanied by a duplicate original of such estimate to the Lessee for payment and the Lessee within thirty (30) days after the receipt of such voucher shall pay the same to the construction contractor.

Whenever in the opinion of the Engineer the contractor shall have completely performed all work under his contract, the Engineer shall so certify in writing and in duplicate to the Commission and in his certificate shall state from actual measurements the whole amount of work done by the contractor and the value of such work under and according to the terms of the construction contract and also the balance remaining of the maximum amount for which the Lessee is liable under such contract after deducting all such sums as shall theretofore have been paid by the Lessee to the contractor under the provisions of such contract and any other sum or sums which the Engineer shall state in such certificate should be deducted. Upon each such certificate the Commission shall forthwith prepare and certify the final voucher for payment by the Lessee of the balance remaining of such maximum amount, or of so much thereof as may be certified by the Engineer, and transmit the same accompanied by the duplicate original of such final certificate to the Lessee. On or before the expiration of ninety (90) days after the receipt of such voucher and certificate, the Lessee shall pay to the contractor the balance remaining unpaid of such maximum amount as stated in such voucher and certificate.

Article X. The Lessee agrees to construct a railway upon the route (or upon a portion of such route) adopted by the Commission on the 2d day of November, 1910, and known as the "Steinway Tunnel Route." The railway so to be constructed is indicated on, and shall be constructed in accordance with, the contract drawings and plans which bear date the 25th day of January, 1913, are stamped with the seal of the Commission, signed by the Engineer, bear the general title: "Steinway Tunnel Route," and are designated or numbered as follows: Nos. A1-4, inclusive, and C1-9, inclusive. The sum of three million (\$3,000,000) dollars of the amount to be contributed by the Lessee toward the cost of construction of the Railroad shall be contributed by the following method and in the following manner: The Lessee shall at its own expense procure the assignment to it, in form to be approved by the Commission, of the railway, known as the "Steinway Tunnel," partially constructed by or on account of the New York and Long Island Railroad Company, upon a portion of said Steinway Tunnel Route together with all surviving franchises, consents, permits and property connected therewith (excluding any property not necessary to the construction, equipment, maintenance or operation of such railway) that may be vested in or held by the trustees of the said New York and Long Island Railroad Company, including all survey notes, level notes, field records and all construction and equipment records of whatsoever character. The Lessee shall also obtain the permission of the Mayor of the City and of the Commission to such assignment. The Commission will give such permission when and as the form of assignment is approved. When and as so assigned the said Steinway Tunnel, to the extent that it shall be so then completed, shall be deemed to have been constructed under and pursuant to the terms of this contract. Within thirty (30) days after the delivery of such assignment, the Lessee shall, subject to the provision as to taxes hereinafter contained, assign all rights acquired by the assignment hereinbefore referred to, to the City by an instrument to be approved as to form by the Corporation Counsel and as to substance by the Commission and to be delivered to the Board of Estimate on behalf of the City. Upon the execution and delivery of such assignment to the City, the Lessee shall thereby be deemed to have contributed such sum of three million (\$3,000,000) dollars toward the cost of construction of the Railroad and such Steinway Tunnel so acquired shall be deemed to have been constructed for and at the expense of the City.

It is the intention of the parties that the above assignment shall be free and clear of all taxes now or hereafter on said tunnel railway and the Lessee undertakes as one of the obligations of this contract to pay (under protest if the Lessee so desires) or otherwise to procure the discharge thereof, before assignment to the City. But the Lessee and the Trustees of the New York and Long Island Railroad Company shall have the right to contest such taxes provided, however, that such assignment or the provisions of this contract shall not be availed of in contesting such taxes, nor shall the rights of the City, the Lessee or the Trustees with respect thereto be in any way affected by such assignment. Such taxes shall not be charged to cost of construction under this contract.

Article XI. The fixation of the amounts for which the Lessee shall be liable under the construction contracts shall, so far as practicable, be so arranged that at all times the City's and the Lessee's share of the cost of construction of the Railroad then completed or under contract shall be substantially the same.

As the City has already entered into contracts for the greater part of the Lexington Avenue Branch with an aggregate liability therefor of about thirty million (\$30,000,000) dollars, the Lessee accepts such contracts as part of the City's share of the cost of construction of the Railroad and agrees that the Commission shall so fix the amount for which the Lessee shall be liable under the construction contracts as to bring its contribution including the sum of Three million dollars (\$3,000,000) for the construction of the Steinway Tunnel and including estimated expenditures on the items referred to in paragraphs (3), (5), (6) and (7) of definition of the cost of construction as rapidly as may be up to a level with that of the City.

Article XII. It is expressly agreed that the contribution of the Lessee to or toward the cost of construction of the Railroad for initial operation shall not exceed the amount specified in Article IX. If, after such contribution shall have been exhausted, there shall accrue any valid claim against the Lessee in connection therewith, whether by reason of outstanding contracts or otherwise, the City shall on demand of the Lessee promptly settle and pay such claim or claims. If the City shall not promptly settle and pay such claim or claims the Lessee, in addition to its other remedies, shall be entitled to deduct the amount thereof with interest from any moneys coming due to the City under the terms of this contract.

Article XIII. The total aggregate amount paid by the Lessee under such construction contracts, together with the amount contributed on account of the Steinway Tunnel and the amounts expended on the items referred to in paragraphs (3), (5), (6) and (7) of the definition of cost of construction and such other amounts as may be expended by the Lessee, with the approval of the Commission, shall constitute the Lessee's contribution towards the cost of construction of the Railroad. Pending the final determination of the amount to be paid by the Lessee under such construction contracts, the Lessee shall not be called upon to enter into such construction con-

tracts, under which its aggregate maximum liability (as specified therein), together with the other items of its contribution (accrued or estimated) shall exceed its maximum contribution as herein specified.

Article XIV. For the purpose of constructing or operating the Railroad and also Additions and Extensions, the City will acquire by conveyance or grant to the City to be delivered to the Commission and to contain such terms, conditions, provisos and limitations as the Commission shall deem proper or by condemnation or other legal or other proceedings, any real estate and any rights, terms, interests therein, any and all rights, privileges, franchises and easements, whether of owners or abutters, or others to interfere with the construction or operation of the Railroad or to recover damages therefor, which, in the opinion of the Commission, it shall be necessary to acquire or extinguish for the purpose of constructing and operating the Railroad and also Additions and Extensions free of interference or right of interference.

The City hereby assigns to the Lessee a certain indenture dated the 7th day of January, 1913, between Abraham Siegel and Rachel Siegel and the City, acting by the Commission, providing for an entrance to the station at 59th Street and Lexington Avenue in the Borough of Manhattan on the Lexington Avenue Branch through property at the southwest corner of Lexington Avenue and 60th Street and all its rights under said indenture, and the Lessee hereby accepts such assignment, such assignment to continue in effect until the expiration or earlier termination of the Contract as to the Lexington Avenue Branch. The City shall execute such further instruments to carry out the provisions of this paragraph as the Lessee may reasonably require.

Article XV. The City hereby stipulates and covenants to and with the Lessee that the City will secure and assure to the Lessee, so long as the Lessee shall perform the stipulations of this contract, the right to equip and operate the Railroad (except such route or routes for which consents shall not have been obtained as set forth in Article VIII hereof but including such substitute route or routes as and when the necessary consents thereto have been obtained) as prescribed in this contract, free of all right, claim or other interference, whether by injunction, suit for damages, or otherwise, on the part of any owner, abutting owner, or other person; but not including any interference, legal or otherwise, by patentees or persons claiming to be patentees of tools, methods or appliances forming part of the Equipment. Provided, however, that the Lessee shall enforce its rights against the City under this provision solely by claim for money (including a claim for credit on account of the Lessee's contribution toward the cost of construction) or by injunction, mandamus, certiorari or action for specific performance. Nothing herein contained shall be construed to require the Lessee to do any act in violation of a valid injunction issued by a Court of competent jurisdiction forbidding such act.

Article XVI. In case the Lessee shall fail to contribute toward the cost of construction of, or to equip, the Railroad, as in this contract provided

(1) The Commission upon notice to the Lessee of not less than thirty (30) days, provided the default be not made good within such period or within such further time as may be allowed by the Commission, may

(a) By resolution declare the Lessee to be in default; and the City, by the Commission, in addition to every other, or in substitution for any other, remedy which it may have by law or hereunder, may thereupon forthwith procure by contract or otherwise, as the Commission shall determine, the completion of such part or parts of the Railroad as it may intend to construct with the Lessee's contribution and the completion of such Equipment. To that end the City, by the Commission, may require the Lessee to operate such part of the Railroad as may be constructed, in connection with the Existing Railroads and to pool the receipts of such portion of the Railroad and of the Existing Railroads as provided in Article XLIX, subject, however, to the application of certain of the payments provided for in Article XLIX to the purposes hereinafter set forth. The City, by the Commission, may require that such amounts out of the payments to be made to the Lessee as provided in Article XLIX as shall not be necessary to pay interest and amortization payments upon bonds or other evidences of indebtedness issued by the Lessee, shall be applied toward the performance and completion of the Lessee's obligations in respect of such contribution and such equipment; or the City, by the Commission, may either or both before and after the beginning of operation as aforesaid contract for the completion of such construction and such equipment and reimburse itself from the amounts aforesaid; or the City, by the Commission, may do partly one thing and partly the other. In any case, in addition, the City shall be entitled out of such profits or otherwise to receive the amount of the damages (as agreed upon by the Commission and the Lessee or if not agreed upon then as determined by arbitration or by the court) that may have been suffered by the City by reason of such failure unless the payment of such damages is made from other sources. Or

(b) By resolution declare the contract at an end, in which event the City shall pay to the Lessee the cost of any construction paid for by such portion of the Lessee's contribution as may have been then contributed and the cost of any Equipment that may have been provided, deducting therefrom the amount of the damages (as agreed upon by the Commission and the Lessee or if not agreed upon then as determined by arbitration or by the court) that may have been suffered by the City by reason of such failure unless the payment of such damages is made from other sources. Or

(2) The City may also proceed as the Commission shall deem proper upon any security filed or deposited as provided in Chapter IV of this Part. Or

(3) The Commission may bring any suit or proceeding for specific performance or for injunction or to recover damages or to obtain any relief or for any purpose proper under this contract. Or

(4) The City may avail itself of each and every remedy herein specifically given to the City or, subject to the foregoing provisions of this Article, now or hereafter existing at law or in equity or by statute, and, subject as aforesaid, each and every such remedy shall be in addition to every other remedy so specifically given or otherwise existing and may be exercised from time to time and as often and in such order as may be deemed expedient by the Commission, and the exercise, or the beginning of the exercise, of one remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other remedy, except that no two inconsistent remedies shall be exercised at the same time.

Chapter IV—Security.

Article XVII. Within thirty (30) days after the execution of this contract the Lessee shall give security for the performance of its obligations as follows:

1.

By depositing with the Comptroller the sum of one million dollars (\$1,000,000) in cash or in value of securities as the Lessee may elect. If securities be deposited they shall be securities of which a schedule entitled "Schedule of Contribution and Equipment Securities" shall have been previously submitted to, and approved by the Commission in writing. The Commission will give its approval when satisfied as to the character and value of such securities. The amount of said deposit shall be included in the first of the annual estimates of cash requirements provided for in paragraph seven (7) of the definition of cost of construction and in paragraph (6) of the definition of cost of equipment.

The said deposit whether in cash or securities, in the form and as the same shall at any time be, shall be security for the faithful performance by the Lessee of all the covenants, conditions and requirements specified and provided for in respect of the Lessee's contribution toward the cost of construction of the Railroad and in respect of the Lessee's obligation to equip the Railroad for initial operation. In case of any default on the part of the Lessee in such performance then the Comptroller shall forthwith pay or apply to the use of the City the said deposit in cash or securities or so much thereof as may be necessary to reimburse the City for any damages incurred by reason of such default.

Whenever there shall have been expended one-quarter ($\frac{1}{4}$) of the Lessee's contribution toward the cost of construction and one-quarter ($\frac{1}{4}$) of the estimated cost of equipment of the Railroad for initial operation, the Commission shall so certify in writing and in duplicate, one such certificate to be delivered to the Lessee and one to the Comptroller and upon receipt of such certificate the Comptroller shall forthwith pay or deliver to the Lessee one-quarter ($\frac{1}{4}$) of said deposit or so much thereof as shall not have been reserved or used or applied for any of the purposes in this chapter mentioned with respect to the Lessee's obligation to contribute toward the cost of construction and to equip the Railroad. Similarly, when and as there shall have been expended other quarter parts of said amount and of the cost of equipment, the Commission shall so certify in duplicate as aforesaid and upon receipt of such certificate the Comptroller shall forthwith pay or deliver to the Lessee a quarter part of said deposit or so much thereof as shall not have been reserved or used or applied for any of the said purposes in this chapter mentioned.

By filing with the Comptroller a bond in due form executed by the Lessee and by two or more securities being corporations or persons approved by the Commission,

in the sum of one million dollars (\$1,000,000), the said bond to be substantially in the form hereto annexed and entitled "Bond for Contribution, Equipment, Maintenance and Operation." Such bond (or cash or securities deposited in lieu thereof as herein-after provided) in the form and as the same shall at any time be, shall be security for the faithful performance by the Lessee of all the covenants, conditions and requirements specified and provided for in this contract. The Lessee shall only be entitled to the return of said bond (or deposit) upon the termination of the Lease. The premiums on such bond paid or accrued prior to the commencement of the Lease shall be treated as part of the Lessee's contribution toward the cost of construction and as part of the cost of equipment, and the premium on such bond and also on the continuing bonds under Contract No. 1 and Contract No. 2 accruing during the term of the Lease shall be included in the expenses of operation.

Article XVIII. In case any of the sureties upon the Bond for Contribution, Equipment, Maintenance and Operation shall become insolvent or unable in the opinion of the Commission to pay promptly the amount of such bond to the extent to which such surety might be liable, then the Lessee, within thirty (30) days after notice by the Commission to the Lessee, shall, by supplemental bond or otherwise, substitute another and sufficient surety to be approved by the Commission in place of the surety so insolvent or unable. If the Lessee shall fail, within such thirty (30) days or such further time as the Commission may grant, to substitute another and sufficient surety, then the Lessee shall, if the Commission so elects, for all the purposes of this contract, be deemed to be in default in the performance of its obligations hereunder and upon the said bond.

Article XIX. In lieu of the said bond the Lessee may, upon the approval of the Commission, deposit with the Comptroller of the City cash equal in amount to the entire amount of the said bond or securities which are lawful for the investment of the funds of savings banks within the State of New York and are worth not less than the entire amount of such bond. If such bond shall have been given then after the deposit of cash and securities in lieu thereof as aforesaid, and the approval thereof by the Commission, the said bond shall be surrendered by the City to the Lessee duly cancelled by the Comptroller. If securities deposited they shall be securities of which a schedule entitled "Schedule of Continuing Securities" shall have been previously submitted to, and approved by, the Commission in writing. The Commission will give its approval thereto when satisfied as to the character and value of such securities.

In case of any default on the part of the Lessee in such performance, and in the further case that the City shall for or by reason of such default, whether by reason of employment of another lessee or lessees or otherwise, incur or become liable for expense through such default as in this contract provided, then the Comptroller shall forthwith pay or apply to the use of the City the amount of such expense out of the said deposit in cash or securities or out of the portion of the deposit remaining at the time.

Article XX. Any cash or securities that may be deposited under the terms of this contract shall be held by the City subject to the following provisions:

(a) In case any of the securities shall, in the opinion of the Commission, at any time cease to be of the character of securities in which the savings banks of the State of New York are then authorized by law to invest moneys, or shall, in the opinion of the Commission, at any time become of less value than the value stated for it or them in the said schedule, then within thirty (30) days after notice to the Lessee of the objection of the Commission the Lessee shall either substitute therefor securities which shall be approved by the Commission as of the character aforesaid and as being of at least the value of the former securities to which the Commission shall have objected as such value was originally stated in the said schedule, or shall deposit with the Comptroller in cash the amount of such value of such former securities as so originally stated. In case the Lessee shall not within such thirty (30) days substitute such new securities or deposit cash as aforesaid, it shall, if the Commission so elects, be deemed to be in default in the performance of its obligations under this contract. The securities so objected to shall upon such substitution of securities or deposit of cash in lieu thereof be returned to the Lessee.

(b) If and as the Commission shall consent, and the law permits, the Lessee may, from time to time, substitute cash for securities or securities of the character aforesaid for cash, but always so that the total amount and value of the deposit shall not be reduced.

(c) The Lessee shall be entitled to receive, when and as received by the City, a sum which shall be equal to the interest, dividends or other income which the City shall receive from such securities (if securities be deposited), or to receive, not oftener than semi-annually, a sum which shall be equal to the interest on said deposit (if made in cash) at a rate not exceeding the highest rate of interest received by the City on the deposit of its funds with banks during the period for which such interest has run and which shall be determined as follows: Such deposit so made by the Lessee (if made in cash) shall be deposited by the Comptroller in an account or accounts in a duly designated city depository or depositories, separate and apart from other city moneys so that the exact interest earned upon the deposit may be ascertained. It is further agreed that no claim, upon any ground, shall at any time be made by the Lessee for or on account of or because of not being credited with extra or additional interests over that so actually earned upon such deposit or deposits. If, however, any of the cash or securities so deposited shall have been used or applied for any of the purposes mentioned herein then the Lessee shall not be entitled to interest or other return on the amount of cash or securities so applied from the time of such application.

(d) The Comptroller shall, upon the requirement of the Commission, in order to make any payment or application to the use of the City, sell at public auction in New York any of the securities which may then constitute part of such deposit upon notice to the Lessee and upon notice to be published in three daily newspapers, the first publication to be as much as ten days before the sale and such publication to be made three times within such ten days. Any such sale shall be adjourned from time to time if requested by the Commission. The Comptroller shall, upon the requirement of the Commission, deduct from the proceeds of any such sale, all expenses thereof and of such advertisement, and pay and apply to the use of the City so much of the residue of such proceeds as may be necessary for the purpose aforesaid. And the Lessee within ten days after notice from the Commission so to do shall (unless the time be extended by the Commission) by further deposit according to the requirement of the Commission, of money or securities of the character aforesaid approved by the Commission, restore the said deposit with the Comptroller to the full amount originally required. In addition to, or in lieu of, the sale above provided for, the Commission may, in the name of and in behalf of the City, bring any appropriate suit or proceedings in any proper court to enforce the lien and claim of the City in and upon the said deposit, whether such deposit be in money or securities.

(e) If at any time when the Lessee shall otherwise be entitled to a return of the said deposit, there shall be pending any claim for damages or loss caused to others by the Lessee under this contract, (other than claims against which the City assures the Lessee by this contract) for which it shall be claimed that the City shall be liable, then and in that case the said deposit, or such part thereof as the Commission shall prescribe, shall, upon the requirement of the Commission, be reserved by the Comptroller for a reasonable time as security to the City against such claims.

Chapter V—Supervision, Inspection and Determination of Cost.

Article XXI. Inasmuch as the City's return from its investment in the Railroad and its exercise of its right to take over the Railroad as provided in the Lease will be affected by the amount of the Lessee's expenditures on account of its contribution toward the cost of construction of the Railroad and the cost of equipping the Railroad and of maintaining and operating the Railroad and the Existing Railroads, the Lessee shall strictly comply with the provisions hereof for assuring to the Commission supervision by it of all operations of the Lessee. The Lessee shall, therefore, in addition to providing facilities for inspection as hereinafter provided, provide the Commission with all facilities necessary or convenient to afford the Commission full and complete supervision of all operations of the Lessee in or about the enterprise of contributing to the cost of construction of the Railroad and of equipping the Railroad and of maintaining and operating the Railroad and the Existing Railroads. The Lessee and any construction or supply company controlled by the Lessee or by any company directly or indirectly controlling the Lessee or affiliated with the Lessee, shall keep suitable and proper books, records and memoranda of all operations with contractors, bankers, or persons furnishing labor, material, money or supplies and all contracts directly or indirectly affecting the Lessee's contribution toward the cost of construction of the Railroad or the cost of equipment and directly or indirectly affecting the maintenance or operation of the Railroad and the Existing Railroads, showing in detail such cost to the Lessee, or to any such construction company, including any Additions constructed or provided from time to time, and shall afford access to and

permit the examination, use and production of any such books, records, memoranda or contracts to the extent that the same have to do therewith.

Article XXII. The Lessee shall (except in such cases where permission to do otherwise is expressly granted from time to time by the Commission by a resolution entered in its minutes) before entering into any contract, agreement, mortgage or undertaking having to do with the enterprise of contributing toward the cost of construction of the Railroad or equipping the Railroad, submit the same to the Commission for its approval and the Commission may as a condition of its approval require the insertion of such terms and conditions therein as it may deem necessary. The Commission may further require the Lessee before entering into any agreement having to do with the enterprise of contributing toward the cost of construction of the Railroad or equipping the Railroad to ask for proposals upon forms of contracts satisfactory to the Commission, in a specific manner and for a specified time.

Article XXIII. Any contract, agreement or undertaking having to do with the maintenance or operation of the Railroad and the Existing Railroads extending beyond a period of one year or involving an expenditure in excess of Fifty thousand (\$50,000) Dollars (and any other contract, agreement or undertaking having to do with the maintenance or operation of the Railroad and the Existing Railroads, which the Lessee shall desire to make subject to the approval of the Commission) shall be entered into by the Lessee subject to the approval of the Commission which approval shall be evidenced by entries in its minutes. Any payments made under any such contract so approved by the Commission shall not be subject to objection under Article XXVII unless the payments thereunder shall not be in accordance with the terms of such contract. The provisions of this Article shall also apply to all contracts, agreements or undertakings of the character specified above entered into after the date hereof which are to continue in force after the beginning of initial operation.

No contract, agreement or undertaking affecting the maintenance or operation of the Railroad or Existing Railroads (except mortgages, assignments, leases, trackage agreements, power and advertising contracts, agreements amending or supplementing this contract, and contracts, agreements or undertakings amending, supplementing or extending any such instruments) shall extend over a period in excess of five (5) years.

Article XXIV. The Commission may, whenever it deems advisable, establish a system of accounts to be used by the Lessee in connection with the construction, equipment, maintenance and operation of the Railroad and the Existing Railroads and may prescribe the manner in which such accounts shall be kept. It may also in its discretion prescribe the forms of accounts, records and memoranda to be kept by the Lessee in connection with such enterprise, including the accounts, records and memoranda of the movements of traffic as well as the receipts and expenditures of moneys. Reasonable notice of alterations by the Commission in the required method or form of keeping a system of accounts shall be given to the Lessee by the Commission. The Commission shall at all times have access to all such accounts, records and memoranda kept by the Lessee and may designate any of its officers or employees who shall thereupon have authority under the order of the Commission to inspect and examine any and all such accounts, records and memoranda kept by the Lessee. The Commission may, after hearing, prescribe by order the accounts in which particular outlays and receipts shall be entered, charged or credited.

Article XXV. The Commission may from time to time adopt regulations, (which shall be evidenced by entries in its minutes) which the Lessee shall strictly comply with, as to the form of all vouchers and payrolls having to do with the enterprise of contributing toward the cost of construction of the Railroad and of equipping the Railroad and of maintaining and operating the Railroad and the Existing Railroads, to the end that the cost data relating to various divisions of the enterprise of contributing toward the cost of construction of the Railroad and of equipping the Railroad and of maintaining and operating the Railroad and the Existing Railroads can, at all times, be promptly and accurately determined and the property identified.

Article XXVI. No payment, credit, compensation or concession of whatsoever character having in any way to do with the cost of construction or the cost of equipment shall be determined to be part of the cost of construction or the cost of equipment unless the Lessee upon making such payment, credit, compensation or concession shall forthwith file with the Commission a duplicate voucher, credit slip or other original evidence thereof. The Commission may from time to time (by resolution evidenced by entries in its minutes) relieve the Lessee from the obligation to file such vouchers, credit slips or other original evidences to such extent as it may deem advisable.

Article XXVII. The Commission may object to any expenditure, as unreasonable or improper, made or to be made by the Lessee in connection with maintaining and operating the Railroad and the Existing Railroads by notice thereof to the Lessee. If the objection by the Commission refers to an expenditure already made, the Lessee forthwith upon receipt of notice shall remove the amount from the account or accounts to which it had been charged and hold the same in a suspense account until the item in dispute is adjudicated. If the objection refers to an expenditure to be made, the Lessee, if it make such expenditure, shall charge to and hold the same in a suspense account until the item in dispute is adjudicated. In case the Commission and the Lessee are unable within five (5) days, Saturdays, Sundays and Holidays excepted) after the delivery of such notice to agree upon the reasonableness and propriety of such expenditure, the same shall be determined by arbitration or by the court. Such arbitration shall be conducted in accordance with the provisions of Chapter VI of Part First except that the periods for the appointment of arbitrators as therein prescribed shall for the purposes of all arbitrations under this article be reduced to five (5) days, Saturdays, Sundays and Holidays excepted. Such notice of objection shall be given by the Commission within thirty (30) days after the Commission has become cognizant of such expenditure unless satisfactory reasons are given for any delay. Any such delay shall not excuse the Lessee from complying with the provisions hereof in respect of the money to be held in suspense, but such delay may be set up by the Lessee as a defense to the objection, and the adequacy of the reason given for such delay shall be determined by arbitration or by the court. If it be agreed by the Commission and the Lessee or determined by arbitration or by the court that the expenditure so objected to is reasonable and proper, the amount thereof shall be charged to operating expenses or to such other account as may be proper and the interest, if any, thereon, shall be charged against the interest revenue. If, on the other hand, it be so agreed or so determined that such expenditure is unreasonable or improper, the amount thereof with interest shall be borne by the Lessee. Similarly, if any such expenditure shall be so agreed or so determined to be unreasonable or improper in part, the charges for such parts shall be adjusted in the same manner as the charges for the whole amounts as hereinbefore provided.

Article XXVIII. The Commission contemplates, and the Lessee hereby approves the most thorough and minute inspection by the Commission and the Engineer, and by their representatives or subordinates, of all work and materials (and of the manufacture or preparation of such materials) entering into the Equipment. The Lessee shall, therefore, at all times give to the Commission and its members, to the Engineer and his assistants and subordinates, and to any person designated by the Commission or its Chairman, all facilities, whether necessary or convenient, for inspecting the materials to be furnished and the work to be done in and about the Equipment under this contract. The members of the Commission, the Engineer and any assistant or other person bearing his authorization or the authorization of the Commission or its Chairman, shall be admitted at any time summarily and without delay to any part of the work or to the inspection of materials at any place or stage of their manufacture, preparation, shipment or delivery.

Article XXIX. The cost of construction and the cost of equipment shall be determined as follows: The Engineer shall within six months after the date of this contract render a determination in writing in duplicate to the Commission and to the Lessee of the cost of construction and of the cost of equipment paid or accrued prior to the date of this contract. In the case of all work done after the date of this contract, the Engineer shall, on or about the first days of January, April, July and October, in each year during construction or the provision of Equipment (including the Construction or provision of Additions to the Railroad or to the Equipment), render a determination in writing, in duplicate, to the Commission and to the Lessee of the cost of construction and of the cost of equipment to the date of the last day of the last preceding quarter, including therein separately a determination of the cost of construction and the cost of equipment during the quarter year immediately preceding the date of such determination. If either the Commission or the Lessee shall be dissatisfied with the determination of the cost of construction or cost of equipment paid or accrued prior to the date of this contract or shall be dissatisfied with any such quarterly determination or any item or items thereof it shall within thirty (30) days after the receipt of any such determination file with the Engineer a statement in writing of the item or items objected to and the reasons for such objection. If within

such period of thirty (30) days the Commission or the Lessee shall fail to file such statement with the Engineer, the determination shall be final and conclusive upon the party so failing. If such statement of objections be so filed with respect to the determination of the cost of construction or the cost of equipment paid or accrued prior to the date of this contract, the Engineer shall thereupon reconsider such determination, or any such item or items thereof, so objected to, and shall, within thirty (30) days after the filing of such statement, render a redetermination stating his conclusions as to the items so objected to. If such statement of objections be so filed with respect to any quarterly determination the Engineer shall thereupon reconsider such determination, or any item or items thereof, so objected to and shall state his conclusions thereon, in, or at the time of, his determination for the quarter year succeeding the quarter year for which the determination so objected to was made. Any such redetermination shall be final and conclusive unless the Commission or the Lessee shall within thirty (30) days after its receipt of such redetermination give written notice to the other that it requires the same to be submitted to arbitration or the court as hereinafter provided. In the case of Additions, the Engineer shall, in the same manner and subject to the same review as is provided in the case of determinations as to cost, determine the respective dates at which Additions are put into operation. Any period of time specified in this Article may be extended with the written consent of the Commission and the Lessee.

Chapter VI—Arbitration.

Article XXX. If the commission or the Lessee shall desire to submit to arbitration any matter of difference arising under any provision of this contract in respect of which it is therein provided an arbitration may be had, then such matter of difference may be submitted to arbitration. Such arbitration shall be conducted as follows: Either the City, acting by the Commission, or the Lessee, may give written notice to the other that it requires the matter arising hereunder to be submitted to arbitration, and shall at the same time name a disinterested person as an arbitrator, and accompany the notice by a written acceptance by the arbitrator of the nomination. Within thirty (30) days after the receipt of such notice, the party receiving the same shall name a disinterested person as an arbitrator, and give written notice of such nomination to the other party, the notice to be accompanied by a written acceptance by the arbitrator of the nomination. If the party to whom notice of arbitration is given shall not so nominate an arbitrator, who shall so accept, then the arbitrator named by the party giving the first notice shall be the sole arbitrator. The Commission and the Lessee shall upon the nomination of the second arbitrator select a third arbitrator; but if they fail to agree upon such third arbitrator within thirty (30) days after the date of the nomination of the second arbitrator nominated, the third arbitrator shall be nominated by the Chief Judge of the Court of Appeals of the State of New York; or if within fifteen (15) days after being requested by either the Commission or the Lessee to make such nomination, the said Chief Judge shall decline or fail to make a nomination, then an arbitrator shall be nominated, upon the request of the Commission or the Lessee and within a period of fifteen (15) days by any Associate Judge of said Court of Appeals in order of seniority; or if within such periods the said Judges shall decline or fail to make a nomination, then the third arbitrator shall be nominated by the President or Acting President for the time being of the Chamber of Commerce of the State of New York. The arbitrators shall hear the parties and their counsel or any statements or evidence which the parties or either of them desire to submit. The failure to give the notice provided for in Article XXIX shall not preclude the party failing to give such notice from setting up counterclaims growing out of or incident to the matter as to which the other party shall have given such notice. Either party may, upon two (2) days' notice (Saturdays, Sundays and Holidays excepted) to the other, bring on the subject in dispute for hearing before the arbitrators. Within thirty (30) days after such hearing commences, unless such time shall be extended for good cause by written order of the arbitrators or a majority of them, the arbitrators shall make their determination in writing in duplicate, one to be delivered to the Commission and the other to the Lessee. In case any vacancy shall at any time occur by reason of the death, resignation or inability to serve of any arbitrator, his successor shall be nominated in the same manner and within the same times (during which times the other periods of time prescribed for or in the course of the arbitration shall be suspended), as above provided for in case of the original nomination of such arbitrator and in case the successor arbitrator shall not be nominated within such times the remaining arbitrator or arbitrators shall be the sole arbitrator or arbitrators. Any determination by a majority of the arbitrators shall be final and conclusive. Every such arbitrator shall be deemed to be employed both by the City and the Lessee. The fees and expenses of the arbitrators (including necessary expenses for stenographic and clerical services,) and the expenses of the parties shall be assessed as the arbitrators consider equitable and as they direct in their award, but such assessments so made shall not be charged to cost of construction, cost of equipment or to operating expenses. Every such arbitrator shall, before proceeding to consider the matter, be sworn as nearly as may be in the same manner as referees in actions at law are required to be sworn.

Provided, however, that if in any case, or for any reason an arbitration cannot validly be had as aforesaid, then the City or the Lessee, if in no way responsible for the failure of the arbitration, may bring such action, suit or proceeding as either of them may be advised for the purpose of determining any of the matters for which an arbitration is herein provided.

Chapter VII—Miscellaneous.

Article XXXI. No correction or change in this contract shall be made except by written instrument duly authorized by the Commission, and approved by the Board of Estimate and consented to by the Lessee, and by the sureties upon its bond; but this provision shall not limit or affect the right to prescribe variations whether of construction or location of route as provided in Articles VI and VIII.

Article XXXII. No claim shall be made by the Lessee against any member or members of the Commission or the Board of Estimate or by the City against any officer or director of the Lessee personally by reason of this contract or of any of its articles or provisions.

Article XXXIII. This contract shall not be assigned, sublet or mortgaged without the written consent of the Commission.

Article XXXIV. The provisions of Articles XVI, XXII, XXIII, XXIV, XXV, XXIX, LXVII, LXX and LXXXIX (wherein no review by arbitration is provided) shall not deprive the Lessee of any right it may have to review the action of the Commission thereunder by suit for injunction or by any other proper action, suit or proceeding.

Article XXXV. It is the intent and understanding of the parties to this agreement that each and every provision of law now required to be inserted in this contract should be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is to be deemed to be inserted herein; and if, through mistake or otherwise, any such provision is omitted or is not inserted in correct form, then the contract shall forthwith, upon the application of either party, be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of either party hereunder.

Article XXXVI. If this contract contains any unlawful provision not an essential part of the general structure of the contract and which shall not appear to have been a controlling or very material inducement to the making thereof the same shall be deemed of no effect, and shall upon the application of either party be stricken from the contract without affecting the binding force of the contract as it shall remain after omitting such provision.

Article XXXVII. In so far as this contract affects or modifies the provisions of Contract No. 1 and Contract No. 2, it shall not become effective unless and until consented to in writing by the sureties upon the bonds outstanding under those contracts.

PART SECOND—EQUIPMENT PROVISIONS.

Chapter I—Lessee to Provide Equipment.

Article XXXVIII. The Lessee shall, at its own expense, provide a complete equipment of the Railroad and when and as provided or delivered on the Railroad and accepted by the Commission the title to the Equipment shall immediately and without further assignment vest in the City. The Lessee shall at all times during the term of this contract keep upon the Railroad cars, motors and other equipment which (together with the Existing Equipment) shall be adequate to the requirements of the traveling public. Nothing in this Article, however, shall preclude the Lessee from disposing of any part of the Equipment when necessary for purposes of replacement, substitution or renewal, nor shall anything in this Article preclude the Lessee, with the approval of the Commission, from disposing of any part of the Equipment no longer necessary, provided, however, that in the latter case the Lessee shall make equitable

adjustments of the amounts received on such disposal and of any parts of the funds provided from the revenue applicable to the parts so disposed of, and in case the Commission and the Lessee are unable to agree upon such adjustment the same shall be determined by arbitration or by the court.

It is the expectation of the parties that through the utilization of the power house, substations and other electrical equipment forming part of the Existing Equipment adequate power will be afforded for the operation of the Railroad (including Additions) without the construction of additional power houses. In furtherance of this purpose the Lessee may improve, reconstruct, modify or change the power houses, substations and other electrical equipment forming part of the Existing Equipment and include such improvements, reconstructions, modifications or changes in Equipment to be furnished under this contract.

Article XXXIX. The Equipment provided for initial operation shall be of the best character known to the art of urban railway operation and in accordance with the specifications contained in Chapter II of this Part. After the beginning of initial operation the Additional Equipment provided from time to time and repairs, replacements, substitutions and renewals shall be of a character at least equal to that of the Equipment originally provided but shall in addition embody such improvements as the state of the railway art and the exigencies of the operation of the Railroad and the Existing Railroads will permit. In case of any neglect to provide and maintain Equipment in the amount and of the character required by this contract, the Commission may, upon reasonable notice, require the defect to be made good; and, if the defect shall not forthwith and upon such notice be made good, then the Commission shall be at liberty, in addition to the City's other remedies for a breach of this contract, either by contract or otherwise as it may see fit, to make good such defect; and for such purpose the Commission shall, so far and for such time as may be necessary or convenient, be entitled to enter upon or take possession of any part of the Railroad or Equipment. The Lessee shall forthwith repay to the City the cost to which it shall be put in making good any such defect, and the amount of such cost shall be charged to such fund as may be proper.

Article XL. At such time as may be approved by the Commission (or when the Commission shall so order) the Lessee shall begin and shall thereafter diligently proceed to provide the Equipment of the Railroad, and at such rate that sufficient Equipment shall be ready to put any portion of the Railroad, which the Commission may desire to have temporarily operated under the provisions of this contract, into immediate operation as soon as completed. At the time of such approval (or within a period specified in such order) the Lessee shall file with the Commission in duplicate a true schedule of the Equipment to be furnished by it for the initial operation of the Railroad specifying separately the Equipment to be supplied for each of the separate lines and branches of the Railroad as described in Article IV and thereafter upon the construction of any Extension or the construction or provision of any Addition shall file a similar schedule. Such schedules shall be in detail and shall be prepared in such form as may be prescribed by the Commission. Such schedules shall be subject to the approval of the Commission, and if disapproved the Lessee shall make such additions thereto or changes therein as may be required by the Commission. After the operation of the Railroad, or any part thereof, shall have begun the Lessee shall within thirty days after the end of each fiscal year file with the Commission a like schedule of the Equipment as of the end of such fiscal year. Every such schedule shall be verified by the affidavit of the general manager or other officer of the Lessee who shall be in the general care and control of the Equipment, and who shall in such affidavit state that he is in such general care and control.

Article XLI. In connection with the provision of Equipment the Lessee shall have the right to provide, lay or maintain in streets or other public places such conduits, pipes, ways or other means for the transportation or exchange of electricity, steam, water, air or other means of power or for signals, or for messages, but only as may be exclusively required for the operation of the Railroad and the Existing Railroads. The location and character of such conduits, pipes, ways, or other means and the use of streets in connection therewith, shall be determined by the Engineer.

Article XLII. In view of the necessity for identifying the Equipment for initial operation of the several Lines of the Railroad and for identifying Additional Equipment as between the various lines, Extensions, and Additions and for distinguishing the Equipment of the Railroad from Existing Equipment, the Lessee shall carefully comply with regulations to be issued from time to time by the Commission prescribing the manner and method of providing for such identification and distinction.

Article XLIII. In case the Lessee shall give notice to the Commission that any real estate is needed for Equipment and that it cannot be acquired by the Lessee from the owner or owners upon reasonable terms or by condemnation by the Lessee, the City shall begin and conduct with diligence proceedings to acquire such real estate so required.

The Lessee agrees to indemnify and promptly reimburse the City for all expenditures made or obligations incurred by it in or about the acquisition of real estate for Equipment. Upon being notified by the Commission that any moneys are necessary to pay for any such real estate acquired or to be acquired by purchase or to pay awards in condemnation proceedings with interest thereon, the Lessee shall within the time specified in any such notice pay to the Comptroller such amount as may be specified in any such notice.

Article XLIV. When and as provided or delivered on the Railroad and accepted by the Commission, the title to the Equipment shall vest in the City free from all liens and encumbrances except those imposed by this contract, and except, when approved by the Commission, liens on real estate purchased for Equipment, provision for the payment of which liens on real estate shall be made by the Lessee. The Lessee shall, moreover, submit to the Commission such proof as may be required of such title and shall execute and deliver, or cause to be executed and delivered, such instrument or instruments in form approved by the Commission and in the case of real estate so proved as to entitle them to be recorded, as may properly or conveniently recite or prove the City's ownership of, or title to, the Equipment. The Lessee shall further provide such additional instruments and proof with respect to such ownership or title as may from time to time be required by the Commission.

Article XLV. The Equipment of the Railroad shall be at all times kept by the Lessee in thoroughly good order and repair; and the Lessee hereby expressly covenants to and with the City that the Lessee will not at any time before the end of the term of the Lease permit the Equipment to be less in quantity (except with the approval of the Commission and upon the adjustment of accounts as provided in Article XXXVIII) or inferior in type, design or efficiency to the Equipment as it shall have been at any prior time during the term of the Lease.

Article XLVI. On the dates given in the following schedule, the Lessee shall pay out of its own resources into the Depreciation Fund for Existing Equipment provided for in paragraph 5 of Article XLIX the following amounts representing depreciation accrued upon the properties stated in the schedule prior to the beginning of the term of the Lease, to wit:

Schedule of Rolling Stock of Existing Railroads Including Dates of Estimated Retirement and Accrued Depreciation.

Copper Sheathed Cars.	
354 Trailers and 124 Motors—Copper Sheathed—Date of Retirement, July 1, 1939; Accrued Depreciation.....	\$1,618,950
Steel Cars.	
292 Steel Cars—Date of Retirement, July 1, 1955; Accrued Depreciation..	736,150
50 Steel Cars—Date of Retirement, July 1, 1957; Accrued Depreciation..	127,950
324 Steel Cars—Date of Retirement, July 1, 1960; Accrued Depreciation..	425,100
Total	\$2,908,150
354 Copper Sheathed Trailers, bearing the following numbers:	
2000, 2001, 2003-15, 2017-27, 2029-36, 2038-74, 2076-99, 2100-34, 2136-57.	
3002-04, 3007-08, 3010-14, 3017, 3020-23, 3025-40, 3043, 3047-49, 3054, 3056, 3066, 3072,	
3073, 3076, 3077, 3079, 3080, 3083-85, 3087-93.	
3100, 3103-06, 3108, 3109, 3110, 3116-19, 3121, 3124, 3128, 3129, 3140-42, 3144, 3146,	
3148-53, 3155, 3159, 3161, 3163-70, 3173-75, 3177-82, 3184-87, 3189, 3193-96, 3199,	
3200-01, 3205-08, 3210-12, 3214, 3216-18, 3222-23, 3228-31, 3234, 3237-39, 3241, 3243,	
3244, 3246, 3247, 3249-54, 3257, 3260, 3251, 3264, 3265, 3268-70, 3272-75, 3277-80, 3283,	
3284, 3287, 3288, 3290-98.	
3302-04, 3306-08, 3310, 3312-19, 3322-25.	
3329, 3331, 3333-39.	
124 Copper Sheathed Motor Cars, bearing the following numbers:	
3000, 3001, 3005, 3006, 3009, 3016, 3018, 3024, 3041, 3042, 3044-46, 3050, 3051, 3053,	
3055, 3057-65, 3067-71, 3074, 3075, 3078, 3081, 3082, 3086, 3094-99, 3101, 3102, 3107, 3111-15,	
3120, 3122, 3123, 3125-3127, 3130-39, 3143, 3145, 3147, 3156, 3157, 3160, 3171, 3172, 3176,	

3183, 3188, 3191, 3192, 3197, 3198, 3203, 3204, 3209, 3213, 3215, 3219, 3220, 3224-27, 3232, 3233, 3235, 3236, 3240, 3245, 3248, 3255, 3256, 3258, 3259, 3262, 3267, 3271, 3276, 3281, 3285, 3286, 3289, 3299, 3301, 3305, 3309, 3311, 3320, 3321, 3326-28, 3330, 3332.

292 Steel Motor Cars, bearing the following numbers:

3350-61, 3363-3438, 3441-3479, 3481-3488, 3490-3517, 3519-3600, 3602-3617, 3619-3649.

324 Steel Motor Cars, bearing the following numbers:

3700-3931, 3933-4024.

50 Steel Motor Cars, bearing the following numbers:

3650-3699.

The dates cited in the above schedule represent the estimated dates of retirement of the car bodies, trucks and equipment named in the schedule.

In satisfaction for depreciation accrued on Existing Equipment other than rolling stock prior to the beginning of the term of the Lease, the City shall be entitled to deduct from the amount to be paid for the Existing Equipment under the terms of Contract No. 1 and Contract No. 2 the sum of three million dollars (\$3,000,000).

Chapter II—Equipment Specifications.

Section No. 1. The general and detailed plans, specifications and contracts for the Equipment shall be submitted to and approved by the Commission, or by the Engineer, as to character, quantity and design. The Equipment shall be in all respects suitable for the type of railroad and the service herein contemplated.

Section No. 2. The full and complete Equipment of the Railroad, including all material and work of installation, and all apparatus or devices for the convenient and successful operation of the Railroad, in accordance with the full intent and meaning of the contract and specifications, excepting only those parts which, as specifically stated in Part First, or indicated on the plans, shall be a part of the Railroad and furnished as Construction, shall be provided by and at the expense of the Lessee.

Section No. 3. The Equipment for initial operation of the Railroad shall constitute a complete operative system sufficient for the traffic requirements, and shall be capable of progressive and economical enlargement so as to permit the ultimate operation of the Railroad to its full attainable capacity. This full attainable capacity shall not be less than that defined in Section No. 4.

Section No. 4. The ultimate Equipment of the Railroad, inclusive of power system, signal system and rolling stock, shall be such as to maintain so far as practicable not less than the following schedules:

Fully loaded express trains each of maximum length that can be operated in conjunction with station platforms four hundred and eighty (480) feet long over all main line express tracks at a headway of one and one-half (1½) minutes and at an average speed between main line terminals of twenty-five (25) miles per hour, including stops of thirty (30) seconds at each intermediate station.

Fully loaded local trains each of maximum length that can be operated in conjunction with station platforms three hundred (300) feet long over all main line local tracks at a headway of one and one-half (1½) minutes and at an average speed between main line terminals of fifteen (15) miles per hour, including stops of twenty (20) seconds at each intermediate station.

Express and local trains to continue on all extensions and branches to such points and at such headway as the traffic shall require and at the maximum speed that local conditions will permit.

Equipment to be sufficient to operate the above service throughout the maximum traffic periods.

Section No. 5. Joints of the track rails shall be bonded to permit most advisable conductivity in the signal circuit and in the return circuit from the car motors to the source of power. Cross bonds between rails and between tracks shall be provided as required.

Section No. 6. Contact rail for the supply of power to the trains shall be installed throughout the length of all tracks. This rail shall be of approved design and its resistance, composition and cross section, together with all details of construction and installation, shall be sufficient and suitable for the proper operation of the Railroad under conditions of maximum service. The rail shall be supported, installed and covered in the most approved manner for the prevention as far as practicable of accidental contact therewith by workmen or other persons. All joints of contact rail shall be mechanically and electrically connected in an approved and adequate manner. The standards of construction adopted for such contact rail shall permit of interchange of rolling stock with the Existing Railroads.

Section No. 7. Feeder conductors shall be provided for the supply of current to the contact rail and for the return of current from the track rails. These conductors shall be installed of ample cross-section to provide, during times of maximum train service, a voltage suitable for the proper operation of the trains, and shall be sufficient to give a reasonably steady illumination of the cars. The return feeder system as aforesaid shall also be designed with a view to minimizing electrolytic action.

Section No. 8. All express tracks shall be equipped with an approved system of block signals of the most reliable character. The local tracks also shall be equipped with approved signals at danger points. All signals where deemed necessary by the Commission shall be equipped with devices for automatically stopping any train passing a danger signal.

Section No. 9. If at any time during the life of this contract additional signals are necessary the same shall be promptly installed.

Section No. 10. All switches and all signals controlling traffic over special work of running track shall be interlocked in an approved manner and controlled from approved interlocking plants, suitably located and installed.

Section No. 11. An approved system of sectionalizing the power system shall be provided to minimize delays in case of difficulties on any section of the Railroad or track, and to furnish means by which the power supply to any section of contact rail can be quickly and certainly cut off in case of wreck or other emergency. The controlling points of this system shall be located at stations and elsewhere as may be deemed advisable.

Section No. 12. An approved system of inter-communication shall also be installed at all passenger stations on the line, by which all the ticket agents may be notified of traffic conditions. At least one sending and one receiving device shall be located at each station of the Railroad.

Section No. 13. In all tunnels under the East River a signal system shall be installed which will indicate the location of trains in the tunnel.

Section No. 14. Any other devices, apparatus or equipment, such as telephones, bells, etc., which are necessary to properly safeguard the operation of the Railroad shall be installed as a part of Equipment and any and all devices for emergency service shall be of an approved and reliable character.

Section No. 15. At each sump and at such other points as may be necessary in order to keep the Railroad or any part thereof clear of water a pumping plant shall be installed.

Section No. 16. Each of these plants shall be composed of not less than two (2) units, so supplied as to afford reliability of action at all times, and each plant shall be of sufficient capacity to remove all water accumulating at that point under ordinary conditions. If the local conditions require it, any of these plants shall be increased to take care of emergency conditions.

Section No. 17. All pumps shall start and stop automatically with the variations in water level at the sums, which they drain, and shall be designed and installed to give the greatest possible reliability in service.

Section No. 18. The delivery of these pumps shall be into the city sewers or elsewhere, as directed by the Engineer, and all piping, fittings and connections required therefor not forming part of the permanent structure shall be installed as a part of Equipment.

Section No. 19. At stations and at other points where the soil pipes cannot be connected directly to the sewer, the sewage shall be discharged into an approved sewage ejector. These ejectors, together with all necessary fittings, devices and connections necessary for the control or operation of the same, shall be furnished as a part of Equipment. The necessary pits or other permanent structures required for their installation, and all pipe work or other construction, built into and forming a part of the stations or other structures, which are required for the complete installation of the ejectors shall be a part of Construction.

Section No. 20. The ventilation system shall be so designed and operated as to maintain the summer temperature of the subway sections at as low a point as practicable and, at points where a sufficient supply of ground water can be obtained, special cooling plants shall be installed, if so directed by the Commission.

Section No. 21. In general, the ventilation of the subway sections shall be accomplished by the exhaling and inhaling action due to the movement of trains.

Section No. 22. The renewal of the air by train action is to be effected by removing air through the movable valves or louvres or other approved devices, located in the

ventilating chambers in the sidewalls or roof of the Railroad as shown on the plans. These valves or louvres shall be provided as part of the Equipment and shall be so designed that air can only flow out through them into the chambers and thence through gratings to the street. The air thus removed at the chambers is replaced by fresh air entering the subway through the stairway openings and gratings at the stations.

Section No. 23. To augment this air supply, if necessary, and to provide at any time for the removal of smoke in case of fire, also to insure a supply at times of minimum operation of trains or entire stoppage thereof, motor-driven blowers of an approved pattern shall be provided. These blowers shall be of such capacity as may be necessary in order to provide for renewing the tunnel air once in every fifteen (15) minutes independent of the action of trains.

Section No. 24. The blowers shall each be provided with motors of adequate power to at all times operate them to their full capacity; and these motors shall be so arranged that groups of blowers may be started simultaneously from some convenient point of control. The power lines supplying these blowers shall in normal operation be independent of the contact rails.

Section No. 25. All subway toilet rooms and such other rooms as may be required shall be equipped with motor driven exhaust fans, discharging into suitable air ducts leading to the outside air. All parts of this equipment built into the station, including the electric conduits, and portions of the air ducts are provided under Construction. The blower equipment, including the necessary brackets and supports, and all wiring, switches and other devices and all air flues connecting to the air ducts provided under Construction, shall be a part of Equipment. When installed and operating in conjunction with air flues and ducts the blower equipment shall be such as to renew the air not less than once every five (5) minutes.

Section No. 26. All duct lines, including the necessary manholes, required for the operation of the Railroad for any purpose whatsoever, not built along the line of the Railroad as part of Construction, shall be supplied and installed by and at the expense of the Lessee as a part of the Equipment. Such lines shall include all branches leading from the line of the Railroad to substations, power houses or to any other location off the line of the Railroad and all connecting lines between power houses and substations, and in general all duct lines which must be built and which do not lie along the line of the Railroad. These duct lines shall be ample as to size and number of ducts, and shall provide proper space for all cables required for the operation of the Railroad to its full capacity and a reasonable number of spare ducts shall be installed to provide for contingencies. The general construction of duct lines shall be as required under the construction contracts.

Section No. 27. All iron pipe conduit not installed in and forming part of the structures, as provided as part of Construction, shall be supplied and installed, complete with all outlet boxes, pull boxes and other approved details by and at the expense of the Lessee as a part of the Equipment. This work shall be, in all respects, equal to conduit work called for under the construction contracts. Pipe conduit so installed shall include all runs, for any purpose whatsoever, installed upon the surface of any of the structures in a manner permitting its removal without seriously disfiguring the structure to which it is attached. In case any run of iron conduit has a part built into the structure and a part fastened to the surface thereof, such part as can be removed as above specified shall be Equipment and the remainder shall be Construction.

Section No. 28. All parts of the subway sections of the Railroad shall be illuminated by an approved system of electric lighting. The lights shall be so supplied as to afford reliability of action at all times and so arranged that the source of supply of the lighting will be automatically maintained. The cables and all other apparatus normally used in the lighting system shall not be used to supply power for any other purpose, such as for motors, heaters, etc., the normal operation of which would cause any appreciable fluctuation in the voltage at the lights. Certain lights, as specified by the Commission, shall be supplied from the contact rail. The lighting system shall be designed with reference both to the illumination obtained and to the safety of the public and the employees of the Lessee.

Section No. 29. Fixtures and fittings shall be of substantial design and construction in all respects suitable for work of this character.

Section No. 30. All elevated and subway stations shall be lighted by electric light, as specified in Section No. 28. At all parts of the station platforms these lights shall be so arranged as to give a uniform illumination of not less than two (2) foot-candles on a plane four (4) feet six (6) inches above the floor. All other parts of the stations used by the public, including stairways, escalators, toilet rooms, etc., shall have a general illumination at least equivalent to that provided by one (1) sixteen (16) candle power light for each fifty (50) square feet of floor space. All additional lights necessary shall be installed as part of the Equipment. Emergency lights taking current from the contact rail shall be provided at station approaches, exits, stairways and other important points.

Section No. 31. All ticket offices, toilet rooms, news stands, signal towers, store rooms, shops, and all similar rooms and offices requiring heat in the subway sections shall be heated by electric heaters or other approved devices of ample capacity to maintain these rooms at a comfortable temperature under any conditions of outside temperature. On the elevated sections suitable stoves or other approved devices shall be installed for heating the waiting rooms and such other rooms where heat is necessary.

Section No. 32. At all points indicated upon the construction plans and where the difference in elevation between the platforms and the surface of the street at the entrance is thirty (30) feet or more, suitable elevators or moving stairways shall if required by the Commission be installed of size and construction approved by the Commission. The motors operating such elevators shall be provided with two different local sources of power, one of which shall be independent of the contact rail.

Section No. 33. All pits and permanent parts of the structure in which these devices are installed shall be a part of Construction, and all motors, machinery, cages, escalators and any other material or devices of a movable character shall be a part of Equipment.

Section No. 34. The motive power for propelling trains shall be electricity supplied to the contact rails, all as elsewhere specified. It shall be supplied at approximately 600 volts, direct current, or in any such other manner as may be approved by the Commission. The motive power shall be such as to permit the interchange of rolling stock with the Existing Railroads.

Section No. 35. Such power house and substation buildings as may be provided shall be located, designed and constructed with reference to all the generating and transforming equipment required for the production of such power as the Lessee will generate or furnish. These buildings shall be of the best fire-proof construction, and of a design presenting an attractive appearance, in keeping with the magnitude of the work.

Section No. 36. The equipment of the power houses and sub-stations as may be provided shall be of the most modern type at the time of its purchase and designed for the most economical operation. It shall be complete in all details, including boilers, stokers, pumps, engines, generators, measuring and switching devices, motors, rotary converters, transformers, and all other electrical or mechanical apparatus and devices required for the operation of the Railroad.

Section No. 37. Power house and sub-station equipment, which may be provided, shall be designed, as to phase and frequency, with a view to the eventual operation of all rapid transit railways in the city as one system.

Section No. 38. Passenger cars shall be constructed, as far as practicable to do so, of steel and fireproof materials. The design, materials and construction are to be such as will give the maximum safety and comfort.

Section No. 39. Passenger cars shall be arranged to facilitate to the utmost the quick discharge and loading of passengers. They shall present an attractive appearance, both within and without, and shall be of such type and dimensions as can conveniently be operated on the Existing Railroads and shall be interchangeable with their equipment.

Section No. 40. Passenger cars shall be properly equipped in all details for the safe and rapid transportation of passengers over the line of the Railroad. All modern devices or appliances which will improve the service or increase the safety of operation, shall be included in the car equipment.

Section No. 41. All cars shall be equipped with approved brakes and draft rigging, with special provisions for the stopping of the trains in emergencies without damage to any part of the Equipment. Suitable devices shall be applied to all motor cars which will automatically apply the brakes and bring the train to a stop in the shortest possible distance, in the event of the train passing a danger signal or in the event of an accident to the motorman.

Section No. 42. The electrical equipment of the cars shall preferably be such that all cars are motor cars; other systems of operation may, however, be submitted to the

Commission for approval, but in any event shall have sufficient motor equipment to operate the schedules as hereinbefore provided.

Section No. 43. The equipment for the control of the motors shall be of an approved automatic type, giving a smooth acceleration, and shall be provided with the necessary safety devices.

Section No. 44. All passenger cars shall be lighted by an approved system of electric lighting, so arranged and of such candle power, that the illumination shall not be less than three (3) foot-candles, at a height of three (3) feet six (6) inches above the floor, when the line voltage is 85 per cent. of the sub-station voltage. An approved method of emergency lighting shall be provided, to be used in case of failure of the power lines from which the regular lighting is supplied.

Section No. 45. All passenger cars shall be heated by electricity or other approved means. The heaters for this purpose shall be so arranged and connected that the heat shall be evenly distributed throughout the car and sufficient heat shall be provided to maintain the cars at a temperature not less than forty (40) degrees F. under any conditions of outside air. Heaters shall be divided into not less than three gradations and no exposed parts of the heaters shall attain a temperature in regular operation liable to injure the clothing of the passengers.

Section No. 46. All cars shall be provided with fans and other devices for obtaining a movement of the air and ventilation as may be deemed necessary by the Commission.

Section No. 47. Service cars, and other rolling stock required for the operation of the road shall be provided complete as a part of Equipment.

Section No. 48. Vacuum or other approved cleaning devices for the purpose of cleaning the subway throughout shall be provided.

PART THIRD—THE LEASE.

Chapter I—Length of Term, etc.

Article XLVII. The City hereby leases the Railroad and the Equipment to the Lessee, for operation in conjunction with the Existing Railroads and Existing Equipment for a single fare. The Lease shall be for a term beginning on the first day of January, 1917, and expiring at midnight on the thirty-first day of December, 1965; subject, however, to earlier termination as hereinafter provided. Provided, however, that if the completion of the Seventh Avenue branch and of Subdivision I of the Lexington Avenue branch and of the portion of Subdivision II of the Lexington Avenue branch necessary to afford a connection with the Existing Railroads in 149th Street between Walton and Mott Avenues to a condition susceptible of operation, shall, by reason of strikes, injunctions or other causes beyond the control of the Lessee, be delayed beyond the first day of January, 1917, the Lessee, if not instigating such strikes or if not instigating or being responsible for such suits for injunctions or such other causes of delay, shall be entitled to an extension of time for the commencement of operation and for the expiration of the Lease equal to the period between the first day of January, 1917, and the date when such portions of the Railroad are actually ready for operation.

At the end of the said term or at the earlier termination thereof as hereinbefore provided, the Lessee shall surrender possession of the Railroad and the Equipment to the City or to a new lessee as hereinafter provided.

Article XLVIII. The original term of the lease of the portion of the Existing Railroads constructed under Contract No. 1 which now expires on October 27, 1954, and the original term of the lease of the portion of the Existing Railroads constructed under Contract No. 2 which now expires on May 1, 1943, are hereby modified and extended until midnight of December 31, 1965 (or until such later date to which the Lease of the Railroad may be extended as provided in Article XLVII), so that the leases of the Existing Railroads shall expire co-temporaneously with the Lease of the Railroad. The rentals to be paid by the Lessee for such extended original terms shall be as provided in this Article and in paragraph 1 (a) of Article XLIX. Such leases of the Existing Railroads shall not, however, be subject to termination by notice except as portions thereof may be taken over in substitution for the Seventh Avenue Branch, or the Lexington Avenue Branch, all as hereinafter provided under Chapter VI. In consideration of such extension of such original terms, the Lessee expressly waives, and releases the City from, all rights to the renewal terms provided for in Contract No. 1 and Contract No. 2 and such renewal terms are hereby in their entirety cancelled and abrogated. Such abrogation of such renewal terms shall remain in full force and unaffected by any termination of the lease of the Railroad, it being understood and agreed that the extension of such original terms in and of itself is sufficient consideration to the Lessee for the cancellation and abrogation of such renewal terms.

The Lessee shall also pay, so long as the Existing Railroads are operated in conjunction with the Railroad under the Lease, as additional rental under Contract No. 1 and Contract No. 2 (and Contract No. 1 and Contract No. 2 are hereby modified in such respect, an amount equal to one-eighth of one percentum ($\frac{1}{8}$ of 1%) upon all bonds issued by the City since January 1, 1910, or hereafter issued up to the date of the beginning of the Lease for the purposes of construction under Contract No. 1 and Contract No. 2. All such additional rental paid by the Lessee between the date of this contract and the date of the beginning of the Lease shall be deducted from the revenue for the first year of operation under the Lease prior to the deductions to be made as provided in paragraph 2 of Article XLIX.

Chapter II—Rental.

Article XLIX. In consideration of the operation of the Railroad and the Existing Railroads in conjunction with each other for a single fare and of the contribution by the Lessee to or toward the cost of construction of the Railroad as aforesaid and in further consideration of the covenants and agreements by the Lessee to modify the term or terms of Contract No. 1 and Contract No. 2, upon the commencement of operation of the portions of the Railroad specified in Article XLVII, the gross receipts from whatever source derived directly or indirectly by the Lessee or on its behalf in any manner from, out of or in connection with the operation of the Railroad and the Existing Railroads (hereinafter referred to as the "revenue") shall be combined during the term of this contract and the City shall receive for the use of the Railroad at the intervals provided a specified part or proportion of the income, earnings or profits of the Railroad and the Existing Railroads. The amount of such income, earnings and profits shall be determined as follows:

From the revenue the Lessee shall at the end of each quarter year ending December 31, March 31, June 30 and September 30 deduct in the order named:

1. (a) The rentals required to be paid to the City under Contract No. 1 and Contract No. 2 for the Existing Railroads in the amount payable when the term of the Lease begins. Such rentals shall be paid to the City for the full modified term of the leases of the Existing Railroads, as rentals, irrespective of the amortization or refunding of any bonds issued by the City to provide means for the construction of the Existing Railroads.

(b) Such rentals, actually and necessarily payable by the Lessee for the use of other property in connection with the Railroad and the Existing Railroads, under contracts or leases approved by the Commission, as are not included in operating expenses in the accounting system prescribed by the Commission.

2. Taxes, if any, upon property actually and necessarily used by the Lessee in the operation of the Railroad and the Existing Railroads, together with all taxes or other governmental charges of every description (whether on physical property, stock or securities, corporate or other franchises, or otherwise) assessed or which may hereafter be assessed against the Lessee in connection with or incident to the operation of the Railroad and the Existing Railroads. Also such assessments for benefits as are not properly chargeable to cost of construction or cost of equipment.

3. All expenses, exclusive of maintenance, actually and necessarily incurred by the Lessee in the operation of the Railroad and the Existing Railroads.

4. An amount equal to twelve per centum (12%) of the revenue for the maintenance, exclusive of depreciation, of the Railroads, the Equipment, the Existing Railroads and the Existing Equipment. Such maintenance shall include the repair and replacement of tracks and also parts of continuous construction and parts of equipment units, but shall not include the replacement of any of the principal parts of the railroad structure and equipment, as such principal parts are from time to time specified and defined by the Commission. If, in any quarter year, such maintenance shall cost less than twelve per centum (12%) of the revenue, the unexpended balance shall be transferred to the depreciation funds provided for in paragraph 5 of this article; and if in any quarter year such maintenance shall cost more than such twelve per centum (12%) of the revenue, an amount equal to the excess may be withdrawn from or charged to such depreciation funds and applied to such maintenance.

5. For the first year of operation under the Lease an amount equal to five per centum (5%) of the revenue for depreciation of such portions of the Railroad and the Equipment and the Existing Railroads and the Existing Equipment as are not repaired or replaced through the expenditures for maintenance provided for in paragraph 4 of this article. Prior to the beginning of the Lease the Commission and the

Lessee shall agree upon the classification of such five per centum (5%) to accord with its division into the depreciation funds hereinafter in this article provided for. If prior to the beginning of the Lease the Commission and the Lessee are unable to agree upon such classification, the same shall be determined by arbitration or by the court. Within thirty (30) days after the thirtieth day of June following the beginning of the Lease and annually thereafter the Commission and the Lessee shall determine the classification and amount of depreciation, and excess maintenance not covered by the amount set aside under paragraph 4 of this Article, during the preceding fiscal year, and the deduction for such year shall thereupon be adjusted to conform with such determination. If within such period the Commission and the Lessee are unable to agree upon the classification and amount of depreciation during the preceding fiscal year, the amount thereof shall thereupon be determined by arbitration or by the court. The said five per centum (5%) for the first year of operation and the amount determined as hereinbefore provided for future years shall be divided in accordance with such classification and paid into three depreciation funds. The first of such funds shall be known as the "Depreciation Fund for the Railroad and Equipment," the second of such funds shall be known as the "Depreciation Fund for Existing Railroads" and the third of such funds shall be known as the "Depreciation Fund for Existing Equipment." If necessary the maintenance fund provided for in paragraph 4 of this Article shall be similarly divided in accordance with the same procedure as hereinbefore outlined for the depreciation funds. Such funds shall be further divided from time to time as may be necessary. Such funds shall be in the charge of and under the control and direction of the Depreciation Fund Board. The cost of all replacements of the principal parts (as such principal parts are from time to time specified and defined by the Commission) of the Railroad and Equipment and of the Existing Railroads and Existing Equipment due either to wear and tear or to obsolescence, inadequacy or age and also any excess in the cost of maintenance as provided in paragraph 4 of this article shall be paid from the appropriate fund. When any principal part of the Railroad or the Equipment or the Existing Railroad or the Existing Equipment is retired or withdrawn from service, an amount equal to its cost shall be withdrawn from the appropriate fund and expended on new construction or new equipment. Any new equipment thus acquired to replace any part of the Existing Equipment shall be deemed to have been acquired and supplied by the Lessee under the provisions of Contract No. 1 or Contract No. 2; and nothing in this Article or elsewhere in this contract contained shall be construed as a waiver or modification of the City's obligation thereunder to buy, at the expiration of the modified terms thereof, the Existing Equipment in accordance with the provisions of Contracts Nos. 1 and 2. Any salvage or proceeds on parts so retired or withdrawn shall be paid into the appropriate fund. Any amounts in such funds not currently needed for the purposes herein specified shall be securely invested and reinvested by the Depreciation Fund Board and all interest and profits accruing thereon shall be returned to the revenue. The Depreciation Fund Board shall have the right to sell investments to meet current needs and for purposes of reinvestment. A permanent record of the depreciation of each class of construction and equipment of the Railroad and the Existing Railroads (as such classes are from time to time defined or specified by the Commission) shall be kept by the Lessee in the form prescribed from time to time by the Commission. At the expiration of the term of the Lease, or upon earlier termination as hereinbefore provided, any amount in the Depreciation Fund for the Railroad and Equipment shall be paid to the City or to a new lessee as may be directed by the Commission. In case of the termination of the Lease, pursuant to notice, as to all of the Railroad, any amount in the Depreciation Fund for Existing Railroads and any amount in the Depreciation Fund for Existing Equipment shall be paid to the Lessee. At the expiration of the term of the Lease any amount in the Depreciation Fund for Existing Railroads shall be paid to the City and any amount in the Depreciation Fund for Existing Equipment shall be paid to the Lessee. In case the City shall terminate the contract as to a specified portion or portions of the Railroad as hereinbefore provided, the Commission and the Lessee shall determine what proportion of the first of such funds shall then be paid over to the City or to a new lessee on account of depreciation of the specified portion (including the Equipment thereof) as to which the contract is so terminated and in case of their failure to agree upon such amount the same shall be determined by arbitration or by the court.

6. One-quarter ($\frac{1}{4}$) of the sum of six million three hundred and thirty-five thousand (\$6,335,000) dollars to be retained by the Lessee for each quarter year of the term of the Lease as representing the average annual income from the operation of the Existing Railroads.

7. One-quarter ($\frac{1}{4}$) of an amount equal to six per centum (6%) of the Lessee's contribution toward the cost of construction of the Railroad and the cost of equipment of the Railroad for initial operation (such contribution and such cost of equipment, however, not to exceed Eighty million (\$80,000,000) Dollars, for each quarter year of the term of the Lease, out of which the Lessee shall set aside amounts sufficient, with interest and accretions thereon, to amortize within the terms of the Lease such contribution and such cost. In the event of the commencement of operation prior to the completion of the Railroad, such one-quarter of six per centum ($\frac{1}{4}$ of 6%) shall be computed upon the basis of the Lessee's contribution toward the cost of construction and the cost of equipment of the part or parts of the Railroad then in operation.

8. When the Lessee shall provide Additional Equipment (except Additional Equipment belonging to the Extension), then an amount to be retained by the Lessee equal to one-quarter of the annual interest payable by the Lessee (or, in the event that the Lessee should not borrow money for such purpose, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual average rate payable by the Lessee on long term securities issued by it for the purpose of carrying out its obligations under this contract) upon the cost of each additional unit (as the words "additional unit" are defined in Article LXXI), together with a sum equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the cost of each additional unit, which latter amount shall be paid into a separate sinking fund which with interest and accretions shall be promptly and securely invested and reinvested by it for the amortization of the cost of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts with interest or accretions thereon set aside for the amortization of the cost of such additional unit shall be paid into the revenue.

9. When the Lessee shall share the cost of construction of Additions to the Railroad and Existing Railroads then an amount equal to one-quarter ($\frac{1}{4}$) of the annual interest payable by the Lessee (or, in the event that the Lessee should not borrow money for such purpose, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the average annual rate payable by the Lessee on long term securities issued by it for the purpose of carrying out its obligations under this contract) upon its share of the cost of construction of each additional unit, together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the Lessee's share of the cost of construction of each additional unit, which latter amount shall be paid into a separate sinking fund which with interest and accretions shall be promptly and securely invested and reinvested for the amortization of the Lessee's share of the cost of construction of such additional unit. Upon the completion of the amortization of the Lessee's share of the cost of construction of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts or interest or accretions thereon set aside for the amortization of the Lessee's share of the cost of construction of such additional unit shall be paid into the revenue.

10. An amount for each quarter year of the term to be paid to the City equal to one-quarter ($\frac{1}{4}$) of eight and seventy-six one hundredths (8.76%) per centum of the portion of the cost of construction of the Railroad, exclusive of additions, paid by the City.

11. An amount to be paid to the City equal to one-quarter ($\frac{1}{4}$) of the annual interest actually payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter ($\frac{1}{4}$) of the interest at the annual rate specified in the last then preceding sale by the City of corporate stock or other long term interest bearing securities) upon its share of the cost of construction of each additional unit of Additions to the Railroad and Existing Railroads, together with an amount equal to one-quarter of one per centum ($\frac{1}{4}$ of 1%) of its share of the cost of construction of each such additional unit of Additions to furnish a sinking fund for the amortization of the City's share of the cost of construction of such additional unit. Upon the completion of the amortization of the City's share of the cost of construction of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any

amounts of interest or accretions thereon set aside for the amortization of the City's share of the cost of construction of such additional unit shall be paid into the revenue.

12. One per centum (1%) of the revenue which shall be paid into a separate fund to be in the charge and under the direction and control of the Depreciation Fund Board and which with interest and accretions shall be securely invested and reinvested by it to provide a contingent reserve fund. When any such fund with interest and accretions shall equal one (1%) per centum of the cost of construction and the cost of equipment of the Railroad or of the portion thereof remaining in operation, payments to such fund shall be suspended and interest thereon shall be paid into the revenue. If thereafter such fund shall fall below such one (1%) per centum payments at the rate aforesaid shall be resumed until the fund with interest and accretions again equals such one (1%) per centum. Such fund shall be used to meet deficits in operation and the payment of the various obligations and deductions hereinbefore in this article referred to and for such other purposes as may from time to time be approved by the Commission. At the end of the term, or sooner termination thereof, any balance in this fund, after the payment of any claims against the Lessee arising out of operation, shall be paid into the revenue.

13. The amount remaining after making all such deductions shall be deemed to be the income, earnings and profits of the Railroad and the Existing Railroads.

Article L. Of the income, earnings and profits of the Railroad and the Existing Railroads fifty (50%) per centum shall be paid to the City and the remaining fifty (50%) per centum shall be retained by the Lessee.

Article LI. If in any quarter year the revenue shall be insufficient to meet the various obligations and deductions referred to in Article XLIX the deficits shall be cumulative and payments of such deficits shall be thereafter made in full before deducting the amounts required in the paragraph of such article succeeding the paragraph providing for the payment of the obligation or deductions as to which there has been such deficit. Interest shall be payable upon such deficits at the actual rate payable by the Lessee or the City, or in event the Lessee or the City should not borrow money for the purpose of paying such deficits, then at the average rate of interest payable by the Lessee or the City on long term securities issued for the purpose of carrying out their obligations under this contract. Interest upon such deficits shall semi-annually be added to and form a part of the cumulative deficits.

Article LII. When and as the Commission shall declare parts of the Railroad (other or less than the parts specified in Article XLVII) to be ready for equipment the Lessee shall forthwith equip the same and when declared by the Commission to be ready for operation the Lessee shall forthwith commence the operation of such part or parts in connection with the Existing Railroads and shall temporarily operate the same upon the basis of apportioning receipts and expenditures as is hereinafter provided in the case of Extensions and deducting from the operating income as thus ascertained the payments required to be made under paragraphs 7 and 10 (excluding any portion of such 8.76% not necessary to pay the City's interest and sinking fund charges) of Article XLIX and under Article L. Any deficits shall, with interest, be cumulative in the same manner and to the same extent as provided in Article LI.

Article LIII. The funds provided for in paragraphs 5 and 12 of Article XLIX and the depreciation funds provided for in paragraph 1 of Article LXXII shall be in charge of and under the control and direction of a board to be known as the Depreciation Fund Board and to be organized and constituted as follows: Before the beginning of operation of any part of the Railroad the Commission and the Lessee shall each name an individual to be a member of such board. Within thirty (30) days thereafter the Lessee and the Commission shall agree upon the third member of such board or in the event of their failure to so agree within such time, the third member upon the application either of the Commission or of the Lessee shall be nominated in the same manner as is hereinbefore provided in the case of arbitrators in Article XXX. In the event of a vacancy in the office of any of the members of the board, the successor shall be chosen in the same manner as above provided in case of the original nomination. Such Depreciation Fund Board shall administer the funds provided for in the paragraphs of Article XLIX and in Article LXXII above referred to and the members thereof shall receive as compensation for their services such amount and shall be appointed for such period as may from time to time be agreed upon by the Commission and the Lessee and such amount shall be included as part of the operating expenses referred to in paragraph 3 of Article XLIX. The Lessee shall also pay and include as part of such operating expenses the actual and necessary expenses of such Depreciation Fund Board including clerical and office expenses.

Article LIV. The payment of the rental for the Existing Railroads referred to in paragraph 1 (a) of Article XLIX shall be made as provided in Contract No. 1 and Contract No. 2 for the full term of such contracts as herein modified. All other payments to be made to the City under the provisions in Articles XLIX, L, LI, LXXII and LXXIII shall be made on or before the thirtieth days of January, April, July and October in each year during the term of the contract. Receipts and interest and accruals shall be pro-rated and if necessary adjusted in the payments for the quarter succeeding the quarter in which they are actually paid. Any other readjustment of payments or deductions that is necessary shall be made (for the whole of the year preceding) as of the end of the fiscal year.

Article LV. The amounts payable to the City under paragraphs 10 and 11 of Article XLIX and under Articles L, LI, LXXII and LXXIII shall be paid to the Comptroller at the times specified in the last preceding Article and the Lessee shall deliver to the Commission and to the Comptroller at the time of each payment a statement in the form and with details to be prescribed by the Commission showing the receipts and disbursements of the Lessee for the preceding quarter. Such statement shall be verified under oath by the officer of the Lessee having charge of the books and accounts of the Lessee, or, in case of his absence or inability, then by its president, or other chief officer or manager.

Article LVI. The Comptroller and the Commission shall have the right to verify any of the said statements by an examination of the Lessee's books, records and memoranda and the examination under oath of any of its officers or servants; and the Lessee hereby covenants that it will require its officers and servants to submit to such examination and produce such books, records and memoranda whenever and wherever they may be required by the Commission or the Comptroller.

Article LVII. In case of the termination of this contract separately as to any of the Lines of the Railroad (or of Extensions which become part of the Railroad for purposes of rental as provided in Article LXXIV) and in case such terminations do not involve a readjustment of the rental as provided in Article LXXXII, the deductions from revenue provided for in Article XLIX shall continue to be made as to the Line or Lines (or as to such Extensions) including Equipment provided therefor under the schedules required by Article XL and the Additions thereto, remaining after such termination, but the deductions provided for in paragraphs 7, 8, 9, 10, 11 and 12 of Article XLIX shall then be made upon the basis of the cost of construction and the cost of equipment remaining after apportioning, where apportionment is necessary, such cost of construction and cost of equipment as provided in Article LXXVIII. In case of the exchange of part of the Railroad for part of the Existing Railroads as provided in Article LXXXI any readjustment of the depreciation or sinking funds provided for in Article XLIX, that may be necessitated by such exchange, if not agreed upon by the Commission and the Lessee shall be determined by arbitration or by the court.

Chapter III—Character of Service, Rate of Fare, Etc.

Article LVIII. The Lessee covenants to and with the City that it will, during the term hereof, operate the Railroad and the Existing Railroads carefully and skillfully, according to the highest standards of railway operation, and with due regard to the safety of the passengers and employees thereof and of all other persons.

Article LIX. The Lessee shall operate the Railroad and the Existing Railroads as one complete system and shall furnish with respect thereto such service and facilities as shall be safe and adequate and in all respects just and reasonable. Free transfers shall be given, as required by the Commission under regulations prescribed or approved by it, between all trains operated by the Lessee at common or connecting points (where interchange station facilities are supplied by the Lessee or required by the Commission) of (1) any part or parts of the Railroad, and (2) any part or parts of the Existing Railroads and (3) between any part or parts of the Railroad and any part or parts of the Existing Railroads, so as to afford a continuous trip in the same general direction for a single fare.

Article LX. The Lessee shall run local trains and express trains, and if required by the Commission shall run trains part of the way as local and part of the way as express trains. The local and express trains shall be operated in conformity with the traffic requirements and at the highest speeds which the Equipment and conditions will permit.

Article LXI. The Lessee may use the Railroad for the carriage of freight, mail and express matter; provided, however, that such use shall not to any extent or in any way interfere with the use of the Railroad to its fullest capacity for all passengers who shall desire to be carried upon it. Within the limit aforesaid the Commission, if in its judgment the public interests so demand, may require the Lessee to carry upon the Railroad freight, mail or express matter.

Article LXII. The Lessee shall during the term of the contract be entitled to charge for a single fare upon the Railroad and the Existing Railroads the sum of five (5) cents but not more.

Article LXIII. No part of the Railroad or stations or other appurtenances thereof shall be used for advertising purposes, except that the Lessee may use the structure for posting necessary information for the public relative to the running of trains and to the operation of the Railroad; nor shall any trade, traffic or occupation, other than required for the operation of the Railroad be permitted thereon or in the stations thereof, except such sale of newspapers and periodicals as may from time to time, always with the right of revocation, be permitted by the Commission. In case the present provisions of the Rapid Transit Act in respect of advertising or the carrying on of any trade, traffic or occupation are amended, the Commission, under rules and regulations to be prescribed by it, may permit the Lessee to carry on such advertising or such trade, traffic or occupation in accordance with the Rapid Transit Act as it may be amended from time to time.

The Lessee shall, under regulations (including the form of contract) prescribed by the Commission, advertise for proposals for the privilege of selling newspapers and periodicals in the stations of the Railroad in such manner as to permit of the contracting for such privilege separately for each news stand.

Article LXIV. The Lessee shall keep the stations and the tunnels and all other parts of the Railroad, and all cars and all other parts of the Equipment, clean, free from all unnecessary dampness, adequately heated, lighted and ventilated, and in those and in all other respects in thoroughly good order and condition.

Article LXV. The Commission contemplates, and the Lessee hereby approves, the most thorough and minute inspection by the Commission and the Engineer, and by their representatives or subordinates, of the Railroad, the Equipment, the Existing Railroads and the Existing Equipment during operation. The Lessee shall therefore at all times during the term of the lease provide all reasonable conveniences for the inspection of the Railroad, the Equipment, the Existing Railroads and the Existing Equipment and every part thereof by the Commission, its members, its engineers and subordinates. The members of the Commission, its engineers and subordinates shall at any time upon its authority have access to any part of the Railroad or Equipment or the Existing Railroads or to any materials for the Equipment which may be in process of manufacture or assembling.

Article LXVI. The Lessee hereby covenants to and with the City that it will save the City harmless of and from all claims of every nature arising from injuries to passengers, employees or other persons by reason of negligence on the part of the Lessee or of any of its employees, and all other claims by reason of the operation and maintenance of the Railroad, except those, such as vibration due to the design of the Railroad, against which the City by this contract assures the Lessee, provided, however, that the provisions of this Article shall not prevent the Lessee from including any such damages as part of the expenses of operation referred to in paragraph 3 of Article XLIX.

Article LXVII. The Lessee shall during the term of the Lease keep the Railroad and the Equipment and the Existing Railroads and the Existing Equipment and each and every part thereof in thorough repair, and shall restore and replace every necessary part thereof which may wear out or cease to be useful so that at all times and at the end or sooner termination of the Lease the Railroad and the Existing Railroads shall be in thoroughly good and solid condition and fully and perfectly equipped, presently ready for continuous and practical operation to the full limit of their capacity so far as necessary to furnish adequate service. As part of this obligation the Lessee shall provide adequate insurance when required by the Commission, the premiums thereon to constitute an operating expense. If at any time the Commission or its Engineer shall notify the Lessee of any loss, wear, decay or defect in the Railroad or the Equipment or in the Existing Railroads or Existing Equipment, such loss, wear, decay or defect shall forthwith be completely remedied by the Lessee. If the Lessee shall neglect or refuse to remedy such loss, wear, decay or defect, promptly and completely, the Commission may, in addition to the City's other remedies in such manner, whether by contract or otherwise, as it may deem proper, procure such loss, wear, decay or defect to be supplied and remedied, and for such purpose shall be entitled, so far as it shall deem necessary or convenient, to enter upon the Railroad and the Existing Railroads; and the Lessee shall forthwith, upon the demand of the Commission, pay to the City, as part of the expenses of maintenance, the entire cost incurred by the City in supplying such loss or wear or in remedying such decay or defect.

Article LXVIII. The Lessee agrees upon the requirement of the Commission, made at any time within six (6) months after the execution and delivery of this contract, to enter into an agreement with the City, acting by the Commission, for the temporary equipment and temporary operation of the Steinway Tunnel referred to in Article X pending the reconstruction and completion thereof, and for the giving of free transfers at 42d Street and Park Avenue in the Borough of Manhattan from the said Steinway Tunnel to the Existing Railroads and from the Existing Railroads to the said Steinway Tunnel. The temporary equipment shall be such as will afford adequate service by single cars and shall be approved by the Commission in advance of its provision, and the cost thereof included as part of the cost of equipment of the Railroad. The cost of any construction required to provide for such temporary operation shall be included in the cost of construction of the Railroad. The terms for such temporary operation shall be reasonable and if not agreed upon between the Commission and the Lessee shall be determined by arbitration or by the court.

Article LXIX. The City reserves the right to permit the New York Municipal Railway Corporation, its successors and assigns, or any other operator, upon the terms hereinafter stated, to use the tracks, structures and line equipment of Subdivisions III, IV and V of the Steinway Tunnel Line and of any Extensions thereof, or of any such subdivisions, for at least half the capacity thereof if required, and the City reserves the right for the Lessee, as the operator and lessee of the railroads owned by the Manhattan Railway Company, (and for the successors and assigns of the Lessee) upon the terms hereinafter stated to use the tracks, structures and line equipment of Subdivision II of the Lexington Avenue Branch, of the White Plains Road Line and of the Queensboro Bridge Plaza portion of Subdivision II of the Steinway Tunnel Line and of Subdivisions III, IV and V of the Steinway Tunnel Line or of any of them or of any Extensions thereof. The terms and conditions for such use shall be reasonable and may be agreed upon between the Commission, the Lessee and such other lessee or operator. In the event that they fail to agree upon reasonable terms and conditions the same shall be settled by arbitration or by the court. The precise terms and conditions for such trackage rights as so agreed upon or so settled shall be embodied in a written agreement, supplementary to this contract, between the City, acting by the Commission, the Lessee and the said Company or the Lessee, as such operator and lessee.

Chapter IV—Additions and Changes.

Article LXX. The principal object of the City in making this contract is to secure for the public convenience an adequate, comfortable and rapid system of passenger transportation in the portions of New York which will be served by the Railroad and the Existing Railroads. By the foregoing provisions of the Lease the Lessee has covenanted, among other things, to operate the Railroad and the Existing Railroads carefully and skillfully, according to the highest standards of railway operation; to supply adequate Equipment; to run trains so as to furnish adequate service; to use the best safety devices; to keep the Railroad, the Equipment, the Existing Railroads and the Existing Equipment, clean, dry, well lighted, heated and ventilated; and to do other things, as hereinbefore set forth, for the convenience and accommodation of the public. These covenants on the part of the Lessee are among the principal moving considerations to the City in making this contract, and any breach thereof will entitle the City to the remedies provided in this contract. If at any time Additions to the Railroad or Equipment or to the Existing Railroads or Existing Equipment or any change in the mode of operating the Railroad or the Existing Railroads or conducting the business thereof are necessary in order to carry out the purposes of the Lease in securing service and facilities as shall be safe and adequate and in all respects just and reasonable, the Commission may direct the construction or provision of such Additions and the making of such changes in the mode of operation of the Railroad or the Existing Railroads or in the conduct of the business thereof as may be necessary to accomplish such purposes. Such construction or provision of Additions and such changes shall be made to the satisfaction of the Commission.

mission and, when necessary, under such forms of contracts, plans, specifications and directions as it may issue or approve. If the direction shall have reference to the Equipment or to operation the cost of complying therewith shall be borne by the Lessee. If the direction shall have reference to Construction the cost of complying therewith shall be shared equally by the City and by the Lessee (except in the case of Additions to the Extensions in which event the cost shall be borne wholly by the City) and the work necessary shall be done under the supervision and direction of the Commission and under contracts let by the Commission or directly by the Lessee as the Commission may elect. If the Lessee shall neglect or refuse to comply with such directions the Commission in addition to other remedies may cause such changes or Additions to be made at the expense of the Lessee.

Article LXXI. All Additions shall be identified and the cost of equipment or the cost of construction as the case may be ascertained and determined in the following manner and by the following method: No Addition shall be provided or constructed until the same shall have been ordered or approved by the Commission and in its resolution so ordering or approving the Commission shall briefly describe the Addition so ordered or approved (which is hereinafter referred to as the additional unit) and shall assign thereto a work order number. All Additions shall be subject to regulations issued by the Commission from time to time in accordance with the provisions of Article XLII prescribing the manner and method of providing for their identification and distinction. All papers or documents (including all bills, vouchers, payrolls, plans, contracts, orders, etc.) relating to such additional unit shall refer to such work order number and no expenditure shall be included in the cost of construction or the cost of equipment by the Engineer unless it refers to such work order number. The cost of construction or cost of equipment, as the case may be, of an additional unit shall be determined as provided in Article XXIX.

Chapter V—Operation of Extensions.

Article LXXII. The Lessee further agrees (which agreement is one of the principal moving considerations to the City in making this contract) to equip, maintain and operate any Extensions, which in the opinion of the Commission should be operated in conjunction with the Railroad or the Existing Railroads or any Extension. If the Commission shall determine to add any Extension to the Railroad or to the Existing Railroads or to any Extension it shall so inform the Lessee at least six (6) months in advance of the time when the Lessee is to begin providing Additional Equipment for such Extension. Within three months after the receipt of such notice the Lessee shall in writing inform the Commission whether it acquiesces in the addition of such Extension. If the Lessee acquiesces in the addition of such Extension it shall, upon the requirement of the Commission, forthwith equip such Extension and maintain and operate it as a component part of the Railroad or the Existing Railroads in the same manner and to the same extent, except for purposes of termination, as if such Extension were described in Chapter II of Part First of this contract or as though it formed part of the Existing Railroads, paying the City rental therefor as provided in Articles XLIX and L. If the Lessee shall not acquiesce in the addition of such Extension, it shall nevertheless upon the direction of the Commission forthwith equip such Extension and operate it as a component part of the Railroad or the Existing Railroads but upon the following basis, to wit:

The Lessee shall pay to the City as compensation for the use of the Extension an amount to be determined as follows:

The gross receipts of the Extension shall be ascertained by crediting to the Extension

(a) The value of the tickets collected upon the Extension and all other earnings of whatsoever character of the stations of the Extension and

(b) The additional revenue derived by the Lessee from all advertising on the Extension, or the stations thereof, or in the cars operated on such Extension. In case it shall be necessary in determining such additional revenue, to pro rate the receipts from all advertising on the Railroad, the Existing Railroads and all Extensions, the proportion thereof shall be credited to the Extension that the value of the tickets collected upon the Extension bears to the total value of the tickets collected upon the Railroad, the Existing Railroads and all Extensions; and

(c) The proportion of the general receipts of the Lessee derived from the operation of the Railroads, the Existing Railroads and all Extensions that the value of the tickets collected upon the Extension bears to the total value of the tickets collected upon the Railroad, the Existing Railroads and all Extensions.

Such amounts shall be deemed to be the gross receipts of the Extension and are hereinafter in this article referred to as the "Extension revenue." From the Extension revenue the Lessee shall at the end of each quarter year ending December 31, March 31, June 30 and September 30 deduct in the order named:

1 All expenses actually and necessarily incurred by the Lessee in the operation of the Extension, which shall be ascertained by charging to the Extension all of the following expenses, as such expenses are defined in the uniform system of accounts for street and electric railways adopted by the Public Service Commission for the First District of the State of New York on December 8, 1908:

a. Maintenance of way and structure of the Extension and the Additions to the Extension, exclusive of way and structure required for the generation, conversion, transmission and distribution of power up to the contact rail and the local lighting and power circuits.

b. Station expenses of stations of the Extension.

c. Damages for accidents to persons or property (including all personal injury claims) occurring upon the Extension.

d. Taxes, if any, upon the Extension, upon Additions thereto or upon Additional Equipment belonging thereto, together with all taxes and other governmental charges of every description, (whether on physical property, stocks or securities, corporate or other franchises, or otherwise) assessed or which may hereafter be assessed against the Lessee in connection with or incident to the operation of the Extension. Also such assessments for benefits not properly chargeable to cost of construction or cost of equipment.

And the proportion of the following expenses of the Railroad, Existing Railroads and all Extensions which the value of the tickets collected upon the Extension bears to the value of the tickets collected upon the Railroad, Existing Railroads and all Extensions, as such expenses are defined in the uniform system of accounts for street and electric railways adopted by the Public Service Commission for the First District of the State of New York on December 8, 1908:

a. Maintenance of way and structure required for the generation, conversion, transmission and distribution of power up to the contact rail and local lighting and power circuits.

b. Maintenance of equipment.

c. Transportation expenses, exclusive of station expenses.

d. General and miscellaneous expenses, exclusive of damages for accidents to persons or property.

Maintenance and depreciation funds shall be set aside and managed in the same manner as provided in the case of the Railroad and at the expiration of the term or upon the earlier termination any amount in such funds shall be paid to the City.

2 An amount to be retained by the Lessee equal to one-quarter (1/4) of the annual interest payable by the Lessee (or, in the event that the Lessee should not borrow money for such purpose, then an amount equal to one-quarter (1/4) of the interest at the average annual rate payable by the Lessee on long term securities issued by it for the purpose of carrying out its obligations under this contract) upon the cost of each additional unit of Additional Equipment belonging to the Extension, together with a sum equal to one-quarter of one per centum (1/4 of 1%) of the cost of each such additional unit, which latter amount shall be paid into a separate fund and with interest and accretions shall be promptly and securely invested and reinvested for the amortization of the cost of such additional unit. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund or any amounts or interest or accretions theron set aside for the amortization of the cost of such additional unit shall be paid into the Extension revenue.

3 An amount to be paid to the City equal to one-quarter (1/4) of the annual interest actually payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter (1/4) of the interest at the annual rate specified in the last then preceding sale by the City of corporate stock or other long term interest bearing securities) upon the cost of construction of the Extension, together with an amount equal to one-quarter of one per centum (1/4 of 1%) of such cost of construction to furnish a sinking fund for the amortization of such cost of construction. Upon the completion of the amortization of such cost of construction the payments provided for

in this paragraph shall cease and any balance in the sinking fund of any amounts or interest or accretions thereon set aside for the amortization of such cost of construction shall be paid into the Extension revenue.

4 An amount to be paid to the City equal to one-quarter (1/4) of the annual interest actually payable by the City (or, in the event that any portion of the cost of construction borne by the City should be met other than by the issuance of corporate stock or other long term interest bearing securities, then an amount equal to one-quarter (1/4) of the interest at the annual rate specified in the last then preceding sale by the City of corporate stock or other long term interest bearing securities) upon the cost of construction of each additional unit of Additions to the Extension, together with an amount equal to one-quarter of one per centum (1/4 of 1%) of the cost of construction of each such additional unit to furnish a sinking fund for the amortization of the City's share of such cost of construction. Upon the completion of the amortization of the cost of any additional unit the payments provided for in this paragraph in respect of such additional unit shall cease and any balance in the sinking fund of any amounts or interest or accretions thereon set aside for the amortization of the cost of such additional unit shall be paid into the Extension revenue.

Article LXXIII. If in any quarter year the revenue of the Extension shall be insufficient to pay the charges referred to in paragraphs 1 and 2 of Article LXXII, the Lessee shall be entitled to deduct the amount of such deficit from the revenue of the Railroad and Existing Railroads prior to the payment to the City of the amounts payable to it under the provisions of paragraphs 10 and 11 of Article XLIX and under Article L. Such deduction shall be deemed to be a payment to the City on account of the amounts payable to it under the provisions of Article XLIX and any deficit caused thereby shall not be cumulative in respect of deficits of the City under Article XLIX. Any deficit in the payments to be made to the City under Article LXXII and any amount paid to the Lessee to reimburse it for deficits in the payments provided for under paragraphs 1 and 2 of Article LXXII shall, however, with interest at the rate and adjusted as provided in Article LI be cumulative under this Article and shall unless waived by the City be discharged from the Extension revenue before the Extension becomes part of the Railroad or the Existing Railroads as provided in Article LXXIV.

If at the end of any entire fiscal year of operation of an Extension there shall be a deficit in the payments provided for in paragraphs 1 and 2 of Article LXXII and there shall not be a sufficient amount of the revenue of the Railroad and the Existing Railroads applicable to the payments to the City provided for in paragraphs 10 and 11 of Article XLIX and in Article L to cover such deficit, and such deficit is not made up from any other source, the Lease of the Extension shall (unless the Lessee desires to continue the operation thereof as hereinafter provided) cease and determine and the Lessee shall be entitled to withdraw from the operation of the Extension and the City shall thereupon take the Additional Equipment belonging to such Extension and pay the Lessee therefor an amount to be determined in the same manner as is hereinafter provided in the case of termination pursuant to notice. In case the Lessee shall desire to continue the operation of such Extension, such deficit shall be a cumulative and continuing charge against the revenue of the Railroad and the Existing Railroads, applicable to payments to the City in the same manner as hereinbefore in this Article provided in respect of other Extension deficits, with interest adjusted on a semi-annual basis at the same rate and in the same manner as provided in Article LI, and the Lessee shall have the right to cease operating such Extension at the end of any succeeding fiscal year, in case such deficits, together with any that may have subsequently accrued, are not so made up from the revenue of the Railroad and the Existing Railroads applicable to payments to the City or by the City or on its behalf from some other source.

Article LXXIV. If, however, at the end of any fiscal year the revenue of the Extension (after the payment of all accrued cumulative deficits, if the City's deficits are not waived by the Commission with the approval of the Board of Estimate) shall be sufficient to pay all the charges provided for in Article LXXII, such Extension shall thereupon cease to be an Extension and shall be deemed for all purposes, except for purposes of termination, to be a part of the Railroad or the Existing Railroads in the same manner and to the same extent as if such Extension were described in Chapter II of Part First of this contract or formed part of the Existing Railroads, and its receipts shall be included in the revenue of the Railroad and the Existing Railroads and distributed as provided in Article XLIX, and its depreciation funds shall be consolidated with the corresponding funds provided for under Article XLIX, but the sinking funds provided for in paragraphs 2, 3 and 4 of Article LXXII may continue nevertheless to be separately identified on the books of the City and the Lessee. Any balance in the Extension revenue after the payment of all the charges provided for in Article LXXII shall be paid into the revenue of the Railroad and the Existing Railroads. The City shall have the right to waive any and all accrued deficits resulting from the operation of Extensions.

Article LXXV. In case the City shall construct Extensions to the Existing Railroads as provided in Article LXXII or Additions to the Existing Railroads as provided in Article LXX, and in case the City thereafter shall terminate the contract for the Railroad leaving such Extensions or Additions for operation in connection with the Existing Railroads, or in case of a readjustment of rentals as provided in Article LXXXII any Extension or Addition to the Existing Railroads is left for operation in connection with the Existing Railroads, the Lessee shall pay as rental for such Extension or Addition an amount that shall be reasonable and which shall be agreed upon by the Commission, with the approval of the Board of Estimate, and the Lessee, and if not so agreed upon such rental shall be determined by arbitration or the court.

Article LXXVI. The provisions of Articles LIV, LV and LVI *supra* relative to examinations and dates of payments shall apply as well to the separate accounts of the Extensions.

Article LXXVII. Except as to the compensation therefor, which shall be as hereinbefore provided, the equipment, maintenance and operation of Extensions shall be according to all the requirements governing the equipment, maintenance and operation of the Railroad.

Chapter VI—Termination Upon Notice.

Article LXXVIII. Upon giving one years' notice in writing to the Lessee the City, acting by the Commission with the approval of the Board of Estimate, may terminate this contract as to all of the Railroad (including Extensions and Additions) at any time after the expiration of ten (10) years from the date when operation of any part of the Railroad shall actually begin; or the City, acting by the Commission, upon like notice and with like approval may terminate the contract separately as to each of the following specified portions thereof, to wit:

(1) The Seventh Avenue-Lexington Avenue Line, including any Extensions added thereto;

(2) The Eastern Parkway Line, including any Extensions added thereto;

(3) The Steinway Tunnel Line, including any Extensions added thereto, and

(4) The White Plains Road Line, including any Extensions added thereto, at any time after the expiration of ten (10) years from the date when operation of any part of the Line, as to which the contract is so separately terminated, shall actually begin; and the City, acting by the Commission, upon like notice and with like approval may terminate the contract separately as to each of the Extensions at any time after the expiration of ten (10) years from the date when operation of any part of the Extension, as to which the contract is so terminated, shall actually begin. Such dates shall be evidenced by resolutions adopted by the Commission and entered in its minutes approving such dates as the dates for beginning operation. Such right of termination shall, however, be upon condition as follows:

1. The City shall pay to the Lessee an amount to be determined as follows: For the purposes of this chapter in ascertaining the Lessee's contribution towards the cost of construction of each Line of the Railroad, the contribution of the Lessee toward the cost of construction of the Railroad shall be deemed to have been expended generally upon the construction of the Railroad, irrespective of the actual application of such contribution to particular parts through the method and manner of its disbursement as provided in Article IX. The amount of the Lessee's contribution towards the cost of construction of any Line of the Railroad shall therefore be ascertained by charging to each Line the proportion of the total contribution of the Lessee toward the cost of construction of the Railroad that the cost of construction of such Line bears to the cost of construction of the Railroad. The cost of equipment for each Line shall be the cost of the equipment provided for each line in accordance with the provisions of Article XL. If the contract shall be terminated as to all of the Railroad the City shall pay to the Lessee the percentage of the Lessee's contribution toward the cost of construction of the Railroad (exclusive of Additions) and the percentage of the cost of equipment of the Railroad (exclusive of Additions) indi-

cated in the following schedule. If the contract shall be terminated separately as to a Line the City shall pay to the Lessee the percentage of the Lessee's contribution toward the cost of construction of such Line (exclusive of Additions) and the percentage of the cost of equipment of such Line (exclusive of Additions) indicated in the following schedule:

Such schedule is as follows:

Schedule

If terminated at	Percentage to be paid by City
10 years.....	115
11 years.....	38-39ths of 115
12 years.....	37-39ths of 115
13 years.....	36-39ths of 115
14 years.....	35-39ths of 115
15 years.....	34-39ths of 115
16 years.....	33-39ths of 115
17 years.....	32-39ths of 115
18 years.....	31-39ths of 115
19 years.....	30-39ths of 115
20 years.....	29-39ths of 115
21 years.....	28-39ths of 115
22 years.....	27-39ths of 115
23 years.....	26-39ths of 115
24 years.....	25-39ths of 115
25 years.....	24-39ths of 115
26 years.....	23-39ths of 115
27 years.....	22-39ths of 115
28 years.....	21-39ths of 115
29 years.....	20-39ths of 115
30 years.....	19-39ths of 115
31 years.....	18-39ths of 115
32 years.....	17-39ths of 115
33 years.....	16-39ths of 115
34 years.....	15-39ths of 115
35 years.....	14-39ths of 115
36 years.....	13-39ths of 115
37 years.....	12-39ths of 115
38 years.....	11-39ths of 115
39 years.....	10-39ths of 115
40 years.....	9-39ths of 115
41 years.....	8-39ths of 115
42 years.....	7-39ths of 115
43 years.....	6-39ths of 115
44 years.....	5-39ths of 115
45 years.....	4-39ths of 115
46 years.....	3-39ths of 115
47 years.....	2-39ths of 115
48 years.....	1-39th of 115
49 years.....	0

2. The City shall also pay to the Lessee for Additions to the Railroad or to such Line (as to any of which the contract is terminated) and for Additional Equipment for the Railroad or for such line or for the Extension (as to any of which the contract is so terminated) the percentage of the cost of such Additional Equipment and the percentage of the Lessee's share of the cost of construction of such Additions to the Railroad as shall have been in operation less than forty (40) years indicated in the following schedule according to the age of each additional unit as there indicated.

Such schedule is as follows:

Schedule

Upon termination.	Percentage to be paid by City.
If on provision.....	110.
If 1 year after provision.....	108,988 636 36
If 2 years after provision.....	107,930 779 25
If 3 years after provision.....	106,824 291 35
If 4 years after provision.....	105,666 166 97
If 5 years after provision.....	104,456 377 78
If 6 years after provision.....	103,190 167 90
If 7 years after provision.....	101,865 749 00
If 8 years after provision.....	100,480 445 09
If 9 years after provision.....	99,031 457 27
If 10 years after provision.....	97,515 857 97
If 11 years after provision.....	95,930 584 90
If 12 years after provision.....	94,272 435 16
If 13 years after provision.....	92,538 058 48
If 14 years after provision.....	90,723 950 65
If 15 years after provision.....	88,826 446 32
If 16 years after provision.....	86,841 711 62
If 17 years after provision.....	84,765 736 67
If 18 years after provision.....	82,594 326 86
If 19 years after provision.....	80,323 095 00
If 20 years after provision.....	77,947 452 18
If 21 years after provision.....	75,462 598 48
If 22 years after provision.....	72,863 513 37
If 23 years after provision.....	70,144 945 56
If 24 years after provision.....	67,301 402 29
If 25 years after provision.....	64,327 138 24
If 26 years after provision.....	61,216 144 10
If 27 years after provision.....	57,962 134 19
If 28 years after provision.....	54,558 533 93
If 29 years after provision.....	50,998 466 52
If 30 years after provision.....	47,274 738 98
If 31 years after provision.....	43,379 827 73
If 32 years after provision.....	39,305 863 20
If 33 years after provision.....	35,044 614 14
If 34 years after provision.....	30,587 470 88
If 35 years after provision.....	25,925 427 98
If 36 years after provision.....	21,049 065 94
If 37 years after provision.....	15,948 532 33
If 38 years after provision.....	10,613 521 69
If 39 years after provision.....	5,033 254 86
If 40 years after provision.....	000 000 00

The above schedule is computed upon the basis of the investment of the deductions from the revenue for amortization provided for in paragraphs 8 and 9 of Article XLIX and in paragraph 2 of Article LXXII in five per cent bonds of the Lessee at one hundred and ten per centum (110%) and ten per centum (10%) has been added to each outstanding amount to cover premiums that may be payable by the Lessee as a condition for calling in outstanding bonds. If the amortization funds are invested at a more favorable rate than that above assumed or if the premiums payable upon outstanding bonds are less than ten per centum (10%) then the amount to be paid by the City shall be correspondingly reduced.

Article LXXIX. If the termination pursuant to notice shall take effect other than at the end of a year as indicated in the schedules in this chapter the amount to be paid by the City shall be the amount indicated for the prior year diminished by such proportion of the difference between such amount and the amount indicated for the next succeeding year as the number of days elapsed bears to the total number of days in such year.

Article LXXX. Upon termination of the contract pursuant to notice or upon the expiration of the contract any unliquidated claims or obligations arising out of operation shall be paid from the contingent reserve fund referred to in Article XLIX and if that fund be insufficient the payment of the balance shall be adjusted between the

City and the Lessee and if not agreed upon between the Commission and the Lessee shall be determined by arbitration or by the court.

Article LXXXI. The Lessee agrees upon demand of the Commission to modify Contract No. 1 and Contract No. 2 so that upon termination of this contract so far as it applies to the Seventh Avenue-Lexington Avenue Line and the Eastern Parkway Line that portion of the Existing Railroads extending from 42d Street and Broadway in the Borough of Manhattan to Atlantic Avenue in the Borough of Brooklyn (including the line equipment thereof) may be taken over by substituting in its place and stead under Contract No. 1 and Contract No. 2 the Seventh Avenue Branch (including the line equipment thereof), or so that the portion of the Existing Railroads extending from 42d Street and Broadway in the Borough of Manhattan to the Borough of The Bronx (including the line equipment thereof) may be taken over by substituting in its place and stead under Contract No. 1 and Contract No. 2 the Lexington Avenue Branch (including the line equipment thereof). In the event of such substitution the Seventh Avenue Branch or the Lexington Avenue Branch (including the line equipment thereof) so substituted shall be held under Contract No. 1 and Contract No. 2 in the same manner and to the same extent as if the same had been originally incorporated in such contracts as part of the Existing Railroads, and the City's obligation under the provisions of Contracts Nos. 1 and 2 to buy the Existing Equipment at the end of the term of the lease shall be transferred from the said portions of the Existing Equipment to the equipment of the Seventh Avenue Branch or the Lexington Avenue Branch substituted therefor. But such right of substitution shall be upon condition that the difference in value of the right to operate the portion of the Existing Railroads (including the line equipment thereof) under Contracts Nos. 1 and 2 and the value of the right to operate the Seventh Avenue Branch or the Lexington Avenue Branch (including the line equipment thereof) so exchanged shall be adjusted and paid between the City and the Lessee. The value of the rights to operate the respective portions so exchanged shall be determined by agreement between the Commission and the Lessee and if such agreement be not reached within six (6) months after giving the notice of termination provided for in Chapter VI of this Part, then such difference in value shall be determined by arbitration or by the court.

Article LXXXII. In case the City shall terminate this contract as to the Seventh Avenue-Lexington Avenue Line in advance of terminating it as to the entire Railroad the rental of the Line or Lines of the Railroad or Extensions remaining after such termination shall, upon demand of either the Commission or the Lessee by written notice delivered to the other at least six months in advance of the time when under the notice provided for in Article LXXVIII the termination shall take effect, be readjusted. Such rental shall be reasonable and if not agreed upon by the Commission, with the approval of the Board of Estimate, and the Lessee, within a period of three (3) months from the date of the receipt of such notice requiring readjustment, the amount of the rental for the Line or Lines or Extensions remaining after such termination takes effect shall be determined by arbitration or by the court. If such rental shall not be so determined prior to the time when such termination takes effect the rental pending such determination shall be one-half of the amount remaining after making the deductions provided for in Article XLIX from the revenue of the Existing Railroads and the remaining Lines or Extensions of the Railroad. After the determination of the rental such temporary payments shall be adjusted to conform thereto with interest from the date when such termination takes effect.

Article LXXXIII. If the Lessee shall provide terminals, storage yards or shops upon the White Plains Road Line, and upon Subdivision II of the Lexington Avenue Branch of the Seventh Avenue-Lexington Avenue Line, or upon either of such lines, to be used in connection with other rapid transit railroads operated by it as well as in connection with the Railroad, the City shall upon terminating the contract as to the White Plains Road Line or the said Subdivision II of the Lexington Avenue Branch of the Lexington Avenue-Seventh Avenue Line pursuant to notice as aforesaid, permit the Lessee for a period equal to the then unexpired term of the contract (if it had not been so terminated) to use the tracks, structure and line equipment of the portion of the White Plains Road Line from Gun Hill Road to the terminals, storage yards or shops located thereon or the portion of the said Subdivision II of the Lexington Avenue Branch of the Seventh Avenue-Lexington Avenue Line from 162d Street to the terminals, storage yards or shops located thereon.

Such use of the tracks, structure and line equipment shall be solely for the purpose of reaching such terminals or storage yards and the Lessee shall not transport passengers or freight for hire over such portions of the Railroad. In no event shall the use of such portions of the Railroad for such purpose interfere with their necessary use for passenger transportation. The Lessee shall pay to the City a reasonable compensation for such use of such portions of the Railroad for such purpose, which if not agreed upon by the Commission, with the approval of the Board of Estimate, and the Lessee shall be determined by arbitration or by the court.

Article LXXXIV. At the option of the City either at the expiration of the term of the Lease or at the termination of the contract, pursuant to notice as aforesaid, the Lessee may be required to transfer the right to the possession of the Railroad or of any Line or any Extension thereof and the Equipment directly to a new contractor upon his paying the amount to the Lessee which the City would have been required to pay as aforesaid.

Article LXXXV. In case the City itself shall take over the possession of the Railroad or of any Line or Extension thereof and the Equipment such payment shall be made by a City warrant drawn by the Comptroller, or otherwise, as may then be provided by law. In case the possession of the Railroad or of any Line or Extension thereof and the Equipment shall be taken over directly by a new contractor such payment shall be made by a certified check, drawn by such new contractor, to the order of the Lessee or by lawful money of the United States of America.

Article LXXXVI. If the amounts to be paid to the Lessee upon any such termination shall not have been finally determined or paid prior to or at the time when the termination is under the said notice given to take effect the right to the possession of the Railroad or of any Line or Extension thereof and the Equipment shall nevertheless pass to the City or to a new contractor, free and clear of all liens or other incumbrances, in which event the City or such new contractor shall pay to the Lessee the amount so determined with interest from the date of taking possession, provided, however, that possession of the Railroad and the Equipment shall not pass to the City or to such new contractor in advance of payment as aforesaid unless the City or such new contractor shall give the Lessee a satisfactory bond or bonds in an amount at least equal to the difference between the portion of the cost of construction borne by the Lessee and the cost of equipment and the amount thereof that should be amortized as indicated in the schedules hereinbefore contained and in addition an amount sufficient adequately to protect the Lessee, which latter amount, if not agreed upon by the Commission and the Lessee, shall be determined by arbitration or by the court.

Article LXXXVII. Upon the expiration of the term of the Lease, or the termination by notice as aforesaid, the Lessee shall execute and deliver such instruments as may be either necessary or convenient to assure and perfect the title of the City or such new contractor in and to the Equipment free and clear of all liens and incumbrances as aforesaid.

Article LXXXVIII. It is the intention of the parties that the measure of any payments the City may be called upon to make hereunder shall be that provided in Article LXXVIII or Article XC as the case may be, but in pursuance of the provisions of Subdivision 1 of Section 34 of the Rapid Transit Act, as it now exists, it is further provided that if at any time in ascertaining the amount to be paid by the City as a condition of the termination, as herein provided, or at the expiration of the full term, it shall be necessary, as in the case of Equipment, that the valuation of any plant, property, equipment, construction or any investment in any thereof shall be determined, such valuation shall, in default of agreement, be determined by arbitration or by the court.

Chapter VII.—Remedies in Case of Lessee's Default.

Article LXXXIX. In case of default of the Lessee in paying the rental herein provided or in case of the failure or neglect of the Lessee faithfully to observe, keep and fulfill any of the conditions, obligations and requirements of the Lease, the City, by the Commission upon thirty (30) days' notice to the Lessee of its intention so to do, may:

(1) Serve notice of such default upon the Lessee, directing the Lessee to cure the default within ninety (90) days. If there shall be any dispute as to the fact of default or as to the remedying thereof the Lessee may apply to the Court. If the default be not remedied within such time or within such further time as may be allowed by the Commission or by the court, the City shall thereafter be at liberty to enter upon and as the agent of the Lessee operate the Railroad and Equipment and Existing Railroads and Existing Equipment at the rate of fare and in the manner provided in the Lease for the remainder of the term, or to enter into a contract, sub-

This Bond shall be a continuing security to the City for the entire term of the lease provided for in said contract.

And Whereas, the Lessee, pursuant to the terms of said contract, has deposited or is about to deposit with the City the sum of One Million Dollars (\$1,000,000) in cash or securities as security for the performance by the Lessee of some of the acts and things, the performance of which is secured hereby;

Now Therefore, it is further expressly agreed between the City and the Sureties that the City shall be at liberty in case of any default by the Lessee against which this Bond is given as security to collect the loss or damage to the City caused thereby either from the Sureties on this Bond or out of the said deposit or out of both such securities, as the City may elect.

INTERBOROUGH RAPID TRANSIT COMPANY,

By President.

Attest: Secretary.

Consent of Sureties.

The undersigned, United States Fidelity and Guaranty Company, American Surety Company of New York and National Surety Company, being the sureties of Interborough Rapid Transit Company, the Lessee named in the foregoing contract, upon the Construction Bond in the sum of Two Hundred and Fifty Thousand Dollars (\$250,000) given to The City of New York under Contract No. 1 referred to in the foregoing contract as security for construction and equipment, and the undersigned, United States Fidelity and Guaranty Company and Fidelity and Deposit Company of Maryland, being the sureties of said Interborough Rapid Transit Company upon the Continuing Bond in the sum of Five Hundred Thousand Dollars (\$500,000) given to the City under Contract No. 1 as a continuing security to secure the payment of rent under the lease of Contract No. 1 and the performance of all the covenants, conditions and requirements specified and provided for in Contract No. 1, do hereby consent to the making of the foregoing contract and to the modification of Contract No. 1 therein provided for and to the making of the supplementary agreements therein provided for respecting trackage rights, and do hereby consent and agree with the City that the making of such contract and supplementary agreements and the modification of Contract No. 1 shall in no respect release the sureties on either said Construction Bond or said Continuing Bond.

Dated 1913.

UNITED STATES FIDELITY AND GUARANTY COMPANY

by

Attest: AMERICAN SURETY COMPANY OF NEW YORK

by

Attest: NATIONAL SURETY COMPANY

by

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

by

Attest:

State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared , of the United States Fidelity and Guaranty Company, with whom I am personally acquainted, who being by me duly sworn, said: That he resided in the State of ; that he is of the United States Fidelity and Guaranty Company, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of said company; that the seal affixed to said instrument is such seal; that it was affixed by order of the Board of Directors of said company; and that he signed his name thereto by like authority.

State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared of the American Surety Company of New York, with whom I am personally acquainted, who being by me duly sworn, said: That he resided in the State of ; that he is of the American Surety Company of New York, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of said company; that the seal affixed to said instrument is such seal; that it was affixed by order of the Board of Directors of said company; and that he signed his name thereto as by like authority.

And the said further says that he is acquainted with and knows him to be the of said company; that the signature of the said instrument is in the genuine handwriting of the said and was thereto subscribed by the like order of said Board of Directors and in the presence of him the said

State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared , of the National Surety Company, with whom I am personally acquainted, who being by me duly sworn said: That he resided in the State of ; that he is of the National Surety Company, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of said company; that the seal affixed to said instrument is such seal; that it was affixed by order of the Board of Directors of said Company, and that he signed his name thereto as by like authority.

And the said further says that he is acquainted with and knows him to be the of said company; that the signature of the said instrument is in the genuine handwriting of the said and was thereto subscribed by the like order of said Board of Directors and in the presence of him the said

State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared , of the Fidelity and Deposit Company of Maryland, with whom I am personally acquainted, who being by me duly sworn, said: That he resided in the State of ; that he is of the Fidelity and Deposit Company of Maryland, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of said company; that the seal affixed to said instrument is such seal; that it was affixed by order of the Board of Directors of said Company, and that he signed his name thereto as attorney in fact by like authority.

And the said further says that he is acquainted with and knows him to be the of said company; that the signature of the said instrument is in the genuine handwriting of the said and was thereto subscribed by the like order of said Board of Directors and in the presence of him the said

Consent of Sureties and Rapid Transit Subway Construction Company.

The Undersigned, Rapid Transit Subway Construction Company, having heretofore deposited with the Comptroller of The City of New York the sum of One Million Dollars (\$1,000,000) in cash under Contract No. 2 referred to in the foregoing contract as security for the performance of the contract for construction, of which sum the Comptroller now holds One Hundred and Fifty Thousand Dollars (\$150,000), and the undersigned, United States Fidelity and Guaranty Company, Fidelity and Deposit Company of Maryland, National Surety Company and The Title Guarantee and Surety Company, being the sureties of the Interborough Rapid Transit Company, the Lessee named in the foregoing contract, upon the Continuing Bond in the sum of Five Hundred Thousand Dollars (\$500,000) given to the City under Contract No. 2 as a continuing security to secure the payment of rent under the lease of Contract No. 2 and the performance of all the covenants, conditions and requirements specified and provided for in Contract No. 2, do hereby consent to the making of the foregoing contract and to the modification of Contract No. 2 therein provided for and to the making of the supplementary agreements therein provided for respecting trackage rights, and do hereby consent and agree with the City that the making of such contract and supplementary agreements and the modification of Contract No. 2 shall in no respect release either said cash deposit or the sureties on said Continuing Bond.

Dated, , 1913.

RAPID TRANSIT SUBWAY CONSTRUCTION COMPANY,
by , President.

Attest: UNITED STATES FIDELITY AND GUARANTY COMPANY,
by

Attest: FIDELITY AND DEPOSIT COMPANY OF MARYLAND,

Attest: NATIONAL SURETY COMPANY,
by

Attest: THE TITLE GUARANTY AND SURETY COMPANY,
by

Attest: State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared to me known, who being by me first duly sworn, did depose and say: that he resided in , in the State of ; that he is of Rapid Transit Subway Construction Company, the corporation described in and which executed the foregoing instrument; that he knew the corporate seal of said company; that one of the seals affixed to said instrument is such seal, and that it was affixed thereto by order of the Board of Directors of said company, and that he signed his name thereto by like authority.

State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared of the United States Fidelity and Guaranty Company, with whom I am personally acquainted, who being by me duly sworn, said: that he resided in the State of ; that he is of the United States Fidelity and Guaranty Company, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of said company; that the seal affixed to said instrument is such seal; that it was affixed by order of the Board of Directors of said company; and that he signed his name thereto as by like authority.

State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared of the Fidelity and Deposit Company of Maryland, with whom I am personally acquainted, who being by me duly sworn, said: that he resided in the State of ; that he is of the Fidelity and Deposit Company of Maryland, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of said company; that the seal affixed to said instrument is such seal; that it was affixed by order of the Board of Directors of said company; and that he signed his name thereto as by like authority.

And the said further says that he is acquainted with and knows him to be the of said company; that the signature of the said instrument is in the genuine handwriting of the said and was thereto subscribed by the like order of said Board of Directors and in the presence of him the said

State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared of the National Surety Company, with whom I am personally acquainted, who being by me duly sworn, said: that he resided in the State of ; that he is of the National Surety Company, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of said company; that the seal affixed to said instrument is such seal; that it was affixed by order of the Board of Directors of said company; and that he signed his name thereto as by like authority.

And the said further says that he is acquainted with and knows him to be the of said company; that the signature of the said instrument is in the genuine handwriting of the said and was thereto subscribed by the like order of said Board of Directors and in the presence of him the said

State of New York, County of New York, ss.:

On this day of , 1913, before me personally appeared of The Title Guaranty and Surety Company, with whom I am personally acquainted, who being by me duly sworn, said: that he resided in the State of ; that he is of The Title Guaranty and Surety Company, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of said company; that the seal affixed to said instrument is such seal; that it was affixed by order of the Board of Directors of said company; and that he signed his name thereto as by like authority.

And the said further says that he is acquainted with and knows him to be the of said company; that the signature of the said instrument is in the genuine handwriting of the said and was thereto subscribed by the like order of said Board of Directors and in the presence of him the said

Now, therefore, it is

Resolved, That the Board of Estimate and Apportionment of The City of New York, by a majority vote according to the number of votes by law pertaining to each member of the Board, hereby approves and consents to the proposed contract to be entered into with the Interborough Rapid Transit Company.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the Interborough Rapid Transit Company be returned to the Public Service Commission, with the request that it be amended by reducing the sum of \$6,335,000, the preferential deduction from gross earnings allowed the Company on account of its old capital invested in the present subway, by a sum equal to the annual deferred depreciation and obsolescence upon its plant and equipment during the two years ending June 30, 1911, which said sum shall be fixed at not less than \$580,000.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the Interborough Rapid Transit Company be returned to the Public Service Commission with the request that it be amended by providing that a readjustment of operating terms under existing contracts Nos. 1 and 2 be required at the expiration of the present initial leasehold periods.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the Interborough Rapid Transit Company be returned to the Public Service Commission with the request that it be amended by providing that in case of recapture of any division or divisions of the new subways to be constructed thereunder, the same may be had by the City without payment of any sum by the City to the Company on account of construction cost, when the amount of the construction cost of such division or divisions so recaptured does not exceed the total amount contributed by the City to construction under this contract.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the Interborough Rapid Transit Company be returned to the Public Service Commission with the request that it be amended by providing that the Company shall not capitalize three points of discount upon the sale price which it is to receive from the Steinway tunnel.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the Interborough Rapid Transit Com-

pany be returned to the Public Service Commission with the request that it be amended by reducing the preferential deduction from gross earnings allowed the Company, from 6 per cent. to an amount sufficient to pay interest upon the actual cash investment of the Company in construction and equipment, and to amortize the investment within the period of the lease.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The President of the Board of Aldermen offered the following:

Resolved, That the proposed contract with the Interborough Rapid Transit Company be returned to the Public Service Commission with the request that it be amended by providing that The City of New York shall have a share in any premiums above par realized in the sale of the bonds issued for construction and equipment, and to that end, that the Company be required to sell its bonds at public sale and upon competitive bidding.

Which was lost by the following vote:

Affirmative—The President of the Board of Aldermen—3.

Negative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

The resolution as offered by the President of the Borough of Manhattan was then adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

The President of the Board of Aldermen then presented the following:

March 11, 1913.

To the Board of Estimate and Apportionment:

Gentlemen—The contracts to carry into effect the plan of the Transit Conference Committee, approved by the Board of Estimate on the 24th day of May, 1912, have been prepared by the Public Service Commission, and are now presented to this Board for adoption. These contracts are designed to carry into effect the so-called dual subway plan. To the physical features of that plan I have no objection, such as to lead me to refuse to acquiesce with the majority members of this Board in its adoption, although I believe now, as heretofore, that a wholly new and independent transit system, constructed entirely with City money, and absolutely controlled by the City in its own interests, would be preferable to the dual plan.

Being prepared to accept the dual plan upon proper terms, I desire once more, and probably for the last time, to point out to this Board that the contracts proposed are ruinously unfair and disadvantageous to the City, will lock the rapid transit facilities of New York fast in the grip of the two great operating companies for the full span of two generations, will put an end to further rapid transit expansion and development for many years, will deprive the municipality at the same time of its legitimate share of the profits of the enterprise which its capital creates, and of the control of that enterprise which alone would insure to the public adequate service.

The contracts now presented, like the agreement of last May, are based upon terms fundamentally wrong. These I shall enumerate, together with the conclusive proof of the facts which I shall allege. These terms are all matters of negotiation and agreement between the City and the companies. They all represent merely the selfish and excessive demands of the operating companies and of their banking backers. All of them might be changed without losing the routing advantages which are claimed for the dual plan. Since the provisions of the contract in these respects are now grossly unjust to the City, and a revision of them in accordance with the suggestions herein made would be but common justice, and in accordance with sound business principles, I maintain, as I have in the past, that with these facts thoroughly before the public, a revision of these terms would be not only possible but inevitable, and the dual system still preserved.

In addition to the objections which run to the basis of the financial features of the agreement of last May, the present forms of contract are grossly defective in many respects, wherein they fail adequately to protect the City, or to carry out even the plan of last May, as reported by the Transit Conference Committee of this Board. It was my understanding that the Transit Conference Committee proposed to insist upon a revision of the contracts in these respects.

Whatever revision has been made is now reflected in the contracts submitted to this Board. On an examination of these documents, it appears that of the sixteen objections against the form of the Interborough contract submitted by me to the Transit Conference Committee, and which I was informed that Committee would insist be pressed for amendment, but eight have been met by the revision which has taken place. Eight remain as in the draft upon which the public hearings were recently accorded. Of the eighteen objections to the form of the proposed contract with the Brooklyn Rapid Transit Company, all of which I likewise submitted to the Transit Conference Committee, but seven have been met by the recent revision. Eleven remain as in the forms considered at the recent public hearing.

Some of the changes made in these forms are of considerable moment to the City. Chief among them is the elimination from the contract of the obstructive proviso clause in the section dealing with the exchange of branches in case of recapture by the City. As I have always contended, this clause was inserted for the purpose of enabling the company to avoid its obligation in the future, and its excision alone, by securing a practical as well as a theoretic power of recapture, has been worth all of the efforts directed to compelling an amendment of the terms of last May. Other changes, including the designation of the Chief Justice of the Court of Appeals as the nominator of the third member of arbitration and depreciation boards; the provision for adequate depreciation and obsolescence reserves in the future; the elimination of double payment for equipment of the old subway; the assumption by the company of taxes and liens upon the Steinway tunnel; the provision that the City shall have a credit for past depreciation on items other than rolling stock in case of recapture or at the end of the contract; the limitation of subsidiary contracts to periods of five years; the submission of Interborough payrolls, including those prior to December 1, 1912, for audit by the Public Service Commission; the requirement for the approval of the Board of Estimate and Apportionment to future changes in the contract; the five-cent fare to Coney Island made operative immediately instead of five years hence; and many other minor amendments securing a better control and better safeguards for the administration of these contracts, have been made since the public hearing. In these respects the contracts have been materially improved as to form and substance. There still remain, however, many serious and radical defects in form and substance in these instruments, in addition to those fundamental vices of the agreement of last May, which are still reflected in these contracts. The contracts, upon all of those fundamentals, except the matter of recapture, still remain unchanged, and as instruments designed to carry out the plan of last May, they are still grossly defective, and fail to protect the City.

I shall state first the objections to the financial terms approved by a majority of this Board last May, and later the defects of the contracts as instruments designed to effectuate the plan approved last May.

As to the Interborough Contract.

I.

The practical guaranty to the company of \$6,335,000, in the preferential payment allowed on account of old capital invested in the present system, is based upon earnings from inadequate service and indecent congestion, is predicated upon false accounting and indefensibly padded to the extent of a vast sum, which is thereby donated each year by the City to the company.

In my brief filed with this Board on the 24th day of May, 1912, at page 18, under the heading of Point VII, I submitted proof of the fact that the Interborough Company has never provided for depreciation or obsolescence in the past, but has paid out in dividends to its stockholders and in interest to its bondholders sums of money which sound and honest railroad practice demanded that the company pay into depreciation and obsolescence funds. That proof has never been contradicted, much less successfully attacked. It stands upon the authority of Bion J. Arnold, recognized as probably the foremost expert on railroad costs and operation in the United States, and is found in his report rendered to the Public Service Commission upon this very question. The figure representing the annual depreciation and obsolescence which the Interborough should have provided for, and failed to provide for, upon the basis of Mr. Arnold's report, is approximately \$1,000,000. This means that the preferential payment of \$6,335,000, which is claimed to be the average of net profits of the two years prior to last May, instead of being the average of actual net profits, is approximately \$1,000,000 more than the average of the true net profits of those two years. The preferential of \$6,335,000 really contains approximately \$1,000,000 of

deferred depreciation and obsolescence, wrongfully paid out to bondholders and stockholders in place of being paid into depreciation and obsolescence reserves. To that extent it is padded.

Since the filing of my brief with this Board, new evidence of the accuracy of the claim which I then made has come to hand. The Public Service Commission requested a special Board of Consulting Engineers, consisting of Mr. Alfred Craven, the Chief Engineer of the Commission; Mr. George Gibbs, Chief Electrical Engineer of the Pennsylvania Railroad; Mr. E. R. Hill, Assistant Electrical Engineer of the Pennsylvania Railroad, and Mr. C. W. Wilder, Electrical Engineer of the Public Service Commission, to report to it upon the deferred depreciation and obsolescence of the present Interborough plant. This Board of Consulting Engineers reported that in their estimate deferred depreciation and obsolescence up to January 30, 1916, would equal \$6,000,000. The period covered is twelve years. This means that they estimate that deferred depreciation and obsolescence in the past has been at the rate of upwards of \$500,000 per year. This estimate of the Board of Consulting Engineers does not cover rails, third rail, cables, feeders, electric lines and signal equipment.

The contracts themselves supply the proof that the Interborough admits the failure to provide for depreciation and obsolescence in the past, and the resultant padding of this preferential to approximately 120 per cent. of existing net profits. The revised contract provides that the company shall make good in future years past depreciation upon rolling stock to the extent of \$2,759,000. It also provides in another section that in case of recapture by the City, or when, at the expiration of the contract period, the City takes over the Company's equipment of the present subway, there shall be a credit to the City on the part of the Company on account of depreciation of plant, other than rolling stock, to an amount of \$3,239,000. It will be observed that these two sums together equal \$6,000,000, the amount of deferred depreciation which the Board of Consulting Engineers recently reported that the Interborough has failed to provide for. These facts establish beyond attack the minimum figure of \$500,000 per annum by which I have contended that the preferential payment on account of old capital is indefensibly padded and increased above the Company's present net earnings.

Another provision in the contract constitutes additional proof upon this head. The amount of gross earnings which the Interborough Company has consumed for purposes of maintenance in the past has equaled approximately 14 per cent. The first revised draft of the Interborough contract provided for an allowance of 12 per cent. for maintenance and 2 per cent. for depreciation, the total being about equal to what the Interborough had provided for maintenance alone in the past. The new or revised form provides that the Company shall be limited to 12 per cent. for maintenance in the future, and shall have an additional 6 per cent. of gross receipts for depreciation and obsolescence. This increases the total for maintenance, depreciation and obsolescence to 18 per cent. of gross receipts, 4 per cent. more than the Company has set aside in the past. The additional 4 per cent. about equals what I have always contended the Company should have set aside in the past for depreciation and obsolescence, and constitutes a conclusive admission of the propriety of this deduction, and of the failure on the part of the Company in the past to provide therefor.

On the basis, therefore, of the recent report of the Board of Consulting Engineers rendered to the Public Service Commission, the preferential payment of \$6,335,000 is wrongfully and unjustifiably padded to the extent of something more than \$500,000. Upon the basis of the Arnold report, it is padded to the extent of \$1,000,000. It follows, therefore, that The City of New York will be permitting the Interborough to deduct from the gross earnings as a preferred payment to it each year, a sum greater than all of the present net profits of the Interborough from its existing subway by an amount ranging from \$500,000 to \$1,000,000. In the life of the contract, therefore, the Company will pocket from \$27,000,000 to \$54,000,000, representing a profit in excess of 100 per cent. of the Company's present net profits, continued throughout the life of the proposed lease. Whatever justification there might be for allowing to the company 100 per cent. of the present net profits of its existing subways, as the price of the pooling of the present tubes with the new divisions, a proposition which I deny, no justification can be found for the allowance of a sum on account of old capital in excess of 100 per cent. of present profits.

The preferential payment on account of old capital should be reduced by at least \$1,000,000, as a condition to the execution of the proposed contracts.

II.

The provision for the leveling of existing leases to a flat forty-nine year term, by extending the present unduly favorable operating terms for the company for long periods of years, results in a gift to the Company of approximately \$45,000,000.

In my brief filed with this Board on the 24th day of May, 1912, at page 19, under the heading of point VIII, I submitted the facts which demonstrated that the above gift is needlessly made to the existing companies through the leveling of present leases. The fact that readjustment of operating terms is provided for in the existing contracts Nos. 1 and 2 at the time of the expiration of initial leasehold terms is undeniable. That the leveling of the leases to a flat forty-nine year term results in an extension of the present operating terms eleven years in the case of the longer lease, and twenty-two years in the case of the shorter lease, is equally undeniable. The only question open to debate is the percentage of profits from the existing subways which a board of arbitration would award to the City upon any readjustment of terms.

In view of the trend of public opinion in these matters, and the establishment of the principle of municipal profit sharing which is becoming more and more widely recognized, it is scarcely reasonable to suppose that the City, whose money has created the present subway, upon a readjustment of these terms, would be awarded less than 50 per cent. of the profits. Such an award would bring to the City, upon the basis of existing traffic, a gross total of approximately \$45,000,000 during the two periods of years for which the present operating terms under the respective leases are now proposed to be extended.

The above argument was made to this Board by the Comptroller and myself in our joint report submitted to this Board on the 5th day of January, 1911. It was sound then; it is sound now.

The contracts should be amended by retaining the provision for readjustment of operating terms, at the expiration of initial periods, such readjustment to be based on present day traffic.

III.

The above leveling of terms of existing leases to forty-nine years is virtually and in effect a guarantee to the company by the City for forty-nine years of all operating expenses, taxes, etc., a lump sum of \$6,335,000 on account of old capital, and at least 6 per cent. upon all new money provided by the company.

Even in case of default on the part of the company such that the City becomes entitled to eject the company as an operator, the contract makes the City still liable to pay the preferential on account of old capital and the 6 per cent. on new capital, which sums are to be applied, first to the payment of interest and sinking fund upon the bonds; then to any damages which the City may have suffered, and the surplus, if any, to the company.

IV.

It makes certain the loss of interest and sinking fund upon the City investment in the new subway, or insures and perpetuates indecent congestion as a condition of earning a return on City money.

In my memorandum of May 24, 1912, under point 1 at page 4, I have already furnished evidence which establishes the fact that the gross income from the amalgamated system of subways to be operated by the Interborough Company will not be sufficient to pay the preferentials to the company and leave a balance sufficient to wipe out the cumulative deficit in the City's interest and sinking fund. Since the filing of the above memorandum, the investment of the company in the enterprise has been increased. It, therefore, becomes less likely that the City will ever realize its interest and sinking fund. The Board is referred to the facts and calculations contained in the memorandum of May 24 in this connection.

It is a significant fact that most of the technical advisers of the Public Service Commission who have examined the offer of the Interborough Company have concluded that the City will never be able to earn out under the Interborough contract, and have so advised such members of the Public Service Commission as have seen fit to seek their advice. It is curious that with these technical advisers in its employ receiving high salaries for the purpose of guiding it in just such matters as this, the Public Service Commission has disregarded their conclusions and accepted those of the interested companies and of their equally interested engineers. Mr. Connette, Traffic Engineer of the Interborough Company, demonstrated that the proposed contract will be a ruinous bargain for the City, and that without congestion equal to or greater than that now experienced in the existing subway, the City will never be able to get back interest and sinking fund upon its investment. The most recent tables prepared in the Bureau of Statistics of the Public Service Commission, upon the basis of the Interborough's own estimates of traffic and of operating expenses, show a cumulative deficit in the year 1927 of approximately \$43,000,000, and at the

end of the contract period of approximately \$85,000,000. These losses will have to be carried by the City through taxation.

Both preferentials should be reduced to fair and adequate sums on account of old and new capital respectively, as indicated under points 1 and 8 herein. The City might then hope to get back interest and sinking fund on its investment.

V.

The Interborough contract offers no incentive or reward for efficient or economical operation, but does offer every incentive for chicanery and political manipulation.

After several years, the company will earn operating expenses, the preferential of \$6,335,000 and 6 per cent. upon new money. But the company will receive nothing further until the City has been paid 8.76 per cent. upon its money for each and every year, the interest upon the deficit being compounded semi-annually. For all of the reasons already stated, it is absolutely certain that the company will receive no further sum after the payment of the preferential. Such being the case, it is evident that once the company has earned enough to pay its preferentials, the incentive to operate the railroad economically and efficiently will be gone. The company's share will not be increased by economy or efficiency, and it will not be decreased by waste and inefficiency. Wasteful expenditure or unnecessary payrolls will be met out of the money which would otherwise go to liquidate in part the City's deficits. The only way in which profits may be increased for those in control of the company at that time will be through the payment of large salaries to officers and directors, or through the purchase of supplies, etc., from controlled companies at high prices. Political demands may be granted. Unnecessary officers and employees may be put upon the payroll. Every such increase and expense will come out of the City's interest and sinking fund, and, therefore, out of the pockets of the taxpayers. With this condition, what is to prevent manipulation of supply contracts, or the gradual creation of a political machine within the organization of the operating company?

The only cure for this condition, if there be one under the peculiar partnership plan proposed, lies in a reduction of the preferential to fair and adequate figures, leaving to the City the expectation of its interest and sinking fund, and to the company the hope, though remote, of an ultimate divisible surplus profit.

VI.

The plan sought to be effectuated by this contract contains none of the advantages of private management, but practically all of the disadvantageous features of municipal operation.

First: It makes the City underwriter of all losses and guarantor of the enterprise.

Second: It depletes the City's treasury and impairs its borrowing capacity without securing the objects of municipal construction.

Third: By making the company's profits independent of efficiency and economy it tends to make the company disregardful of public comfort and convenience.

Fourth: It gives to the company all of the profits of the enterprise.

Fifth: It deprives the City of control by making recapture impracticable and impossible.

VII.

By insuring that the City will never receive interest and sinking fund upon its bonds issued for construction, it prevents the exemption of these bonds from the debt limit, and thereby impairs the City's subway building capacity for the future.

If the City is never to receive interest and sinking fund upon its capital investment, of course the bonds will not become self-sustaining, and can, therefore, never be exempted from the provisions of the constitutional debt limitation. Under the constitutional amendment and the enabling act, however, the City's investment must not only produce interest and sinking fund, but some margin of profit in excess of carrying charges, in order to become exempt.

It is manifest, therefore, that with the ruinous preferentials in the way, no exemption of the City's investment can ever take place, except under conditions of concession so intolerable as to be even more undesirable than the loss of the exemption of these bonds.

VIII.

The excessive sinking fund of one per cent. allowed upon the company's new capital will produce a surplus in the sinking fund of from \$39,000,000 to \$60,000,000, which the company is permitted to appropriate to its own exclusive use.

The company is to receive as a second preferential, ahead of all returns on City money, 6 per cent. of the company's new money invested in construction and equipment.

The company's bonds are to be 5 per cent. bonds. It will therefore have to pay out only 5 per cent. in interest. After paying interest to the bondholders, therefore, there will be 1 per cent. left as an annual sinking fund increment. One per cent. upon the company's proposed investment, if paid into a sinking fund annually and invested at 4½ per cent. compounded semi-annually, will produce, at the time of the expiration of these contracts, an amount \$60,000,000 greater than the company's investment. This surplus of \$60,000,000 over and above the sum required to amortize the company's investment, will be retained by the company under the present provisions of the contract. The company may do what it pleases with all of the funds in this sinking fund.

There can be no justification for paying to the company more than enough to meet interest and sinking fund upon its capital investment. Any sum in excess of that requirement constitutes profit upon new capital invested. This provision for the payment of 6 per cent. upon new capital invested, therefore, is tantamount to allowing the company a profit of \$60,000,000 upon new capital.

I have always contended that the interest rate allowable upon new capital as a preferred payment to the company should be calculated so that it would equal precisely the interest on the bonds, an amount just sufficient to sink the company's investment. This, upon an actuarial basis, would be 5.588722 per cent. The interest rate upon new money should be reduced accordingly.

IX.

It permits the inordinate and unnecessary profits of the bankers who underwrite the bonds to be made the apparent excuse for the excessive sinking fund surplus awarded the company as stated above.

In a communication already addressed to the Public Service Commission, the Company proposes to sell its bonds to the amount of \$170,000,000 to an underwriting syndicate of bankers at 93½. In the same communication, it proposes to make these bonds retrievable at 110. The funds realized upon this bond sale are to be used in part to retire the company's existing bond issue, amounting to \$35,000,000. The company's existing bonds are retrievable at 105, and the latest sale price upon the State Exchange recorded on March 8th, 1913, was 103½. Here is a new bond which, for its interest and sinking fund, comes ahead of \$70,000,000 contributed by the city to the upbuilding of the enterprise. \$70,000,000 of City money is to work night and day in the Interborough's subway to earn interest and sinking fund first upon the Interborough Company's bonds, and yet the company proposes to sell these bonds to its bankers at 93½. The bond is better than the existing bonds of the Interborough Company which are selling at 103½, are retrievable at only 105. It is better because the interest and sinking fund, by virtue of the preferential payments are in all respects, other than as matter of technical law, guaranteed upon the faith and credit of the City of New York. If this bond was offered at public sale, beyond any question it would sell at par or higher. No one doubts for a moment that it is the intention and expectation of the banking syndicate to sell these bonds to the public at par or higher. The evidence of that fact is found in the retirement rate of 110 proposed in this agreement, and yet the public is excluded from any opportunity to buy these bonds at first hand at a fair price.

The importance of this enormous profit which is being needlessly donated to the underwriting bankers is found in the fact that the sale price of the bonds at 93½ is urged as a reason for paying the company 6 per cent. upon new capital, and thereby creating the vast surplus in sinking fund noted in the preceding point. It is argued that because the bonds sell at 93½, the company's money is going to cost it not 5 per cent., but 5.347 per cent., and that the remaining fraction of a per cent. is only about enough to create a sinking fund equal to the company's investment by the end of the contract period.

The effect of the transaction here is merely to transfer from the sinking fund of the operating company into the pockets of the bankers the surplus in sinking fund which would, if the bonds were sold at par, remain in the pockets of the owners of the Interborough Company. By this means the City is actually compelled to return to the Interborough Company, in the form of a surplus in sinking fund, all that that company now pays to the bankers in the form of discount by selling its bonds below par.

The sale price of these bonds becomes, therefore, a matter of great moment to the City, since it is asked, through the excessive rate allowed on new money to make up to the company what it now proposed to turn over to the banking syndicate. If the bonds were sold at par, as they should be, there would be no excuse, either apparent or real, for the allowance of 6 per cent. on new capital. I have always argued that it

makes little difference whether \$60,000,000 be handed to the Interborough Company at the end of the lease in the form of a surplus in sinking fund, or its present worth be now handed to J. P. Morgan & Co., in the form of brokerage and discounts, and the company later reimbursed therefor through the surplus in sinking fund, if the unfortunate City, as is here proposed, is compelled to bear the cost.

It is interesting to observe that the total discount which the company proposes to pay its banking syndicate on the entire issue of \$170,000,000 is \$11,050,000, assuming that the bonds are worth only 100, which nobody believes. This discount represents a capital outlay which the company proposes to make now as the price of getting \$158,950,000 in cash to refinance itself, build in part our subways, and in whole its elevated extensions. The cost of carrying this capital outlay of \$11,050,000 at 5 per cent. interest with a sinking fund instalment to amortize it in the life of the contract is \$30,260,391. In other words, the surplus created in the sinking fund on the \$90,000,000 invested in the City's subway by the City's allowance of 6 per cent. on that sum, namely, \$60,000,000, more than carries and balances in the life of the contract the cost to the company of the bankers' discounts on its entire bond issue of \$170,000,000. Why should the City bear this cost?

Another demonstration is even more convincing. The net discount which the company is to pay its bankers on its entire bond issue of \$170,000,000 may be regarded as a capital expenditure which the company is compelled to make, or a capital debt which it is compelled to contract, as the price of getting the money which it needs for construction and refinancing. The City is to pay the company 6 per cent. on all money invested in construction and equipment of new subways. It is also to pay the company 6 per cent. on all moneys invested by the company in elevated construction and improvement. The surplus in this 6 per cent. preferential over and above what is required to pay interest and to amortize the investment, is sufficient to pay interest and sinking fund on the entire net discount regarded as a capital expenditure, which the company proposes to pay its bankers on its total bond issue of \$170,000,000.

Calculated upon the basis of a yearly cost to the company of carrying this discount which it pays its bankers on its entire bond issue of \$170,000,000, we find also that the surplus or excessive portion of the interest allowance of 6 per cent. upon the cash investment of the Interborough Company in the subways and elevated lines just about equals interest and sinking fund upon the capital outlay represented by this discount upon the total issue of \$170,000,000. This appears from the following: The total cash investment of the Interborough Company in subways and elevated lines upon which it is to be allowed 6 per cent. is \$104,624,000. The company, however, is to be permitted to capitalize and amortize out of earnings three points of any discount paid. This makes the sum upon which it will receive 6 per cent. equal \$107,859,000. The remaining 3½ per cent. discount on \$104,624,000 involved in the sale of the bonds at 93½, which the company apparently will have to assume itself, equals a gross sum of \$4,039,000. The remainder of the capital raised by the issue of \$170,000,000 is for refinancing of the Interborough's present bonds and notes. The bonds, if retired at 105, will require \$34,668,900. The notes will require \$15,000,000 to retire them. This makes the cash capital necessary for refinancing \$49,668,900. Selling the bonds at 93½, the company apparently bears a discount of 6½ points upon bonds sold to produce the above sum. This discount equals \$3,452,918. The company will retain a reserve sum of \$8,327,000 upon which it apparently is to bear a discount of 6½ points, or \$578,000. The net discount, therefore, on the entire transaction, which the company appears to bear, equals \$8,069,918. Considering this as a capital debt which the company is compelled to undertake as the price of getting the money necessary for the entire transaction involved in the proposed contracts, including its own refinancing, and assuming that the company must pay interest on that debt, and set aside annually sufficient to amortize the amount thereof during the life of the contract, this capital debt of \$8,069,918 will cost the company annually in interest and sinking fund \$451,005. The company is to get 6 per cent. on \$107,859,000 on account of both subway and elevated. To sink and amortize \$107,859,000 in forty-nine years, and to pay interest thereon at 5 per cent., requires 5.588722 per cent. annually. This leaves a surplus of 411,278 annually. This fractional percentage on \$107,859,000 will produce annually \$443,600. It will be observed that this practically equals the cost of carrying and sinking the company's debt or outlay made on account of bankers' discount. In other words, the surplus percentage received annually by the company over and above the amount necessary to pay interest upon and amortize the company's total capital outlay, plus the three points of discount which it is allowed to capitalize, upon all of which it will receive 6 per cent. as a preferential, is almost exactly enough to pay interest upon the entire net bankers' discount upon the total bond issue of \$170,000,000, and in addition, repay to the company through a sinking fund that total capital sum paid as discount within the life of the contract. This means that the City of New York, through the preferential payment, is bearing for the company the entire cost of the bankers' discounts which it now pays not only to raise the money for construction and equipment of subway and elevated lines, but also for the refinancing of its own bonds and notes.

The interest on new capital to be allowed the company as a preferential should be reduced to 5.588722, a rate sufficient to pay interest on the company's bonds and amortize its investment.

X.

A failure to provide for competitive public bidding on the sale of the company's bonds causes these bonds to sell below their real value and excludes the enjoyment of the premiums that the City's own guaranty would bring upon such a public competitive sale.

The company's bonds should be sold at public auction or by public letting, to the highest bidders. If this were done, in view of the unusual value of the bonds by reason of the preferential, they would sell at par or higher, and in that event, the City should participate in any premium realized. It is only necessary to recollect some of the many instances when public service corporation bonds of a value far less than those here involved, have been sold at public letting well above par, to prove that the private sale here proposed is merely a means of diverting into the pockets of the banking syndicate an extraordinary and unconscionable profit. That the City is not wholly at the mercy of the banking syndicate in this matter, the experience of the United States Government, when dealing with these same bankers at the time of the \$100,000,000 bond sale under President Cleveland, fully demonstrates.

It is pertinent, too, to recollect that the Interborough's present 5 per cent. bonds, less valuable than the new bonds, were put on the market at 104½, and are selling now at 104¾.

It is submitted that the proposed contract, as an attempt to carry out the plan of the Conference Committee, is vitally defective in the following respects:

I. Recaption provisions of the contract have been devitalized.

(a) The recaption provisions as to the new lines are of little value. The 7th avenue-Lexington avenue line is not an operable unit, the two parts being disconnected. To connect the two lines would mean the reconstruction of parts of both branches, the loss of millions of dollars through the impossibility of utilizing certain stations, and the construction of a crosstown line to connect the two branches. Furthermore, the two lines would terminate in Brooklyn at the Borough Hall, as tracks in Fulton street, which are to be used to connect with these lines, are part of the present subway and could not be taken over under any provision of the old or new contracts.

(b) It has been frequently suggested that, in view of the City's financial condition, the only means of effecting recaption will be to provide that the City's total contribution to the construction cost of the subways may be applied to such sections or lines as the City may desire to take over at the time of the exercise of its election. This would mean that the City might retake any or all new divisions up to a total construction cost equal to the City's total contribution without the payment to the Interborough of any capital sum. As the contract stands, whenever the City may elect to recapture a leg or division, it must pay to the Interborough Company the amount of the company's proportionate contribution to the construction cost of such leg or section. As it is generally recognized that the City will be taxed to its utmost, and perhaps beyond its financial ability for the primary construction of these lines, and that all funds available for rapid transit purposes in the years to come for a considerable time will have to be devoted to the cost of construction of extensions, it is obvious that recaption, under the existing provisions, though it be theoretically possible, will be practically out of the question. No reason has been advanced for the failure to provide for the application of the City's contribution to recaptured divisions. The suggestion has been wholly ignored with the result that the City, as far as recaption is concerned, will be entirely in the hands of the company.

(c) There are a number of other points throughout the paragraphs relating to recaption which will render recaption of the whole line, or any part of it, extremely difficult. For example, the Lexington avenue line is to be connected with the present subway by a diagonal branch and station, extending through the tunnel of the New

York Central Railroad and private property at the corner of 42d street and Park avenue. The construction of the line will be enormously expensive and will be of no use whatever if the Lexington avenue line should be recaptured and made a part of an independent system. The amount spent in constructing this station would be thrown away, for it would need to be abandoned and a new station constructed in Lexington avenue or upon some other site, the proposed station being connected with the present subway upon the same grade and in such a way that the Lexington avenue line could not be connected with any other line without reconstruction. The same objection is largely true of the express station at Times square, and it is evident that if recapture were proposed the waste of several millions of dollars and the necessity of issuing bonds to build new stations and new connections would be of such importance that it would deter the City from exercising the power of recapture even if it had the money or credit. A station could be built in Lexington avenue which would be as convenient to the public as the proposed diagonal station, and if recapture were exercised the station in Lexington avenue north of 42d street would be as useful to the new line as it would be to the present line, and it would cost from \$1,500,000 to \$2,000,000 less.

(d) The grouping of the lines for recapture purposes combines the Astoria, Woodside-Flushing and Steinway tunnel lines into one group. The Steinway tunnel line is distinctly an Interborough line, but the Astoria and the Woodside-Flushing lines are to be operated jointly by the New York Municipal Railway Corporation (B. R. T.) and the Interborough Company, the latter running two sets of cars over these lines, one to connect with the Steinway tunnel, the other with the 2d avenue elevated line in Manhattan. In order that the City may treat this joint operation advantageously to the public interest, it is necessary that the Astoria and the Woodside-Flushing lines be placed in a separate group so that they may be recaptured separately from the Steinway tunnel line.

(e) Recapture will also be prevented by the lack of funds with which to pay for the lines. It is pertinent to recollect that the constitution and enabling act make it necessary that all new investments for rapid transit purposes to become exempt must pay more than interest and sinking fund. If, therefore, the City earns only a portion of the interest and sinking fund, it will not suffice to exempt the part of the bonds issued for such construction. The most favorable estimates which have been made by the most ardent advocates of the present contract show that there will be no income sufficient to exempt the entire investment for a long period of years to come.

II. Steinway tunnel. Notwithstanding all previous reports, opinions and resolutions adopted by the Public Service Commission and the Board of Estimate and Apportionment, the contract provides that the City shall pay for the Steinway tunnel \$90,000 more than has been heretofore agreed upon.

The company is allowed a 3 per cent discount on the amount to be paid, which discount is \$90,000. As this amount was paid by the company years ago and forms no part of the present bond issue, but is merely a credit to the company in the transaction, there is no excuse for allowing a bankers' discount on this sum.

III. No limit is provided as to the amount of discount which hereafter may be included in the cost of construction in the case of additions to the property after initiation of operation, the date of which is fixed as January 1, 1917.

If the company were to sell its bonds at a 10 per cent discount and then to call them at a 10 per cent premium, the City would be virtually paying it a 20 per cent profit on money cost of construction in case the additions were taken over.

IV. The contract permits the Interborough Company to charge 6 per cent interest during the construction period upon all funds provided, according to annual estimates, whether actually in use or not, and requires only a credit of 2½ per cent upon funds in bank.

As a matter of fact, the bonds of the company are 5 per cent bonds, and it is probable that with such large sums of money as the company will have, it could secure 3 or 3½ per cent. from bankers for amounts on deposit. This provision would enable the company to make from 1 to 1½ per cent. clear profit on funds during the period of construction.

V. The contract at present provides for a bond of \$1,000,000 to secure the faithful performance of the company's covenants. This may be the bond of a surety company.

Such a bond requires litigation in order that the City may collect. In place of a bond of a surety company the contract should call for the deposit of cash or securities in the sum of \$1,000,000, of which the City might take possession in case of a default by the company. The construction contract requires such a deposit of cash or securities to secure its faithful performance, and there appears to be no good reason why the operating contract should not call for a similar security.

VI. The contract relieves the Interborough Company from providing for past depreciation upon any of the subway property except rolling stock, except through a credit in case of recapture, or on termination of contracts I and II.

According to the Board's Consulting Engineers, the total accrued depreciation to January 1, 1917—the beginning of the contract—is practically \$6,000,000. The contract merely requires that at certain dates fixed therein, running from 1939 to 1957, the company shall pay into depreciation fund \$2,908,150. The Engineers advise that this is the amount of depreciation accrued to July 1, 1916, on rolling stock only. The contract, therefore, relieves the Interborough Company from making any provision whatever for depreciation upon power equipment, buildings and structures, and all other equipment subject to accruing depreciation, except rolling stock. In a separate section the contract provides that in case of recapture, or on termination of contracts I and II, the City shall have a credit against the amount payable by it to the company for equipment, of \$3,000,000, as an allowance for deferred depreciation on equipment other than rolling stock. All of these figures have been based upon assumptions most favorable to the company. The total life of the buildings and structures has been assumed to be seventy-five years, all power equipment thirty years, and all rolling stock an average of forty-five years. The composite cars of an inflammable structure have been given a life of thirty years, when, as a matter of fact, these cars will probably or should be removed from service within a few years and modern steel cars substituted therefor. It is also inconceivable that the steel cars will have a life of fifty years in view of past experience, where improvements in car construction and railway operation have caused rolling stock to be scrapped within a much shorter period.

VII. The contract is not to take effect until the "Seventh Avenue Branch" shall have been completed. As this includes a tunnel under the river, and as the tunnel cannot be built within the same period as the remainder of the line, this clause will virtually extend the contract for a considerable time.

VIII. The contract provides that even in the event of the lessee's default resulting in the termination of the contract and further operation either by the City or by a new lessee, that nevertheless the preferential payment of \$6,335,000 and the interest on new capital furnished by the company shall first be applied to discharging the interest on construction and equipment bonds of the Interborough Rapid Transit Company. This means that the bondholders are protected in the receipt of their interest as a prior lien upon the income before the City can recover damages for breach of the contract.

If the company chooses to refer any alleged default to arbitration, it may do so and pay the arbitrated damages instead of making good the default. In other words, the company might refuse to carry out any particular provision of this contract, and the City's only remedy would be money damages.

Brooklyn Rapid Transit Company Contract.

The following objections, which have already been stated as lying against the proposed contract with the Interborough Company, apply with equal force to the proposed contract with the Brooklyn Rapid Transit Company.

I.

The excessive sinking fund of 1 per cent. allowed upon the company's new capital will produce a surplus in the sinking fund which the company is permitted to appropriate to its own exclusive use.

II.

It permits the inordinate and unnecessary profits of the bankers who underwrite the bonds to be made the apparent excuse for the unnecessary sinking fund surplus awarded the company as stated above.

The company proposes, in a communication already addressed to the Public Service Commission, to sell its bonds to the underwriting syndicate of bankers at 97. The contract provides that the company shall be permitted to capitalize all of these bankers' discounts at 3 per cent. Here, as in the case of the Interborough Company, the bonds are practically guaranteed upon the faith and credit of the City. Here, as in the case of the Interborough Company, some \$80,000,000 of City money will be earning interest and sinking fund for private capital in advance of any return for the City.

With all of these advantages the bankers propose to buy, and the company proposes to sell, these bonds at less than par; and yet in the same application the company requests to be permitted to retire the bonds at 107½, demonstrating, as does the Interborough Company, a confidence that the bonds will sell to the public far above par.

III.

A failure to provide for competitive public bidding on the sale of the company's bonds causes these bonds to sell below their real value and excludes the public from the enjoyment of the premium that the City's own guaranty would bring upon such a public competitive sale.

In the following additional respects the proposed contract with the Brooklyn Rapid Transit Company is, in the opinion of the undersigned, defective in that it fails to give effect to the plan reported by the Transit Conference and to safeguard the City thereunder:

IV.

As in the Interborough contract, no limit is provided as to the amount of discount which hereafter might be included in the cost of construction in the case of additions to the property after initial operation.

V.

Here, as in the case of the Interborough contract, a surety bond of \$1,000,000 to secure faithful performance is permitted. The surety should be restricted to cash or approved securities.

VI.

As in the case of the Interborough Company contract, it is provided that in the event of default the preferential payment and interest on new capital shall first be applied to discharging the interest on construction and equipment bonds of the company.

This means that bondholders are protected in receipt of their interest and sinking fund increment by lien prior to that of the City for damages for breach of contract.

VII.

As in the case of the Interborough Company contract, if the company chooses to refer any alleged default to arbitration, it may do so and pay the arbitrated damages in place of making good the default.

VIII.

Recapture provisions of the contract do not protect public interests. The contract does not provide for adequate terminals for the New Utrecht Avenue Line, the Culver Line and the Eastern District Line. The terminals are to be owned by the company, and there is no provision for the purchase or recapture of such terminals or any part thereof in case the City should take over the lines. Consequently, the City would either be without terminals or would be obliged to spend large sums to construct them.

IX.

The preferential allowed to the company has been increased \$80,000, or a total of \$4,000,000, during the period of the contract, not including interest thereon.

In the reports adopted by the Commission and the Board of Estimate, the company was to pay rentals on leased property out of its preferential. The contract now permits such rentals, now amounting to \$80,000 annually, to be added to the preferential.

X.

The cost of certain property and the reconstruction of existing lines is to be amortized prior to payment of the City's interest and sinking fund, and the company is to retain ownership of the property.

This violates the fundamental provision of the conference agreement, namely, that the company shall receive no profit upon its new investment until the City's fixed charges have been paid. Its constitutionality may also be questioned. Upon the argument of the case taken to the Court of Appeals, it was repeatedly stated by the counsel for the Commission that neither company was to receive any amount in excess of the necessary fixed charges on new capital, and that the property to be amortized in advance of the City's interest and sinking fund would be the property of the City, or would revert to the City free and clear of all encumbrance. The amount involved in this item probably ranges from \$15,000,000 to \$20,000,000.

XI.

The contract permits the formation of subsidiary companies not under public regulation.

The company insists that the Transit Development Company is not subject to the provisions of the Public Service Commission Law. The contract should not permit the continued existence or formation of new companies controlled by the company and beyond any control of the Commission.

XII.

The contract relieves the company from making adequate provision for depreciation.

According to the Board's Consulting Engineers, the total depreciation, upon rolling stock alone, to January 1, 1917, is over \$3,600,000. The contract merely provides that at certain dates fixed therein, running from 1924 to 1946, the company shall provide approximately \$2,500,000. The contract thus relieves the company from any provision for depreciation upon the elevated lines, and foists upon the City a charge of approximately \$70,000 per year for depreciation on rolling stock which the company should have provided for. These figures are based on the assumption that the present rolling stock, which consists of wooden cars, may be operated underground upon the new subway lines. If it is decided that such operation is dangerous, and that the present B. R. T. equipment should not be so operated, new equipment must be purchased. Thus the City will be burdened with additional depreciation and interest and sinking fund payments upon new capital for duplicate equipment.

XIII.

The contract permits the company to capitalize about \$1,500,000 in "interest," representing unused funds on deposit with the bankers.

This interest runs from October 1, 1912, several months prior to the signing of the contract, and will increase the cost of recapture and annual charges for interest and amortization.

XIV.

Contract should provide that supplementary agreement for joint operation of Queens lines by Brooklyn Rapid Transit Company and Interborough Rapid Transit Company shall be executed by the City and companies simultaneously with the main operating contracts.

Any other course will lead to discussion, differences, possible litigation and certain delay.

Again, and for the last time, let me direct the attention of the Board to the fact that no advantage, collateral or otherwise, involved in the adoption of the dual plan justifies the unconscionable financial terms upon which it is proposed to award these contracts to the respective companies. Not only public opinion, but common business principles would insure an acceptance by either company of contracts for the operation of the dual system upon terms modified as I have indicated herein. If the companies, through short-sighted policy, or in the hope of advantaging themselves through the City's pressing need for transit, should refuse to accept contracts if modified as here indicated, then the City is still by no means helpless. Construction of the new subways can go on as it is now proceeding. A new system, wholly independent of the Interborough, and equal to the dual plan save only in connection with the upper west side of Manhattan, can be carried to completion as rapidly almost as with the contribution of private capital proposed in these contracts. An upper west side connection can be added as funds become available. When completed, the new system, lucrative as everyone must admit that it will be, will not lack an operator, upon terms fair to both the operator and the City. But if the City should find itself lacking an operator, it has ample powers, under the Rapid Transit Act, to undertake operation directly, and to employ for that purpose at least as competent a manager as either the Interborough Company or the Brooklyn Rapid Transit Company now finds in its employ.

Because I do not believe that the City should be deprived of a fair return from this tremendous public utility which will be created chiefly on City credit; because I believe that strict municipal control should be maintained over all the future subways of the City; and because the proposed contracts secure neither, but surrender both, I vote against the adoption of these contracts as now presented. Respectfully submitted,

JOHN PURROY MITCHEL, President of the Board of Aldermen.

Interborough Rapid Transit Company; New York Municipal Railway Corporation. Proposed form of supplementary agreement between the City (acting by the Public Service Commission for the First District), Interborough Rapid Transit Company and New York Municipal Railway Corporation for joint use of tracks under the preceding contracts.

The Secretary presented the following:

Public Service Commission for the First District, New York, March 4, 1913.
To the Board of Estimate and Apportionment of The City of New York:

As stated in a communication of this date from the Chairman and the Secretary of this Commission, there is transmitted herewith a copy of a proposed supplemental agreement between The City of New York, acting by the Commission, the Interborough Rapid Transit Company and the New York Municipal Railway Corporation, covering trackage rights to be exercised by the latter company.

I also transmit herewith a certified copy of the resolution approving and adopting such agreement. Yours very truly, TRAVIS H. WHITNEY, Secretary.

Whereas, A proposed contract between The City of New York and Interborough Rapid Transit Company, and a proposed contract between The City of New York and New York Municipal Railway Corporation, for additional rapid transit railroads have been approved and adopted by the Commission; and

Whereas, Counsel to the Commission has presented a form of proposed agreement, supplementary to said contracts, between The City of New York, Interborough Rapid Transit Company and New York Municipal Railway Corporation for trackage rights over the Steinway Tunnel Line described in said proposed contract with Interborough Rapid Transit Company;

Resolved, That the form of the proposed supplementary agreement now submitted by Counsel be and the same hereby is approved and adopted, and that the Secretary be and hereby is authorized and directed to transmit the same to the Board of Estimate and Apportionment for appropriate action on its part under the Rapid Transit Act.

Resolved, That, if and when said agreement has been approved and consented to by said Board of Estimate and Apportionment, the Chairman be and hereby is authorized and directed to execute the said agreement for the Commission in four identical originals, and that the Secretary be and hereby is authorized and directed to attest the said agreement and to affix thereto the seal of the Commission.

State of New York, County of New York, ss.:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify, that I have compared the above resolution with the original adopted by the said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the said Commission, this 4th day of March, 1913.

[SEAL]

The President of the Borough of Manhattan offered the following:

Whereas, The Public Service Commission for the First District, forwarded a communication to the Board of Estimate and Apportionment, transmitting, for approval and consent, a proposed supplementary agreement, to be entered into by and between The City of New York (acting by the Public Service Commission for the First District), the Interborough Rapid Transit Company and the New York Municipal Railway Corporation, for a joint use of tracks over certain sections of the Steinway Tunnel Line; and

Whereas, Said communication and proposed supplementary agreement were received by the Board of Estimate and Apportionment, at a meeting of said Board, duly held on the 6th day of March, 1913; and

Whereas, The supplementary agreement proposed to be entered into by and between The City of New York (acting by the Public Service Commission for the First District), the Interborough Rapid Transit Company and the New York Municipal Railway Corporation, and submitted to this Board for approval and consent, is as follows:

THE CITY OF NEW YORK, BY THE PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT, INTERBOROUGH RAPID TRANSIT COMPANY AND NEW YORK MUNICIPAL RAILWAY CORPORATION.

Supplementary Agreement.

DATED, MARCH 1913.

Agreement made this day of March, 1913, between The City of New York (hereinafter called the "City"), acting by the Public Service Commission For The First District (hereinafter called the "Commission"), party of the first part, Interborough Rapid Transit Company, a corporation existing under the Laws of the State of New York (hereinafter called the "Interborough Company"), party of the second part, and New York Municipal Railway Corporation, a corporation existing under the Laws of the State of New York (hereinafter called the "Railway Corporation"), party of the third part.

Whereas, the City, acting by the Commission, has entered or is about to enter into a contract (hereinafter called the "Interborough Contract") with the Interborough Company for the construction by the City and for the equipment, maintenance and operation by the Interborough Company of certain additional or proposed rapid transit railroads described in said Contract in conjunction with the existing Brooklyn-Manhattan and Manhattan-Bronx Rapid Transit Railroads now operated by the Interborough Company, to which Contract reference is hereby made as if the same were herein fully set forth, one of such additional or proposed rapid transit railroads being known and hereinafter referred to as the Steinway Tunnel Line; and

Whereas, the City, acting by the Commission, has also entered or is about to enter into a contract (hereinafter called the "Railway Contract") with the Railway Corporation for the construction by the City and for the equipment, maintenance and operation by the Railway Corporation of certain additional or proposed rapid transit railroads described in said Contract in conjunction with certain existing railroads, to which Contract reference is hereby made as if the same were herein fully set forth, one of such additional or proposed rapid transit railroads being known and hereinafter referred to as the Broadway-Fourth Avenue Line; and

Whereas, the Interborough Contract provides that the City reserves the right to permit the Railway Corporation, its successors and assigns, to use the tracks, structures and line equipment of Subdivisions III, IV and V of the Steinway Tunnel Line and of any Extensions thereof or of any such Subdivisions for at least one-half the capacity thereof, if required, and the City, by the Railway Contract, agrees to provide the Railway Corporation with such trackage rights, the terms and conditions for such use to be reasonable and as may be agreed upon and to be embodied in a written agreement supplementary to the Interborough Contract and the Railway Contract between the City, acting by the Commission, the Interborough Company and the Railway Corporation; and

Whereas, the Commission, the Interborough Company and the Railway Corporation have agreed upon such terms and conditions as are hereinafter embodied in this agreement,

Now, Therefore, This Agreement Witnesseth: That the City, acting by the Commission, the Interborough Company and the Railway Corporation do hereby mutually agree as follows:

Article First—The Interborough Company agrees that the Railway Corporation, its successors and assigns, shall have, and hereby grants to the Railway Corporation, its successors and assigns, the right to use the tracks, structures and line equipment (as line equipment is defined in paragraph (c) of Article Sixth hereof) of Subdivisions III, IV and V of the Steinway Tunnel Line or of any such Subdivisions, for at least one-half the capacity thereof, if required, for the purpose of operating its or their trains and cars thereon in conjunction with the Broadway-Fourth Avenue Line and any other line now or hereafter operated by the Railway Corporation or any of such lines. The words "Construction" and "Equipment" as used in this instrument mean Construction and Equipment as defined in the Interborough Contract (Article II, paragraphs 14 and 15).

The Construction and Equipment (except rolling stock) to be provided under the Interborough Contract shall be such as is necessary to provide for the joint operation of the trains and cars of the Railway Corporation and the Interborough Company over such Subdivisions III, IV and V of the Steinway Tunnel Line.

Subdivisions III, IV and V of the Steinway Tunnel Line are for the purposes of this agreement divided into two lines described as follows:

Beginning at a point at or about the Queensboro Bridge Plaza and Jackson Avenue in the Borough of Queens (where a connection will be made with the Broadway-Fourth-Avenue Line), at which point the lines divide, one line curving southeasterly over the Queensboro Bridge Plaza and crossing over Jackson Avenue to the Queens Boulevard, thence continuing southeasterly and easterly over and along the Queens Boulevard to a point at or near Gosman avenue, thence curving northeasterly over Queens Boulevard to Greenpoint Avenue, thence continuing northeasterly over and along Greenpoint Avenue to Skillman Avenue and thence continuing in a general easterly direction over Skillman Avenue and Woodside Avenue to Roosevelt Avenue, and thence continuing easterly over and along Roosevelt Avenue to Sycamore Avenue; and the other of said lines curving northeasterly over the Queensboro Bridge Plaza

to a point in Jackson Avenue at or near Skillman Place, thence continuing northeasterly over and along Jackson Avenue to Second (formerly Debevoise) Avenue and thence continuing northerly over and along Second Avenue to Ditmars Avenue.

Such trackage rights and the enjoyment thereof shall continue in effect from the date when such Subdivisions III, IV and V of the Steinway Tunnel Line or any of such Subdivisions or any portion thereof shall be ready for operation in conjunction with the Broadway-Fourth Avenue Line until the expiration or earlier termination of the Railway Contract as to the Broadway-Fourth Avenue Line unless the Interborough Contract shall be terminated as to the Steinway Tunnel Line prior to the expiration or earlier termination of the Railway Contract as to the Broadway-Fourth Avenue Line, and in that event until the termination of the Interborough Contract as to the Steinway Tunnel Line.

Article Second—The Interborough Company shall control and direct the operation of the Railway Corporation's cars and trains while they are on the lines operated jointly, but without preference to the cars or trains of either Company. This control and direction shall not, however, extend to the determination of the interval between trains or the division of trains as between local and express trains. All employees whose wages are included in the expenses divided between the Interborough Company and the Railway Corporation shall be deemed joint employees, and although carried on the pay rolls of the Interborough Company, shall be removed from joint service by the Interborough Company for cause if the Railway Corporation shall so request.

Article Third—Interlocking towers and signals controlling movements of cars or trains of the Railway Corporation to or from the lines operated jointly, shall be operated by the Interborough Company, and cars and trains shall be considered under the control and direction of the Interborough Company after entering the interlocking limits of such lines eastbound and until clearing such interlocking limits westbound at the junction on the Queensboro Bridge Plaza or the Jackson Avenue or Queens Boulevard approaches thereto. The Railway Corporation's cars and trains while on the tracks west of such interlocking limits and in the Plaza station shall not be under the control or direction of the Interborough Company as such tracks and the portion of such station used by the Railway Corporation belong to the railroad of the Railway Corporation and are not a portion of the lines operated jointly.

Article Fourth—Each Company shall be permitted to operate such a service over the lines operated jointly as may be required for its traffic, provided, however, that neither Company shall at any time be permitted to use more than one-half of the capacity of either of said lines or portions thereof operated jointly if at such time the other Company requires for its traffic one-half of such capacity. The Interborough Company shall accord to the Railway Corporation equal facilities with itself for the prompt and efficient operation and despatch of the cars and trains of the Railway Corporation and equal facilities and room for the sale of tickets through the agents of the Railway Corporation.

Article Fifth—The revenue received from the lines operated jointly shall be divided as follows:

(a) Each company shall make its own arrangements for collecting its own fares and other train revenue, and shall retain such fares and other train revenue, unless by future agreement approved by the Commission both companies consent to a joint arrangement either for a portion of the stations or for all of the stations on the lines operated jointly.

(b) All miscellaneous revenue shall be divided on a fair and equitable basis.

Article Sixth—The Railway Corporation shall pay to the Interborough Company at monthly intervals an amount equal to such proportion of the following expenses of each of said lines or portion thereof operated jointly as the ton miles operated by the Railway Corporation on such line or portion thereof during the preceding month shall bear to the total ton miles operated on such line or portion thereof during such preceding month:

(a) All rentals actually and necessarily payable by the Interborough Company for the use of property in connection with the tracks, structures and line equipment (as line equipment is defined in paragraph (c) of this Article) of such line or portion thereof under contracts or leases approved by the Commission and not chargeable to operating expenses, not including, however, any rental or compensation payable to the City under Article XLIX, L or LXXII of the Interborough Contract.

(b) Taxes, if any, on property actually and necessarily used in the operation of such line or portion thereof, together with taxes and other governmental charges of every description assessed or which may hereafter be assessed in connection with or incident to the operation of such line or portion thereof and which are properly chargeable to the joint expense, exclusive of taxes on rolling stock and on that portion of Equipment required for generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits.

(c) Maintenance (including depreciation) of tracks, structures and line equipment, such line equipment being defined for the purposes of this agreement as all Equipment belonging to such line or portion thereof exclusive of rolling stock and of that portion of Equipment required for generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits.

(d) Cost of power supplied by the Interborough Company, which shall be charged at the actual cost without profit but including taxes, interest, amortization and depreciation on that portion of the Equipment and Existing Equipment (as defined in the Interborough Contract) required for the generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits.

(e) Damages for accidents to persons or property (including personal injury claims) caused by joint employees or for which the Companies are otherwise jointly responsible.

(f) All other operating expenses which are not herein specifically provided for and which are not incurred exclusively for either the Interborough Company or the Railway Corporation.

Article Seventh—Each Company shall bear the following expenses in connection with its own operation over each of said lines or portion thereof operated jointly:

(a) Wages of train crews and other employees engaged exclusively in conducting its train service and the cost of labor and materials required in the care and maintenance of its cars.

(b) Damages for accidents to persons or property (including all personal injury claims) for which such Company is solely responsible.

(c) All expenses in connection with the collection of fares and other train revenue at stations, unless by future agreement approved by the Commission, both companies consent to a joint arrangement.

Article Eighth—The Railway Corporation, after the commencement of joint operation and during the continuance of this agreement, shall pay to the Interborough Company at quarter-yearly intervals for the quarter years ending March 31, June 30, September 30 and December 31 as rental an amount (for interest and amortization) equal to one-quarter of six per centum ($\frac{1}{4}$ of 6%) on one-half the cost of the line equipment (as defined in paragraph (c) of Article Sixth) of Subdivisions III, IV and V of the Steinway Tunnel Line. The cost of such line equipment shall be determined in the manner provided in the Interborough Contract for determining the cost of Equipment.

Article Ninth—The Railway Corporation, after the commencement of joint operation and during the continuance of this agreement, shall also pay to the Interborough Company at quarter-yearly intervals for the quarter years ending March 31, June 30, September 30 and December 31 as rental an amount (for interest and amortization) equal to one-quarter of six per centum ($\frac{1}{4}$ of 6%) on one-quarter of the cost of construction of Subdivisions III, IV and V of the Steinway Tunnel Line. Such cost of construction shall be determined in the manner provided in the Interborough Contract.

The Railway Corporation shall also pay to the Interborough Company at such quarter-yearly intervals, after the commencement of joint operation and during the continuance of this agreement, for such quarter years as additional rental, an amount (for interest and amortization) equal to one-quarter of six per centum ($\frac{1}{4}$ of 6%) on one-quarter of such cost of construction, provided, however, that such additional rental shall only be immediately payable for such quarter years as the revenue of the Railway Corporation as defined in Article XLIX of the Railway Contract shall exceed the amount of the deductions specified in Paragraphs 1 to 8 inclusive of said Article XLIX, and then only up to the amount of such excess; but any deficits in the payment of such additional rental under this paragraph shall be cumulative and shall bear simple interest and shall be paid to the Interborough Company before any payment is made to the City under Paragraph 9 of said Article XLIX of the Railway Contract.

Article Tenth—In case the Railway Corporation shall operate on any portion of Subdivisions III, IV and V of the Steinway Tunnel Line before such Subdivisions are entirely completed and equipped for operation, then from the commencement of such operation until the entire completion and equipment of such Subdivisions III, IV and V the rental payable by the Railway Corporation to the Interborough Company under Articles Eighth and Ninth hereof, instead of being based upon the cost of the line equipment and construction of the whole of such Subdivisions III, IV and V, shall be based only upon the cost of the line equipment and construction of the portion on which the Railway Corporation shall operate.

Article Eleventh—It is the intent of this agreement:

(a) To provide for the specific control of both companies' trains while on the lines operated jointly, but such control shall be without prejudice to either company.

(b) To permit each company so far as possible to pay directly the operating expenses incurred in the operation of its trains, and to provide that where operating expenses are necessarily a joint expense, these expenses shall be apportioned on a basis which is just and reasonable, and that where one company furnishes services for the other, such services shall be charged for at the actual cost to the company furnishing the service.

Article Twelfth—If after the expiration of six months of joint operation or at any time or times thereafter the terms of Articles Fifth, Sixth and Seventh of this agreement or of any of such Articles shall be claimed by either Company to be inequitable or to work a hardship on either Company or to depart from the intent hereof, then the terms of such Article or Articles shall be changed, altered or supplemented by mutual agreement between the parties hereto, or if the parties hereto shall be unable to agree, then the matter shall upon the request of either Company be determined by the Commission.

Article Thirteenth—In case any dispute between any of the parties hereto shall arise respecting any matter covered by or arising under this agreement, except any dispute the determination of which is provided for in Article Twelfth, such dispute shall be determined by arbitration or by the court. In case of such arbitration there shall be three arbitrators, who shall be disinterested persons, one of such arbitrators being appointed by each of the parties hereto, and the decision of a majority of the arbitrators shall be final and conclusive.

Article Fourteenth—This agreement shall not apply to any Extensions of such Subdivisions III, IV and V of the Steinway Tunnel Line; but if any such Extension shall be constructed, the terms and conditions for the use thereof shall be reasonable and may be agreed upon between the Commission, the Interborough Company and the Railway Corporation, and in the event that they fail to agree upon reasonable terms and conditions the same shall be settled by arbitration or by the court.

Article Fifteenth—This agreement shall bind the parties hereto and their respective successors and assigns.

In Witness Whereof, the Commission acting for the City has caused its official seal to be hereto affixed and attested by its Secretary and these presents to be signed by its Chairman, and the Interborough Rapid Transit Company and the New York Municipal Railway Corporation have caused these presents to be executed under their respective corporate seals by their officers thereunto duly authorized the day and year first above written.

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT

By President
Attest Secretary.

INTERBOROUGH RAPID TRANSIT COMPANY

By Chairman
Attest Secretary.

NEW YORK MUNICIPAL RAILWAY CORPORATION

By President
Attest Secretary.

APPROVAL OF CORPORATION COUNSEL.

The foregoing agreement is hereby approved as to form.

Dated, New York, March 10, 1913.

JOHN L. O'BRIEN, Acting Corporation Counsel.

State of New York, County of New York, ss.:

On this day of 1913, before me personally appeared Edward E. McCall and Travis H. Whitney, to me known and known to me to be the said Edward E. McCall, the Chairman, and the said Travis H. Whitney, the Secretary of the Public Service Commission for the First District, and the said Edward E. McCall and Travis H. Whitney, being by me duly sworn, did depose and say, each for himself and not the one for the other, the said Edward E. McCall, that he resides in the Borough of Manhattan in the City of New York, that he is the Chairman of the Public Service Commission for the First District, and that he signed his name to the foregoing instrument by virtue of the authority thereof; and the said Travis H. Whitney, that he resides in the Borough of Brooklyn, in the County of Kings, in the City and State of New York, that he is the Secretary of the said Commission, and that he subscribed his name thereto by like authority; and both the said Edward E. McCall and Travis H. Whitney, that they know the seal of the said Commission, that the seal affixed to the foregoing instrument is such seal, and that it was so affixed by the authority of the said Commission and of a resolution duly adopted by said Commission.

State of New York, County of New York, ss.:

On the day of 1913, before me personally appeared Theodore P. Shonts and H. M. Fisher, to me known and known to me to be the said Theodore P. Shonts, the President, and the said H. M. Fisher, the Secretary, of Interborough Rapid Transit Company, the corporation named in the foregoing agreement, and they being by me duly sworn, did depose and say, each for himself and not the one for the other, the said Theodore P. Shonts that he resides in the Borough of Manhattan, in the City, County and State of New York, that he is the President of the said Interborough Rapid Transit Company and that he subscribed his name to the foregoing agreement by virtue of the authority thereof; and the said H. M. Fisher that he resides in Plainfield, in the State of New Jersey, that he is the Secretary of the said Interborough Rapid Transit Company and that he subscribed his name thereto by like authority; and both the said Theodore P. Shonts and H. M. Fisher that they know the seal of the said Interborough Rapid Transit Company and that the same was affixed to the foregoing agreement by the authority of the Board of Directors of the said Interborough Rapid Transit Company and of a resolution duly adopted by said Board.

State of New York, County of New York, ss.:

On the day of 1913, before me personally appeared Timothy S. Williams and Harry A. Bullock, to me known and known to me to be the said Timothy S. Williams, the President, and the said Harry A. Bullock, the Secretary of New York Municipal Railway Corporation, the corporation named in the foregoing agreement, and they being by me duly sworn, did depose and say, each for himself and not the one for the other, the said Timothy S. Williams that he resides at Huntington, in the County of Suffolk and State of New York, that he is the President of the said New York Municipal Railway Corporation and that he subscribed his name to the foregoing agreement by virtue of the authority thereof; and the said Harry A. Bullock, that he resides in the Borough of Brooklyn, County of Kings, in the State of New York, that he is the Secretary of the said New York Municipal Railway Corporation, and that he subscribed his name thereto by like authority; and both the said Timothy S. Williams and Harry A. Bullock that they know the seal of the said New York Municipal Railway Corporation and that the same was affixed to the foregoing agreement by the authority of the Board of Directors of the said New York Municipal Railway Corporation and of a resolution duly adopted by said Board.

Now, therefore, be it

Resolved, That the Board of Estimate and Apportionment of The City of New York by a majority vote, according to the number of votes by law pertaining to each member of the Board, hereby approves of and consents to the proposed supplementary agreement to be entered into by and between The City of New York (acting by the Public Service Commission for the First District), the Interborough Rapid Transit Company and the New York Municipal Railway Corporation.

Which was adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

Interborough Rapid Transit Company.

Proposed form of supplementary agreement between the City (acting by the Public Service Commission for the First District) and the Interborough Rapid Transit Company as lessee under the preceding proposed subway contract and as grantee under the proposed certificate for additional elevated extensions, for joint use of tracks for through service.

The Secretary presented the following:

March 4, 1913.

To the Board of Estimate and Apportionment of The City of New York:

As stated in a communication of this date from the Chairman and the Secretary of this Commission, there is transmitted herewith a copy of a proposed supplementary agreement between The City of New York, acting by the Commission, the Interborough Rapid Transit Company as lessee under the contract with the City, and the Interborough Rapid Transit Company as lessee of the Manhattan Railway Company, covering trackage rights to be exercised by the Interborough Company as lessee of the Manhattan Railway Company.

I also transmit herewith a certified copy of the resolution approving and adopting such agreement. Yours very truly, TRAVIS H. WHITNEY, Secretary.

Whereas, A proposed contract between The City of New York and Interborough Rapid Transit Company for additional rapid transit railroads, and a proposed certificate to Interborough Rapid Transit Company for certain railroads, have been approved and adopted by the Commission; and

Whereas, Counsel to the Commission has presented a form of proposed agreement, supplementary to said contract, between The City of New York and Interborough Rapid Transit Company, as lessee under said contract and as grantee under said certificate, for trackage rights over the Lexington Avenue branch of the Seventh Avenue-Lexington Avenue Line, the White Plains Road Line and the Steinway Tunnel Line described in said proposed contract;

Resolved, That the form of the proposed supplementary agreement now submitted by counsel be and the same hereby is approved and adopted, and that the Secretary be and hereby is authorized and directed to transmit the same to the Board of Estimate and Apportionment for appropriate action on its part under the Rapid Transit Act.

Resolved, That, if and when said agreement has been approved and consented to by said Board of Estimate and Apportionment, the Chairman be and hereby is authorized and directed to execute the said agreement for the Commission in four identical originals, and that the Secretary be and hereby is authorized and directed to attest the said agreement and to affix thereto the seal of the Commission.

State of New York, County of New York, ss:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify, that I have compared the above resolution with the original adopted by the said Commission on March 4, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the said Commission, this 4th day of March, 1913.

[SEAL.] TRAVIS H. WHITNEY, Secretary.

The President of the Borough of Manhattan offered the following:

Whereas, The Public Service Commission for the First District forwarded a communication to the Board of Estimate and Apportionment, transmitting, for approval and consent, a proposed supplementary agreement to be entered into with the Interborough Rapid Transit Company as lessee under a certain subway contract this day approved by the Board of Estimate and Apportionment, and as grantee under a proposed certificate likewise approved, to be issued to said company for railroad extensions, for joint use of tracks for through service; and,

Whereas, Said communication and proposed supplementary agreement were received by the Board of Estimate and Apportionment at a meeting of said Board duly held on the sixth day of March, 1913; and,

Whereas, The supplementary agreement proposed to be entered into with the Interborough Rapid Transit Company and submitted to this Board for approval and consent, is as follows:

THE CITY OF NEW YORK, BY THE PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT,
WITH INTERBOROUGH RAPID TRANSIT COMPANY.

Supplementary Agreement.

Dated, March 1913.

Agreement made this day of March, 1913, between The City of New York, hereinafter called the "City," acting by the Public Service Commission For The First District, hereinafter called the "Commission," party of the first part, and Interborough Rapid Transit Company, a corporation existing under the laws of the State of New York, hereinafter called the "Interborough Company," as Grantee under the Certificate hereinafter mentioned and as Lessee under the Subway Contract hereinafter mentioned, party of the second part.

Whereas the City, acting by the Commission, and the Interborough Company have entered or are about to enter into a certain contract for the construction by the City and for the equipment, maintenance and operation by the Interborough Company of certain additional or proposed rapid transit railroads described in said contract and known and hereinafter referred to as the Seventh Avenue-Lexington Avenue Line, Eastern Parkway Line, Steinway Tunnel Line, and White Plains Road Line, in conjunction with the existing Manhattan-Bronx and Brooklyn-Manhattan Rapid Transit Railroads now operated by the Interborough Company, which said contract is hereinafter called the "Subway Contract" and to which reference is hereby made as if the same were herein fully set forth, the Interborough Company as Lessee under the Subway Contract being hereinafter called the "Lessee"; and

Whereas the Interborough Company is the operator and lessee of all the railroads, property, rights and franchises of the Manhattan Railway Company, a corporation existing under the laws of the State of New York, which said railroads are herein-after called the "Manhattan Railroad", and the Commission has issued or is about to issue to the Interborough Company a certificate for the construction, maintenance and operation of certain railroads described in said certificate and known and hereinafter referred to as the Webster Avenue Line, Eighth Avenue and 162nd Street Connection, Queensboro Bridge Line and West Farms Subway Connection, which said certificate is hereinafter called the "Certificate" and to which reference is hereby made as if the same were herein fully set forth, the Interborough Company as grantee under the Certificate being hereinafter called the "Grantee"; and

Whereas the Subway Contract provides that the City reserves the right for the Lessee, as the operator and lessee of the Manhattan Railroad, and for the successors and assigns of the Lessee, to use the tracks, structures and line equipment of Subdivision II of the Lexington Avenue Branch of the Seventh Avenue-Lexington Avenue Line, of the White Plains Road Line, of the Queensboro Bridge Plaza portion of Subdivision II of the Steinway Tunnel Line and of Subdivisions III, IV and V of the Steinway Tunnel Line or of any of them, or of any extensions thereof, and the Certificate also provides, in Article IX thereof, that the City agrees to provide the Grantee with trackage rights over such parts of such municipal railroads, and over any extensions of such parts, and that the Grantee agrees to operate over such parts in conjunction with the Railroads authorized by the Certificate to the end that through service may be provided over such parts, over such Railroads and over the Manhattan Railroad, the terms and conditions for such use to be reasonable and as may be agreed upon between the Commission, the Lessee and Grantee, and to be embodied in a written agreement, supplementary to the Subway Contract between the City, acting by the Commission, the Lessee and Grantee; and

Whereas the Commission, the Lessee and Grantee have agreed upon such terms and conditions as are hereinafter embodied in this agreement,

NOW, THEREFORE, THIS AGREEMENT WITNESSETH that the City, acting by the Commission, the Lessee and Grantee hereby mutually agree as follows:

Article First—The City and the Lessee agree that the Grantee, its successors and assigns, shall have, and hereby grant to the Grantee and to its successors and assigns, the right to use the tracks, structures and line equipment of a portion of Subdivision II of the Lexington Avenue Branch of the Seventh Avenue-Lexington Avenue Line, of a portion of the White Plains Road Line, of the Queensboro Bridge Plaza portion of Subdivision II of the Steinway Tunnel Line and of Subdivisions III, IV and V of the Steinway Tunnel Line or of any of them, for the purpose of operating its or their trains and cars thereon in conjunction with the Railroads authorized by the Certificate, to the end that through service may be provided over such portions, over such Railroads and, so long as the Grantee, its successors or assigns, shall operate the Manhattan Railroad, over such Manhattan Railroad.

The portion of Subdivision II of the Lexington Avenue Branch of the Seventh Avenue-Lexington Avenue Line upon which such trackage rights are granted is described as follows:

Beginning at a point in the Borough of The Bronx in River Avenue near 162nd Street and extending thence northerly over and along River Avenue to Jerome Avenue and thence continuing northerly over and along Jerome Avenue and reservoir property to a point in Jerome Avenue at or near Woodlawn Road. The portion of the White Plains Road Line upon which such trackage rights are granted is described as follows:

Beginning at a point in the Borough of The Bronx in White Plains Road near Gun Hill Road and thence continuing northerly over and along White Plains Road to its intersection with East Two Hundred and Forty-first Street or Becker Avenue.

The Queensboro Bridge Plaza portion of Subdivision II of the Steinway Tunnel Line and Subdivisions III, IV and V of the Steinway Tunnel Line upon which such trackage rights are granted are described as follows:

Beginning at a point in the Queensboro Bridge Plaza in the Borough of Queens at or near the easterly building line of Ely Avenue, thence continuing easterly over the Queensboro Bridge Plaza to a point at or about the Queensboro Bridge Plaza and Jackson Avenue where the line divides, one line curving southeasterly over the Queensboro Bridge Plaza and crossing over Jackson Avenue to the Queens Boulevard, thence continuing southeasterly and easterly over and along the Queens Boulevard to a point at or near Gosman Avenue, thence curving northeasterly over the Queens Boulevard to Greenpoint Avenue, thence continuing northeasterly over and along Greenpoint Avenue to Skillman Avenue and thence continuing in a general easterly direction over Skillman Avenue and Woodside Avenue to Roosevelt Avenue, and thence continuing easterly over and along Roosevelt Avenue to Sycamore Avenue; and the other of said lines curving northeasterly over the Queensboro Bridge Plaza to a point in Jackson Avenue at or near Skillman Place, thence continuing northeasterly over and along Jackson Avenue to Second (formerly Debevoise) Avenue and thence continuing northerly over and along Second Avenue to a point at or near Ditmars Avenue.

The trackage rights for that portion of Subdivision II of the Lexington Avenue Line of the Seventh Avenue-Lexington Avenue Line above described shall continue from the date when such portion or any part thereof shall be ready for operation until the expiration or earlier termination of the Subway Contract as to the Seventh Avenue-Lexington Avenue Line unless the grant given by the Certificate for the Eighth Avenue and 162d Street Connection shall be terminated prior to the expiration or termination of the Subway Contract as to the Seventh Avenue-Lexington Avenue Line, and in that event until the termination of such grant.

The trackage rights for that portion of the White Plains Road Line above described shall continue from the date when such portion or any part thereof shall be ready for operation until the expiration or earlier termination of the Subway Contract as to the White Plains Road Line unless the grant given by the Certificate for the Webster Avenue Line shall be terminated prior to the expiration or termination of the Subway Contract as to the White Plains Road Line, and in that event until the termination of such grant.

The trackage rights for the Queensboro Bridge Plaza portion of Subdivision II of the Steinway Tunnel Line and Subdivisions III, IV and V of the Steinway Tunnel Line shall continue from the date when such lines or any portion thereof shall be ready for operation until the expiration or earlier termination of the Subway Contract as to the Steinway Tunnel Line unless the grant given by the Certificate for the Queensboro Bridge Line shall be terminated prior to the expiration or termination of the Subway Contract as to the Steinway Tunnel Line, and in that event until the termination of such grant.

Article Second—In the event that any of such portions of the municipal railroads described in Article First hereof shall be ready for operation and the Grantee shall be ready to operate the same in conjunction with the Railroads authorized by the Certificate prior to the time when the Lessee shall be ready to operate such portion or portions, then the Grantee shall, until the Lessee shall begin to operate such portion or portions, maintain and operate such portion or portions in conjunction with such Railroads and shall collect all fares and other revenue therefrom, and shall pay all expenses of operation enumerated in Articles Fourth and Fifth hereof, and shall credit to the Lessee at monthly intervals as compensation for the use of such portion or portions the following sums:

(a) As compensation for the use of such portion or portions of the Seventh Avenue-Lexington Avenue Line and of the White Plains Road Line a sum equal to one-twelfth of six per centum (1-12 of 6%) of four-tenths (4-10) of the cost of construction and cost of equipment (exclusive of rolling stock and that portion of Equipment required for the generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits) of such portion or portions.

(b) As compensation for the use of such portion or portions of the Steinway Tunnel Line a sum equal to one-twelfth of six per centum (1-12 of 6%) of one-quarter of the cost of construction and cost of equipment (exclusive of rolling stock and that portion of Equipment required for the generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits) of such portion or portions, except that one-half of such sum to be credited as compensation on account of one-quarter of the cost of construction shall be credited only for such months as the revenue of the Grantee as defined in Article XII of the Certificate shall exceed the amount of the deductions specified in Paragraphs 1 to 8, inclusive, of said Article XII, and then only up to the amount of such excess; but any deficits in the payment of such one-half shall be cumulative and shall bear simple interest and shall be credited to the Lessee whenever the excess of such revenue over such deductions shall permit before any payment is made to the City under said Article XII.

Such cost of construction and cost of equipment shall be determined in the manner provided in the Subway Contract.

The Grantee shall, solely at its own cost and expense, during the period when it shall so maintain and operate such portion or portions of such municipal railroads, keep such portion or portions and the Equipment therefor and each and every part thereof in thorough repair and shall restore and replace every part thereof which may wear out so that at the end of said period such portion or portions shall be in as thoroughly good and solid condition as at the beginning of such period, reasonable wear and tear excepted.

Article Third—If the Grantee in the event specified in Article Second hereof shall operate such portion or portions of the Steinway Tunnel Line jointly with the New York Municipal Railway Corporation pursuant to a certain supplementary agreement entered or about to be entered into between the City, acting by the Commission, Interborough Company and the said New York Municipal Railway Corporation, prior to operation thereon by the Lessee, the Grantee shall receive all the revenue and payments (except the rentals specified in Articles Eighth, Ninth and Tenth of said supplementary agreement) and make all the payments which the Interborough Company is to receive or make under said supplementary agreement, crediting compensation for the use of such portion or portions to the Lessee as provided in Article Second hereof.

Article Fourth—After the beginning and during the continuance of joint operation by the Lessee and Grantee on any of such portions of the municipal railroads described in Article First the Lessee shall collect all fares and other train revenue (except advertising) and all station revenue of such portion or portions operated jointly and shall credit to the Grantee at monthly intervals such proportion of the same as the ton mileage of the Grantee's train service on such portion or portions during the preceding month shall bear to the combined ton mileage of the train service of both the Lessee and the Grantee on such portion or portions during such preceding month, and shall charge to the Grantee at monthly intervals the same proportion of the following expenses:

(a) All rentals actually and necessarily payable by the Lessee for the use of property in connection with the tracks, structures and line equipment (as line equipment is defined in paragraph (c) of this Article) of such portion or portions under contracts or leases approved by the Commission and not chargeable to operating expenses.

(b) Taxes, if any, on property actually and necessarily used in the operation of such portion or portions, together with taxes and other governmental charges of every description assessed or which may hereafter be assessed against the Lessee in connection with or incident to the operation of such portion or portions exclusive of taxes on rolling stock and on that portion of Equipment required for generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits.

(c) Maintenance (including depreciation) of tracks, structures and line equipment, such line equipment being defined as all Equipment belonging to

such portion or portions exclusive of rolling stock and that portion of Equipment required for generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits.

(d) Cost of power supplied by the Lessee, which shall be charged at the actual cost without profit, but including taxes, interest, amortization and depreciation on that portion of the Equipment and Existing Equipment (as defined in the Subway Contract) required for the generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits.

(e) All expenses in connection with the collection of fares and other train revenue at stations.

(f) Damages for accidents to persons or property (including personal injury claims) occurring on such portion or portions.

(g) General expenses, which for the purposes of this Article shall be taken as ten per centum (10%) of each of the preceding items, (a), (b), (c), (d), (e) and (f).

Article Fifth—The Lessee and Grantee, after the beginning and during the continuance of such joint operation by the Lessee and Grantee on any of such portions of such municipal railroads, shall each bear the following expenses in connection with its own operation over such portion or portions operated jointly:

Wages of train crews and other employees engaged exclusively in conducting its train service and the cost of labor and materials required in the care and maintenance of its cars.

Article Sixth—After the beginning and during the continuance of joint operation by the Lessee and Grantee and the New York Municipal Railway Corporation pursuant to said supplementary agreement entered or about to be entered into between the City, the Interborough Company and the New York Municipal Railway Corporation, of any portion or portions of the Steinway Tunnel Line, the procedure as to division of the revenue and expenses mentioned in Articles Fourth and Fifth hereof between the Lessee and Grantee in respect to such portion or portions of the Steinway Tunnel Line operated jointly by the Lessee, Grantee and said New York Municipal Railway Corporation shall be the same as prescribed in Articles Fourth and Fifth hereof, except that such revenue and expenses shall be deemed to be that portion of the revenue and expenses not belonging to or chargeable against the New York Municipal Railway Corporation under the terms of said supplementary agreement.

Article Seventh—At the end of each quarter year ending March 31st, June 30th, September 30th and December 31st, after the beginning and during the continuance of such joint operation by the Lessee and Grantee on any of such portions of the Seventh Avenue-Lexington Avenue Line and of the White Plains Road Line, the Lessee shall charge the Grantee with an amount as rental equal to one-quarter of six per centum (1/4 of 6%) on such proportion of the cost of construction and cost of equipment (exclusive of rolling stock and that portion of Equipment required for the generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits) of such portion or portions of such municipal railroads operated jointly as the ton mileage operated by the Grantee on such portion or portions during such quarter year bears to the total ton mileage operated by both the Lessee and Grantee on such portion or portions during such quarter year.

At the end of each quarter year ending March 31st, June 30th, September 30th and December 31st, after the beginning and during the continuance of such joint operation by the Lessee and Grantee on any portion or portions of the Steinway Tunnel Line, except as provided in Article Eighth, the Lessee shall charge the Grantee with an amount as rental equal to one-quarter of six per centum (1/4 of 6%) on such proportion of the cost of construction and cost of equipment (exclusive of rolling stock and that portion of Equipment required for the generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits) of such portion or portions of the Steinway Tunnel Line operated jointly as the ton mileage operated by the Grantee on such portion or portions during such quarter year bears to the total ton mileage operated by both the Lessee and Grantee on such portion or portions during such quarter year except that one-half of such amount chargeable to the Grantee as rental on account of the cost of construction of such portion or portions shall be charged only for such quarter years as the revenue of the Grantee as defined in Article XII of the Certificate shall exceed the amount of the deductions specified in paragraphs 1 to 8, inclusive, of said Article XII, and then only up to the amount of such excess; but any deficits in the payment of such one-half shall be cumulative and shall bear simple interest and shall be charged to the Grantee whenever the excess of such revenue over such deductions shall permit before any payment is made to the City under said Article XII.

Such costs of construction and costs of equipment shall be determined in the manner provided in the Subway Contract.

Article Eighth—At the end of each quarter year ending March 31st, June 30th, September 30th and December 31st, after the beginning and during the continuance of joint operation by the Lessee and Grantee and the New York Municipal Railway Corporation pursuant to said supplementary agreement entered or about to be entered into between the City, Interborough Company and said New York Municipal Railway Corporation, of any portion or portions of the Steinway Tunnel Line, the Lessee shall charge the Grantee with an amount as rental equal to one-quarter of six per centum (1/4 of 6%) of such proportion of one-half (1/2) the cost of construction and cost of equipment (exclusive of rolling stock and that portion of Equipment required for the generation, transmission, conversion and distribution of power up to the contact rails and the local lighting and power circuits) of such portion or portions as the ton mileage operated by the Grantee on such portion or portions during such quarter years bears to the total ton mileage operated by both the Lessee and Grantee on such portion or portions during such quarter year, except that one-half of such amount chargeable as rental on account of the cost of construction shall be charged only for such quarter years as the revenue of the Grantee as defined in Article XII of the Certificate shall exceed the amount of the deductions specified in paragraphs 1 to 8, inclusive, of said Article XII, and then only up to the amount of such excess; but any deficits in the payment of such one-half shall be cumulative and shall bear simple interest and shall be charged to the Grantee whenever the excess of such revenue over such deductions shall permit before any payment is made to the City under said Article XII. Such cost of construction and cost of equipment shall be determined in the manner provided in the Subway Contract.

Article Ninth—It is the intent of this agreement to permit the Lessee and Grantee each to conduct such a service over the lines operated jointly as may be required for its traffic, subject, in the case of such portion or portions of the Steinway Tunnel Line, to the rights of said New York Municipal Railway Corporation under said supplementary agreement above mentioned, and to provide that so far as possible each shall pay directly the operating expenses incurred in the operation of its trains, and to provide that where operating expenses are necessarily a joint expense these expenses shall be apportioned on a basis which is just and reasonable, and that where either the Lessee or the Grantee furnishes services, the one for the other, such services shall be charged for at the actual cost to the party furnishing the services.

Article Tenth—If after the expiration of six (6) months of joint operation or at any time or times thereafter the terms of this agreement shall be found to be inequitable or to depart from the intent hereof, then such terms shall be changed, altered or supplemented by such modifying agreements as shall be necessary for the purpose of carrying out the intent hereof, and the parties hereto agree to enter into such agreements.

Article Eleventh—In case any question or dispute shall arise as to the meaning or application of any of the provisions of this agreement or as to any other matter hereunder, including any question or dispute under Article Tenth, such question or dispute shall be determined by arbitration or by the court in the manner provided in the Subway Contract.

Article Twelfth—This agreement shall bind the parties hereto and their respective successors and assigns.

In Witness Whereof, The Commission acting for the City has caused its official seal to be hereto affixed and attested by its Secretary and these presents to be signed by its Chairman, and the Interborough Company has caused these presents to be executed under its corporate seal by its proper officers thereunto duly authorized, the day and year first above written.

PUBLIC SERVICE COMMISSION FOR THE FIRST DISTRICT.

By Chairman.

Attest, Secretary.

INTERBOROUGH RAPID TRANSIT COMPANY.

By President.

Attest, Secretary.

APPROVAL BY CORPORATION COUNSEL.

The foregoing agreement is hereby approved as to form.

Dated, New York, March 10, 1913.

JOHN L. O'BRIEN, Acting Corporation Counsel.

State of New York, County of New York, ss.:

On this day of 1913, before me personally appeared Edward E. McCall and Travis H. Whitney, to me known and known to me to be the said Edward E. McCall, the Chairman, and the said Travis H. Whitney, the Secretary, of the Public Service Commission for the First District; and the said Edward E. McCall and Travis H. Whitney, being by me duly sworn, did depose and say, each for himself and not the one for the other, the said Edward E. McCall, that he resides in the Borough of Manhattan in the City of New York, that he is the Chairman of the Public Service Commission for the First District, and that he signed his name to the foregoing instrument by virtue of the authority thereof; and the said Travis H. Whitney, that he resides in the Borough of Brooklyn, in the County of Kings, in the City and State of New York, that he is the Secretary of the said Commission, and that he subscribed his name thereto by like authority; and both the said Edward E. McCall and Travis H. Whitney, that they know the seal of the said Commission, that the seal affixed to the foregoing instrument is such seal, and that it was so affixed by the authority of the said Commission and of a resolution duly adopted by the Commission.

State of New York, County of New York, ss.:

On the day of 1913, before me personally appeared Theodore P. Shonts and H. M. Fisher, to me known and known to me to be the said Theodore P. Shonts, the President, and the said H. M. Fisher, the Secretary of Interborough Rapid Transit Company, the corporation named in the foregoing agreement, and they being by me duly sworn, did depose and say, each for himself and not the one for the other, the said Theodore P. Shonts that he resides in the Borough of Manhattan, in the City, County and State of New York, that he is the President of the said Interborough Rapid Transit Company and that he subscribed his name to the foregoing agreement by virtue of the authority thereof; and the said H. M. Fisher that he resides in Plainfield, in the State of New Jersey, that he is the Secretary of the said Interborough Rapid Transit Company and that he subscribed his name thereto by like authority; and both the said Theodore P. Shonts and H. M. Fisher that they know the seal of the said Interborough Rapid Transit Company and that the same was affixed to the foregoing agreement by the authority of the Board of Directors of the said Interborough Rapid Transit Company and of a resolution duly adopted by said Board.

Now, therefore, be it

Resolved, That the Board of Estimate and Apportionment of The City of New York by a majority vote according to the number of votes by law pertaining to each member of the Board, hereby approves of and consents to the proposed supplementary agreement to be entered into with the Interborough Rapid Transit Company, as lessee under a certain subway contract, and as granted under a proposed certificate for additional elevated railroad extensions, for joint use of tracks for through service.

Which was adopted by the following vote:

Affirmative—The Mayor, the Comptroller, and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

His Honor the Mayor then approved the certificates to be issued to the New York Municipal Railway Corporation, the Interborough Rapid Transit Company and the Manhattan Railway Company for additional tracks and elevated railroad extensions.

The President of the Borough of Queens offered the following:

Resolved, That it is the sense of this Board that the Public Service Commission take such steps as are necessary under the agreement with the Interborough Rapid Transit Company for the operation of the Steinway Tunnel, to provide temporary operation thereof as speedily as possible.

Which was adopted by the following vote:

Affirmative—The Mayor, the Comptroller, the President of the Board of Aldermen, and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—16.

By the Comptroller—I cannot conceive of a more seemly appropriate thing for this Board to do at this particular moment than to express its official voice in appreciation of the very distinguished services to The City of New York by the Hon. William R. Wilcox, and I have the very great pleasure of moving that a minute to that effect be placed on the minutes of this meeting.

Which motion was adopted by the following vote:

Affirmative—The Mayor, the Comptroller, the President of the Board of Aldermen and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—16.

By the Comptroller—Mr. Mayor, Mr. Wilcox is no longer a public official, and I felt that to offer a separate resolution in his honor would be proper. While we thoroughly appreciate all his services and know what they represent to the City, that will not in the slightest degree affect our appreciation of the co-operation of the other members who labored with him so long a time, and more especially are we appreciative of the services of the new Chairman of the Public Service Commission, Hon. Edward E. McCall, and I would like to move that the thanks of this Board be extended to Chairman McCall and his associates for the manner in which they performed their services with reference to the improvement of the transit situation in this city.

By the President of the Board of Aldermen—This resolution calls upon us to vote in approval of the policy of the majority of the Public Service Commission, for that Commission did act by a majority. Of course, I am not in accord with that. For that reason and for that reason only, I am unable to vote in the affirmative on this resolution, as I would like to do on personal grounds, but cannot do.

By the Comptroller—In making this motion, I was fully aware that the action of the Commission was not unanimous, and that Messrs. Maltbie and Cram did not agree with their associates, still, I believe at this time the cloak of charity and good will should cover all. Consequently, I made it to the whole Public Service Commission.

The motion of the Comptroller was then adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

By the President of the Borough of Manhattan—I wish to move that, in the name of the City, the thanks of this Board be extended to a distinguished private citizen who has aided us greatly in the course of our negotiations. I mean former Mayor Low. Mr. Low has been with us from the beginning. He gave to the Committee not only his personal aid and counsel, but the results of his experience as a member of the first Rapid Transit Board, as former Mayor of the City of Brooklyn, and of the greater City, and as Chairman of the Joint Transit Committee of the Chamber of Commerce and the Merchants' Association. He has been an important factor in bringing about the solution of the transit problem that the Board to-day has confirmed, and his services to the City should be gratefully remembered. I move, therefore, the adoption of this motion.

Which motion was adopted by the following vote:

Affirmative—The Mayor, the Comptroller, the President of the Board of Aldermen and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—16.

FINANCIAL MATTERS.

Public Service Commission—Relative to Issues of Corporate Stock for Subways.

The President of the Borough of The Bronx offered the following resolution:

Resolved, That any authorization or issue of corporate stock of The City of New York authorized and directed to be issued by this Board for the purposes

specified in the requisitions made by the Public Service Commission for the First District in respect to contract No. 3, between The City of New York, acting by the Public Service Commission for the First District and the Interborough Rapid Transit Company, and in respect to contract No. 4, between The City of New York, acting by the Public Service Commission for the First District, and the New York Municipal Railway Corporation, be authorized and charged against the debt limit and the borrowing capacity of The City of New York in the following manner, apportioned between and for the purposes of said two contracts, according to the amount necessary for the purposes of each, viz:

Against the power of The City of New York to become indebted by virtue of the exemption from the debt limit of corporate stock issued for rapid transit purposes, pursuant to section 10 of article 8 of the Constitution, and chapter 276 of the Laws of 1910, and the determinations of the Appellate Division of the Supreme Court, First Department, at any time made, the entire amount available from that source.

Against the power of The City of New York to become indebted by virtue of the exemption from the debt limit of corporate stock issued for dock investment, pursuant to section 10 of article 8 of the Constitution, and chapter 276 of the Laws of 1910, and the determination of the Appellate Division of the Supreme Court, First Department, as embodied in the order of that Court, dated January 31, 1913, in the amount of fifty-four million, nine hundred and forty-three thousand, fifty-three dollars and fifty-five cents (\$54,943,053.55).

Against the general borrowing capacity and borrowing power of The City of New York, whatever additional amount of such corporate stock it may be necessary to authorize and issue for the purposes of such contracts.

By the Comptroller—

Mr. Mayor: I am not prepared to vote for this segregation of \$15,000,000 for dock purposes. I do not believe it is a wise thing to do at this time. My reason for not thinking so is I do not believe we should tie ourselves up to the extent this \$15,000,000 represents. I believe to segregate \$7,500,000 for dock purposes at this time represents all that the City should obligate itself to for this particular purpose, and represents all that the City should contract to spend during this year.

We must consider that there are other purposes for which we will require money during the year which come as near to our homes as even rapid transit and docks.

Our legal debt limit at the present time is \$162,743,000. There are already appropriations or authorizations against that debt limit of \$40,164,000, which, deducted from the amount of the debt limit, leaves a balance of \$122,579,000.

There are authorizations for rapid transit purposes upon the pending contracts; that is, contracts 1 and 2, amounting to \$4,104,000; deducting which leaves an available net balance of \$118,475,000.

The amount required to certify the contracts now before us will represent \$1,000,000, leaving a balance at present available for all purposes of \$27,475,000.

After looking over all of these existing authorizations, we are of the opinion that, as many have been in existence for a long time and no work has been done by the departments on them, it may be possible to rescind authorizations amounting to \$10,000,000 already voted for general purposes, and \$4,200,000 of the existing rapid transit authorizations; a total of \$14,200,000. You add that \$14,200,000 to the balance available for all purposes, namely, \$27,475,000, and it gives you a total of \$41,675,000. You can add to that possibly \$5,000,000 which will become available during the balance of the present year, and you have at the outside \$46,675,000 available for all character of purposes during 1913 for which the City of New York must obligate itself.

My proposition is we should appropriate \$7,500,000 for dock purposes at this time. Looking over the general field of the City's requirements, I believe they represent necessary authorizations of at least \$28,000,000. A part of this is represented by the amount which must be charged against the debt limit as soon as title is vested in the City to the site for the new County Court House in the Borough of Manhattan. In addition to that we must appropriate at least \$7,000,000 for school purposes, and for all other general purposes I have put down \$4,000,000. For repaving I am assured by the Borough authorities we should appropriate at least \$3,000,000 more for this year, or a total of two millions less than the authorization last year for that purpose. In addition there then are other requirements which must be taken care of.

When you add this \$28,000,000 to the \$7,500,000 I believe we should appropriate for dock purposes, you have a total of \$35,500,000. You deduct that from the amount apparently available this year, and you have a balance of \$11,175,000. And that \$11,175,000 represents all that the City will have at its disposal for every character of purpose, no matter how urgent it may be, during the balance of the year.

If you appropriate \$15,000,000 for docks, you still have to make every other appropriation I have referred to, and you cut down the City's available borrowing capacity for all purposes of an urgent character, after making such appropriations as are necessary, to \$3,675,000.

I believe that is too close to the mark. We have tried during this administration to keep the City's borrowing capacity so that we would never have to go below a \$20,000,000 reserve, and we should never have to contemplate going as low as this outlook, which is a conservative one, suggests we should go.

If I thought we ought to spend \$15,000,000 for docks, it might to some extent modify my opinion. I do not think we can. I think a very good beginning can be made on the west side for long piers and for the South Brooklyn terminal for at least \$7,500,000. A beginning in these matters represents all we can possibly do this year.

Why tie ourselves up to this extent? Why go so near the danger mark of financial limitation? We have not done it before, and there is no pressing necessity of doing it now.

By the President of the Board of Aldermen—

Just a word on the dock situation. The reason for reserving \$15,000,000 is this: The \$69,000,000 exempted by the Appellate Division was for dock purposes; no other; merely dock investments. For three years we have been holding down authorizations of corporate stock for the Dock Department to bare living requirements. Now, in point of fact, the Dock Department is in a condition to contract against a much larger sum than \$15,000,000. Immediate requirements for the South Brooklyn terminal; the construction necessary to join the upper and the lower divisions together and for construction in the intervening section, demand upwards of \$7,000,000 alone. An appropriation of \$15,000,000 then will mean that that comprehensive improvement will have to be indefinitely postponed because money is appropriated for other purposes that ought to go to docks. For the construction of one and one-half long piers in the Forty-fourth street region of Manhattan and for other improvements more than \$13,000,000 will be required. Then you have not done a single thing for the west side of Manhattan and for the east side, where new piers and the reconstruction of existing piers are both urgently required. It seems to me it would be extremely injudicious for this Board to curtail port development and port improvement because a situation has been created here which results in a very narrow margin of borrowing capacity for the City. I do not believe port development should be made to suffer.

I am going to vote for the resolution, because my vote for this resolution is necessary to reserve \$15,000,000 for the purposes of port development, which I regard as absolutely vital.

By the President of the Borough of The Bronx—

I think this Board is committed to the development of the Port of New York. For three years it has not been possible to dispose of this definitely because we have been busy with subway matters. Maritime and commercial interests have requested us many times to proceed with this work, but we have been unable to do it. Now we have come to a place where we can do it, and I think it more important to devote a considerable sum to the development of the port in profit bearing securities rather than in some things which might be very desirable, but are not so necessary. For that reason I offer and support the resolution.

By the President of the Borough of Manhattan—

I would like to call the attention of the Board to this fact: That last May, when we proceeded to adopt the subway plans, it was definitely understood and stated in the report of the committee that we were then depending on a margin of \$100,000,000 to take care of the start of the work. It was stated also that we would rely on increases in the borrowing capacity, accruing in the year 1913 and the following years, to make up the additional \$35,000,000 required to realize the subway plans. We have been informed since the date of that report that it is necessary to charge against the debt limit at once the entire amount of the City's commitment, and we are drawing from the dock funds to make that possible. We are committing ourselves and our successors to the use of that sum of money for dock purposes instead of drawing it out for the next three or four years for subways. It seems to me absolutely unnecessary.

sary to commit ourselves to a figure that will impair our borrowing capacity for other municipal purposes. The Commissioner of Docks could not put under contract for this year anything like \$15,000,000. We do not agree as to the exigencies of the situation. In beginning the work in South Brooklyn and in some work around the Desbrosses street section, it would be difficult to put more than \$10,000,000 under contract this year. Following that we will have other resources to draw upon.

I think, as I have stated, that \$7,500,000 is perhaps low. But I think to vote more than \$10,000,000 spells poor business and will embarrass the City in ways that are absolutely unnecessary. If I cannot vote for \$10,000,000 I will vote against the resolution.

The resolution offered by the President of the Borough of The Bronx was adopted by the following vote:

Affirmative—The Mayor, the President of the Board of Aldermen and the Presidents of the Boroughs of Brooklyn, The Bronx and Queens—10.

Negative—The Comptroller and the Presidents of the Boroughs of Manhattan and Richmond—6.

Public Service Commission—Issue of \$60,000,000 Corporate Stock for Construction of Rapid Transit Railroad Under Contract No. 4.

The Secretary presented the following:

State of New York, Public Service Commission for the First District, 154 Nassau Street, New York, March 18, 1913.

To the Board of Estimate and Apportionment of The City of New York:

The Public Service Commission for the First District in pursuance of a resolution duly adopted by the said Commission transmits to you herewith a requisition for the authorization by you of corporate stock of The City of New York to the amount of sixty million dollars (\$60,000,000), which with the sum of forty million five hundred one thousand nine hundred ninety-one dollars (\$40,501,991) heretofore registered on account of the railroads to be constructed under the contract known as contract No. 4 between The City of New York, acting by the Public Service Commission for the First District, and New York Municipal Railway Corporation, for additional rapid transit railroads, will be sufficient to meet the entire estimated expense to the City, to be defrayed by issue of corporate stock, of executing said contract No. 4.

This requisition covers the estimated expense of executing such contract so far as the City's obligations to be defrayed by the issue of corporate stock are concerned. There are not included in the above amount the expenses of the Commission for administration, superintendence, legal expenses and engineering. The Board of Estimate and Apportionment has already appropriated an amount for such expenses for the current year and such expenses have always been met by the issuance of special revenue bonds under the provisions of section 10 of the Rapid Transit Act. In conformity with such practice the Commission purposes to make requisitions from time to time for appropriations of such sum or sums of money as may be requisite and necessary to meet these expenses. These appropriations under said section 10 are met by the sale of special revenue bonds, and they therefore are not included in a requisition for the issue of corporate stock.

From the amount of corporate stock so requisitioned the Commission from time to time will make sub-requisitions for the City's share of any contracts or obligations necessary to execute the main contract.

**PUBLIC SERVICE COMMISSION
FOR THE FIRST DISTRICT,
By EDWARD E. McCALL, Chairman.**

(Seal)

Attest: TRAVIS H. WHITNEY, Secretary.

State of New York, Public Service Commission for the First District, 154 Nassau Street, New York, March 18, 1913.

To the Board of Estimate and Apportionment of The City of New York:

In pursuance of section 37 of chapter 4 of the Laws of 1891 as amended, known as the Rapid Transit Act, the Public Service Commission for the First District hereby makes requisition upon the Board of Estimate and Apportionment of The City of New York for the authorization of corporate stock of The City of New York to be issued and sold by the Comptroller to the amount of sixty million dollars (\$60,000,000) which, with the sum of forty million five hundred one thousand nine hundred ninety-one dollars (\$40,501,991) heretofore registered on account of the railroads to be constructed under the contract known as contract No. 4, between The City of New York, acting by the Public Service Commission for the First District, and New York Municipal Railway Corporation, for additional rapid transit railroads, will be sufficient to meet the entire estimated expense to the City, to be defrayed by the issue of corporate stock, of executing said contract No. 4.

In witness whereof the Public Service Commission for the First District has caused this requisition to be subscribed by its Chairman and its seal to be hereto affixed and attested by its Secretary this 18th day of March, 1913.

**PUBLIC SERVICE COMMISSION
FOR THE FIRST DISTRICT,
By EDWARD E. McCALL, Chairman.**

(Seal)

Attest: TRAVIS H. WHITNEY, Secretary.

Resolved, That the Public Service Commission for the First District make requisition upon the Board of Estimate and Apportionment of The City of New York for the authorization of corporate stock of The City of New York to the amount of sixty million dollars (\$60,000,000) which, with the sum of forty million five hundred one thousand nine hundred ninety-one dollars (\$40,501,991) heretofore registered on account of the railroads to be constructed under the contract known as contract No. 4 between The City of New York, acting by the Public Service Commission for the First District, and New York Municipal Railway Corporation, for additional rapid transit railroads, will be sufficient to meet the entire estimated expense to the City, to be defrayed by the issue of corporate stock, of executing said contract No. 4, and that the Chairman and Secretary be authorized to execute and transmit under the seal of the Commission said requisition and a communication both in the form herewith presented.

State of New York, County of New York, ss:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify, that I have compared the above resolution with the original adopted by the said Commission on March 18, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof, I have hereunto subscribed my hand and affixed the seal of the said Commission, this 18th day of March, 1913.

TRAVIS H. WHITNEY, Secretary.

(Seal)

The following resolution was offered:

Resolved, That pursuant to the provisions of section 37 of chapter 4 of the Laws of 1891 as amended, known as the Rapid Transit Act, and section 45 of the Greater New York Charter and the requisition of the Public Service Commission for the First District duly made under the seal of the said Commission by the Chairman and Secretary thereof on March 18, 1913, the Comptroller be and hereby is authorized and directed to issue corporate stock of The City of New York to the amount of sixty million dollars (\$60,000,000), at such rate of interest as the Commissioners of the Sinking Fund shall prescribe, the proceeds thereof to be applied to the purposes specified in said requisition, as explained by the communication of the said Commission transmitting the same, in respect of the contract known as contract No. 4 between The City of New York, acting by the Public Service Commission for the First District, and New York Municipal Railway Corporation.

Which was adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

Public Service Commission—Issue of \$28,200,000 Corporate Stock for Construction of Rapid Transit Railroad Under Contract No. 3.

The Secretary presented the following:

State of New York, Public Service Commission for the First District, 154 Nassau Street, New York, March 18, 1913.

To the Board of Estimate and Apportionment of The City of New York:

The Public Service Commission for the First District in pursuance of a resolution duly adopted by the said Commission transmits to you herewith a requisition for the authorization by you of corporate stock of The City of New York to the amount of twenty-eight million two hundred thousand dollars (\$28,200,000) which, with the sum of thirty-five million one hundred thirty-five thousand six hundred thirty-seven and 84-100 dollars (\$35,135,637.84) heretofore registered on account of the railroads to be constructed under the contract known as contract No. 3 between The City of New York, acting by the Public Service Commission for the First District, and Inter-

borough Rapid Transit Company, for additional rapid transit railroads, will be sufficient to meet the entire estimated expense to the City, to be defrayed by the issue of corporate stock, of executing said contract No. 3.

This requisition covers the estimated expense of executing such contract so far as the City's obligations to be defrayed by the issue of corporate stock are concerned. There are not included in the above amount the expenses of the Commission for administration, superintendence, legal expenses and engineering. The Board of Estimate and Apportionment has already appropriated an amount for such expenses for the current year and such expenses have always been met by the issuance of special revenue bonds under the provisions of section 10 of the Rapid Transit Act. In conformity with such practice the Commission purposes to make requisitions from time to time for appropriations for such sum or sums of money as may be requisite and necessary to meet these expenses. These appropriations under said section 10 are met by the sale of special revenue bonds and they, therefore, are not included in a requisition for the issue of corporate stock.

From the amount of corporate stock so requisitioned the Commission from time to time will make sub-requisitions for the City's share of any contracts or obligations necessary to execute the main contract.

**PUBLIC SERVICE COMMISSION
FOR THE FIRST DISTRICT,
By EDWARD E. McCALL, Chairman.**

(Seal)

Attest: TRAVIS H. WHITNEY, Secretary.

State of New York, Public Service Commission for the First District, 154 Nassau Street, New York, March 18, 1913.

To the Board of Estimate and Apportionment of The City of New York:

In pursuance of section 37 of chapter 4 of the Laws of 1891 as amended, known as the Rapid Transit Act, the Public Service Commission for the First District hereby makes requisition upon the Board of Estimate and Apportionment of The City of New York for the authorization of corporate stock of The City of New York to be issued and sold by the Comptroller to the amount of twenty-eight million two hundred thousand dollars (\$28,200,000) which, with the sum of thirty-five million one hundred thirty-five thousand six hundred thirty-seven and 84-100 dollars (\$35,135,637.84), heretofore registered on account of the railroads to be constructed under the contract known as contract No. 3 between The City of New York, acting by the Public Service Commission for the First District, and Interborough Rapid Transit Company, for additional rapid transit railroads, will be sufficient to meet the entire estimated expense to the City, to be defrayed by the issue of corporate stock, of executing said contract No. 3.

In witness whereof the Public Service Commission for the First District has caused this requisition to be subscribed by its Chairman and its seal to be hereto affixed and attested by its Secretary this 18th day of March, 1913.

**PUBLIC SERVICE COMMISSION
FOR THE FIRST DISTRICT,
By EDWARD E. McCALL, Chairman.**

(Seal)

Attest: TRAVIS H. WHITNEY, Secretary.

Resolved, That the Public Service Commission for the First District make requisition upon the Board of Estimate and Apportionment of The City of New York for the authorization of corporate stock of The City of New York to the amount of twenty-eight million two hundred thousand dollars (\$28,200,000), which, with the sum of thirty-five million one hundred thirty-five thousand six hundred thirty-seven and 84-100 dollars (\$35,135,637.84), heretofore registered on account of the railroads to be constructed under the contract known as contract No. 3, between The City of New York, acting by the Public Service Commission for the First District, and Interborough Rapid Transit Company, for additional rapid transit railroads, will be sufficient to meet the entire estimated expense to the City, to be defrayed by the issue of corporate stock, of executing said contract No. 3, and that the Chairman and Secretary be authorized to execute and transmit under the seal of the Commission said requisition and a communication both in the form herewith presented.

State of New York, County of New York, ss:

I, Travis H. Whitney, Secretary of the Public Service Commission for the First District, do hereby certify that I have compared the above resolution with the original adopted by the said Commission on March 18, 1913, and that it is a correct transcript therefrom and of the whole of the original.

In testimony whereof I have hereunto subscribed my hand and affixed the seal of the said Commission this 18th day of March, 1913.

(Seal)

TRAVIS H. WHITNEY, Secretary.

The following resolution was offered:

Resolved, That pursuant to the provisions of section 37 of chapter 4 of the Laws of 1891 as amended, known as the Rapid Transit Act, and section 45 of the Greater New York Charter and the requisition of the Public Service Commission for the First District, duly made under the seal of the said Commission by the Chairman and Secretary thereof on March 18, 1913, the Comptroller be and hereby is authorized and directed to issue corporate stock of The City of New York to the amount of twenty-eight million two hundred thousand dollars (\$28,200,000), at such rate of interest as the Commissioners of the Sinking Fund shall prescribe, the proceeds thereof to be applied to the purposes specified in said requisition, as explained by the communication of the said Commission transmitting the same, in respect of the contract known as contract No. 3, between The City of New York, acting by the Public Service Commission for the First District, and Interborough Rapid Transit Company.

Which was adopted by the following vote:

Affirmative—The Mayor, the Comptroller and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—13.

Negative—The President of the Board of Aldermen—3.

Department of Education—Establishment of Grades of Positions.

The Secretary presented the following:

In Board of Education.

Mr. Bigham, on behalf of the Committee on Lectures and Libraries, offered the following:

Whereas, The payrolls of Local Superintendents and Stereopticon Operators employed in connection with the public evening lectures for the month of January, 1913, have been returned to this Department by the Comptroller, who, in his communications on the subject, calls attention to an opinion of the Corporation Counsel to the effect that "the salaries of all persons other than the teaching force must be fixed by the Board of Aldermen, as provided by section 56 of the Greater New York Charter," and states that the salaries of the employees above mentioned have not been so fixed; be it

Resolved, That the Board of Estimate and Apportionment be and it hereby is requested to recommend to the Board of Aldermen that the compensation of the following named positions in connection with public evening lectures in the Department of Education be fixed as follows:

Local Superintendent, per lecture	\$3 00
Assistant Local Superintendent, per lecture	2 00
Stereopticon Operator, per lecture	3 00
Electric Stereopticon Operator (including rental of electric lantern), per lecture	5 00
Inspector, per lecture	4 00

—and be it further

Resolved, That the Board of Aldermen be and it hereby is requested to act as speedily as possible in the matter after the same has been acted upon by the Board of Estimate and Apportionment.

A true copy of preamble and resolutions adopted by the Board of Education on March 12, 1913.

A. E. PALMER, Secretary, Board of Education.

Department of Finance, City of New York, Bureau of Municipal Investigation and Statistics, March 17, 1913.

To the Board of Estimate and Apportionment:

Gentlemen—On March 12, 1913, the Board of Education requested the establishment, pursuant to the provisions of section 56 of the Greater New York Charter, of the grades of position for incumbents in the Public Lecture Bureau, as follows:

Local Superintendent, per lecture	\$3 00
Assistant Local Superintendent, per lecture	2 00
Stereopticon Operator, per lecture	3 00
Electric Stereopticon Operator (including rental of electric lantern), per lecture	5 00
Inspector, per lecture	4 00

In connection therewith we report as follows:

The grades of Local Superintendent, at \$3 per night, and Operator, at the same rate, were established in the 1913 Budget. No action, therefore, is necessary on these items in the request.

Establishment of the other items is necessary for payment of incumbents for January and February. These incumbents have been regularly employed, but their grades have not been fixed under section 56.

We recommend that the Board of Aldermen be requested to establish grades for the three positions in the above list, which have not as yet been established, by the adoption of the attached resolution. Respectfully,

WM. A. PRENDERGAST, Comptroller; JOHN PURROY MITCHEL, President, Board of Aldermen, Committee on Salaries and Grades.

The following resolution was offered:

Resolved, That, pursuant to the provisions of section 56 of the Greater New York Charter, the Board of Estimate and Apportionment hereby recommends to the Board of Aldermen the establishment in the Department of Education of the grades of positions, in addition to those heretofore established, as follows:

Title.	Rate of Compensation.
Assistant Local Superintendent	\$2 per lecture.
Electric Stereopticon Operator (including rental of electric lantern)	5 per lecture.
Inspector	4 per lecture.

Which was adopted by the following vote:

Affirmative—The Mayor, the Comptroller, the President of the Board of Aldermen and the Presidents of the Boroughs of Manhattan, Brooklyn, The Bronx, Queens and Richmond—16.

On motion the Board adjourned to meet Thursday, March 27, 1913, at 10:30 o'clock a. m.

JOSEPH HAAG, Secretary.

APPROVED PAPERS.

FOR THE WEEK ENDING APRIL 12, 1913.

No. 435.

Whereas, The Board of Estimate and Apportionment adopted the following resolution at a stated meeting held February 13, 1913:

Resolved, That the Board of Estimate and Apportionment, pursuant to the provisions of section 56 of the Greater New York Charter, hereby recommends to the Board of Aldermen the establishment in the office of the President of the Borough of Richmond of the grade of position, in addition to those heretofore established, as follows:

Title.	Rate	Number of Per Diem.	Number of Incumbents.
Foreman	\$4 00	6	

Resolved, That the Board of Aldermen hereby approves of and concurs in the above resolution and fixes the salary of said position as set forth therein.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 436.

Resolved, That in pursuance of the provisions of Subdivision 8 of Section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue Special Revenue Bonds to the amount of two thousand dollars (\$2,000), the proceeds whereof to be used by the District Attorney of Kings County for the purpose of paying expenses of extraditing fugitive criminals. All obligations contracted for hereunder to be incurred on or before December 31, 1913.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 437.

Resolved, That in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue Special Revenue Bonds to the amount of Seven thousand three hundred and fifty dollars (\$7,350), the proceeds whereof to be used by the Commissioner of Public Charities for the purpose of paying the following employees from June 1 to December 31, 1913, inclusive:

Trained Nurse, 7 at \$600 per annum	\$4,200 00
Hospital Helpers, 2 at \$480 per annum	960 00
Hospital Helpers, 2 at \$360 per annum	720 00
Hospital Helpers, 4 at \$300 per annum	1,200 00
Hospital Helpers, 23 at \$240 per annum	5,520 00

\$12,600 00

\$7,350 00

Amount required for seven months.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 438.

Resolved, That in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue special revenue bonds to the amount of Three Thousand Eight Hundred Dollars (\$3,800), the proceeds whereof to be used by the Commissioner of Water Supply, Gas and Electricity for the purpose of purchasing one (1) automobile truck at a cost not to exceed Two Thousand Dollars (\$2,000), and Eighteen Hundred Dollars (\$1,800) to be used in purchasing by exchange a passenger automobile.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 439.

Resolved, That in pursuance of the provisions of Subdivision 8 of Section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue Special Revenue Bonds to the amount of Three hundred and seventy-five dollars (\$375), the proceeds whereof to be used by the Commissioner of Water Supply, Gas and Electricity for the purpose of paying the tax levy portion of salary of Inspector Cornelius J. Burns for the year 1913, by replenishing account known as "Distribution—Salaries, Tax Levy and Corporate Stock Force" to said amount.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 440.

Resolved, That in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue special revenue bonds to the amount of one hundred and thirty-nine dollars (\$139), the proceeds whereof to be used by the Commissioner of Street Cleaning for the purpose of paying increase in compensation of an Upholsterer, from \$4 to \$4.50 per day, during the year 1913.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 441.

Resolved, That in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be

and it is hereby requested to authorize the Comptroller to issue special revenue bonds to the amount of two thousand nine hundred and twenty dollars (\$2,920), the proceeds whereof to be used by the Commissioner of Water Supply, Gas and Electricity for the purpose of paying for temporary time due Foremen in said Department employed on a per diem basis during the year 1913.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 442.

Resolved, That in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue special revenue bonds to the amount of five hundred and twenty-five dollars (\$525), the proceeds whereof to be used by the Commissioner of Water Supply, Gas and Electricity for the purpose of hire of horses and wagons in the Borough of Queens, as follows: Horse and wagon for Inspector, seventy-five days at \$3 per day, \$225; horse and wagon for Plumber, five months at \$60 per month, \$300. All obligations contracted for hereunder to be incurred on or before December 31, 1913.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 443.

Resolved, That, in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue special revenue bonds to the amount of fifteen thousand dollars (\$15,000), the proceeds whereof to be used by the Park Commissioner of Manhattan and Richmond for the purpose of repairing streets outside of the parks under his jurisdiction. All obligations contracted for hereunder to be incurred on or before December 31, 1913.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 444.

Resolved, That, pursuant to the provisions of section 188, of the Charter of The City of New York, the Comptroller is hereby authorized to issue special revenue bonds to an amount not exceeding five thousand (\$5,000) dollars, proceeds whereof to be expended by the President of the Borough of Queens, for the purpose of removing encroachments from the property of The City of New York.

All obligations contracted for hereunder to be incurred on or before December 31, 1913.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 445.

Resolved, That, in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue special revenue bonds to the amount of five thousand dollars (\$5,000), the proceeds whereof to be used by the President of the Borough of The Bronx for the purpose of defraying the cost of taking down and rebuilding the parapet walls of the Borough Hall, Borough of The Bronx. All obligations contracted for hereunder to be incurred on or before December 31, 1913.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 446.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following amended resolution adopted by the Board of Estimate and Apportionment at a stated meeting held March 6, 1913:

Resolved, That, in accordance with the recommendation of the Commissioners of the Sinking Fund, by resolution adopted February 26, 1913, and subject to the concurrence herewith by the Board of Aldermen, the resolution adopted by the Board of Estimate and Apportionment July 1, 1910, and approved by the Board of Aldermen on July 5, 1910, which reads as follows:

"Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, and section 180 of the said Charter, and the recommendation of the Commissioners of the Sinking Fund, by resolution adopted June 29, 1910, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding *forty-eight thousand two hundred dollars* (\$48,200), for the purpose of providing means to pay the cost of the construction of an extension to the pier at the foot of 134th street, North River, Borough of Manhattan, under the jurisdiction of the Department of Docks and Ferries, and when authority therefor shall have been obtained from the Board of Aldermen the Comptroller is authorized to issue corporate stock of The City of New York, in the manner provided by section 169 of the Greater New York Charter, to an amount not exceeding *forty-eight thousand two hundred dollars* (\$48,200), the proceeds whereof to be applied for the purposes aforesaid;"

—be and the same is hereby amended to make the amount authorized read *forty-seven thousand two hundred dollars* (\$47,200).

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 447.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following amended resolution adopted by the Board of Estimate and Apportionment at a stated meeting held March 6, 1913:

Resolved, That, in accordance with the recommendation of the Commissioners of the Sinking Fund, by resolution adopted February 26, 1913, and subject to the concurrence herewith by the Board of Aldermen, the resolution adopted by the Board of Estimate and Apportionment July 17, 1911, and approved by the Board of Aldermen on July 25, 1911, which reads as follows:

"Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, and section 180 of the said Charter and the recommendation of the Commissioners of the Sinking Fund by resolution adopted July 12, 1911, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding *twenty-five thousand dollars* (\$25,000), to provide means for the construction of a pier at Nott avenue, Long Island City, Borough of Queens, under the jurisdiction of the Department of Docks and Ferries, and that when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue said corporate stock of The City of New York in the manner provided by section 169 of the Greater New York Charter, the proceeds thereof to the amount of par value of the stock to be applied to the purposes aforesaid;"

—be and the same is hereby amended to make the amount authorized read *twenty-six thousand dollars* (\$26,000).

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 448.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following amended resolution adopted by the Board of Estimate and Apportionment at a stated meeting held March 6, 1913:

Resolved, That, in accordance with the recommendation of the Commissioners of the Sinking Fund, by resolution adopted February 26, 1913, and subject to the concurrence herewith by the Board of Aldermen, the resolution adopted by the Board of Estimate and Apportionment July 1, 1910, and approved by the Board of Aldermen on July 19, 1910, which reads as follows:

"Resolved, That, pursuant to the provisions of section 47 of the Greater New

York Charter, as amended, and section 180 of the said Charter and the recommendation of the Commissioners of the Sinking Fund, by resolution adopted June 29, 1910, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding *sixteen thousand dollars* (\$16,000), for the purpose of providing means to pay the cost of the construction of a new pier at the foot of Gold street, Borough of Brooklyn, under the jurisdiction of the Department of Docks and Ferries, and when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller is authorized to issue corporate stock of The City of New York, in the manner provided by section 169 of the Greater New York Charter, to an amount not exceeding *sixteen thousand dollars* (\$16,000), the proceeds whereof to be applied for the purposes aforesaid;

—be and the same is hereby amended to make the amount authorized read *ten thousand dollars* (\$10,000).

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 449.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following amended resolution adopted by the Board of Estimate and Apportionment at a stated meeting held March 6, 1913:

Resolved, That, in accordance with the recommendation of the Commissioners of the Sinking Fund by resolution adopted February 26, 1913, and subject to the concurrence herewith by the Board of Aldermen, the resolution adopted by the Board of Estimate and Apportionment July 17, 1911, and approved by the Board of Aldermen on July 25, 1911, which reads as follows:

“Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, and section 180 of said Charter, and the recommendation of the Commissioners of the Sinking Fund by resolution adopted July 12, 1911, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding *seventy-nine thousand dollars* (\$79,000) to provide means for the construction of a new pier at 135th street, North River, under the jurisdiction of the Department of Docks and Ferries, and that when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue said corporate stock of The City of New York in the manner provided by section 169 of the Greater New York Charter, the proceeds thereof to the amount of the par value of the stock to be applied to the purpose aforesaid.”

—be and the same is hereby amended to make the amount authorized read *seventy-six thousand dollars* (\$76,000).

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 450.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following amended resolution adopted by the Board of Estimate and Apportionment at a stated meeting held March 6, 1913:

Resolved, That, in accordance with the recommendation of the Commissioners of the Sinking Fund by resolution adopted February 26, 1913, and subject to the concurrence herewith by the Board of Aldermen, the resolution adopted by the Board of Estimate and Apportionment July 17, 1911, and approved by the Board of Aldermen on July 25, 1911, which reads as follows:

“Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, and section 180 of the said Charter and the recommendation of the Commissioners of the Sinking Fund by resolution adopted July 12, 1911, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding *twelve thousand dollars* (\$12,000) to provide means for the construction of extension to Pier 43, North River, under the jurisdiction of the Department of Docks and Ferries, and that when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue said corporate stock of The City of New York in the manner provided by section 169 of the Greater New York Charter, the proceeds thereof to the amount of the par value of the stock to be applied to the purposes aforesaid.”

—be and the same is hereby amended to make the amount authorized read *fifteen thousand dollars* (\$15,000).

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 451.

AN ORDINANCE Providing for An Issue of Corporate Stock of The City of New York in the Sum of Forty-five Thousand One Hundred and Seventy Dollars (\$45,170) to Provide Means for the Installation of Fire Alarm Systems In Buildings Under the Jurisdiction of the Department of Public Charities.

Be it Ordained by the Board of Aldermen of The City of New York, as follows:

Section 1. The Board of Aldermen hereby approves of and concurs in the following resolution, adopted by the Board of Estimate and Apportionment March 6, 1913, and authorizes the Comptroller to issue corporate stock of The City of New York to the amount and for the purposes therein specified:

Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding forty-five thousand one hundred and seventy dollars (\$45,170), to provide means for the installation of fire alarm systems in buildings under the jurisdiction of the Department of Public Charities, as follows:

City Hospital District	\$4,900 00
City Home District	6,500 00
Metropolitan Hospital District	7,000 00
Randalls Island	8,500 00
Farm Colony	3,600 00
Kings County Hospital	9,800 00
Cumberland Street Hospital	2,170 00
Miscellaneous Buildings	2,700 00

\$45,170 00

—and that when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue said corporate stock of The City of New York in the manner provided by section 169 of the Greater New York Charter, the proceeds thereof to the amount of the par value of the stock to be applied to the purposes aforesaid.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 452.

AN ORDINANCE Providing for An Issue of Corporate Stock of The City of New York In the Sum of Four Thousand Six Hundred and Fifty Dollars (\$4,650), to Provide Means for Defraying the Expense of Making Studies and Plans for the Elimination of Grade Crossings of Steam Railroads in the Borough of Richmond.

Be it Ordained by the Board of Aldermen of The City of New York, as follows:

Section 1. The Board of Aldermen hereby approves of and concurs in the following resolution, adopted by the Board of Estimate and Apportionment March 6, 1913, and authorizes the Comptroller to issue corporate stock of The City of New York to the amount and for the purposes therein specified:

Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding four thousand six hundred and fifty dollars (\$4,650) in addition to amounts heretofore authorized for the purpose of defraying the expense of making studies and plans for the elimination of grade crossings of steam railroads in the Borough of Richmond, under the jurisdiction of the President of the Borough of Richmond, and that when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue said corporate stock of The City of New York in the manner provided by section 169 of the Greater New York Charter, the proceeds

thereof to the amount of the par value of the stock to be applied to the purposes aforesaid.

Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding four thousand six hundred and fifty dollars (\$4,650,000) in addition to amounts heretofore authorized for the purpose of defraying the expense of making studies and plans for the elimination of grade crossings of steam railroads in the Borough of Richmond, under the jurisdiction of the President of the Borough of Richmond, and that when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue said corporate stock of The City of New York in the manner provided by section 169 of the Greater New York Charter, the proceeds thereof to the amount of the par value of the stock to be applied to the purposes aforesaid.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 453.

AN ORDINANCE providing for an issue of corporate stock of The City of New York in the sum of fifty-seven thousand nine hundred and sixty dollars (\$57,960) to provide means for replenishing the appropriation made in the corporate stock budget for 1911 for the construction and equipment of a public school building at West 176th and West 177th streets, Borough of Manhattan, under the jurisdiction of the Department of Education.

Be it Ordained by the Board of Aldermen of The City of New York, as follows:

Section 1. The Board of Aldermen hereby approves of and concurs in the following resolution, adopted by the Board of Estimate and Apportionment February 27, 1913, and authorizes the Comptroller to issue corporate stock of The City of New York to the amount and for the purposes therein specified:

Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter as amended, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding fifty-seven thousand nine hundred and sixty dollars (\$57,960), to provide means for replenishing the appropriation made in the corporate stock budget for 1911 for the construction and equipment of a public school building at West 176th and West 177th streets, 100 feet east of St. Nicholas avenue, Borough of Manhattan, under the jurisdiction of the Department of Education, and that when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue said corporate stock of The City of New York in the manner provided by section 169 of the Greater New York Charter, the proceeds thereof to the amount of the par value of the stock to be applied to the purposes aforesaid.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 454.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following amended resolution adopted by the Board of Estimate and Apportionment at a stated meeting held February 27, 1913:

Resolved, That, subject to concurrence herewith by the Board of Aldermen, the following resolution adopted by the Board of Estimate and Apportionment January 11, 1912, and approved by the Board of Aldermen on February 6, 1912:

“Resolved, That, subject to concurrence herewith by the Board of Aldermen, the following resolution, adopted by the Board of Estimate and Apportionment on January 26, 1911, and approved by the Board of Aldermen on February 7, 1911:

“Resolved, That, subject to concurrence herewith by the Board of Aldermen, the following resolution, adopted by the Board of Estimate and Apportionment on May 6, 1910, and approved by the Board of Aldermen on May 10, 1910:

“Resolved, That the resolution adopted by the Board of Estimate and Apportionment at a meeting held April 8, 1910, which reads as follows:

“Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York, to an amount not exceeding one million four hundred and eighty-four thousand dollars (\$1,484,000), for the construction of public school buildings and additions thereto, in the manner and amounts described hereunder:

New Buildings and Additions.

District.	School.	Location.	Amount.
7	61	Borough of Manhattan. East 12th street, between Avenues B and C...	\$316,000 00
26	46	Borough of The Bronx. Bainbridge and Briggs avenues and 196th street	312,000 00
25	44	Prospect avenue and 176th street.....	240,000 00
32	168	Borough of Brooklyn. Throop avenue, Bartlett and Whipple streets..	300,000 00
40	171	Ridgewood, Lincoln and Nichols avenues....	316,000 00

\$1,484,000 00

“—and when authority shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue corporate stock of The City of New York, in the manner provided by section 169 of the Greater New York Charter, to an amount not exceeding one million four hundred and eighty-four thousand dollars (\$1,484,000), the proceeds whereof to be applied to the purposes aforesaid.

“—be and the same is hereby amended to read as follows:

“Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York, to an amount not exceeding one million four hundred and fifty-six thousand dollars (\$1,456,000), for the construction of public school buildings, in the manner and amounts described hereunder:

New Buildings and Additions.

District.	School.	Location.	Amount.
7	61	Borough of Manhattan. East 12th street, between Avenues B and C...	\$316,000 00
26	46	Borough of The Bronx. Bainbridge and Briggs avenues and 196th street	300,000 00
25	44	Prospect avenue and 176th street.....	240,000 00
32	168	Borough of Brooklyn. Throop avenue, Bartlett and Whipple streets..	300,000 00
40	171	Ridgewood, Lincoln and Nichols avenues....	300,000 00

\$1,456,000 00

“—and when authority shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue corporate stock of The City of New York, in the manner provided by section 169 of the Greater New York Charter, to an amount not exceeding one million four hundred and fifty-six thousand dollars (\$1,456,000), the proceeds whereof to be applied to the purposes aforesaid.”

—be amended to make the amounts authorized as follows:

New Buildings and Additions.

District.	School.	Location.	Amount.
7	61	Borough of Manhattan. East 12th street, between Avenues B and C...	\$316,000 00
26	46	Borough of The Bronx. Bainbridge and Briggs avenues and 196th street	283,000 00
25	44	Prospect avenue and 176th street.....	240,000 00

District.	School.	Location.	Amount.
32	168	Borough of Brooklyn.	
40	171	Throop avenue, Bartlett and Whipple streets..	300,000 00
		Ridgewood, Lincoln and Nichols avenues.....	300,000 00
			\$1,439,000 00

—be amended to make the amounts read as follows:

New Buildings and Additions.

District.	School.	Location.	Amount.
7	61	Borough of Manhattan.	
26	46	East 12th street, between Avenues B and C.....	\$291,000 00
25	44	Borough of The Bronx.	
32	168	Bainbridge and Briggs avenues and 196th street..	283,000 00
40	171	Prospect avenue and 176th street.....	240,000 00
		Borough of Brooklyn.	
32	168	Throop avenue, Bartlett and Whipple streets....	255,000 00
40	171	Ridgewood, Lincoln and Nichols avenues.....	265,000 00
			\$1,334,000 00

—be amended to make the amounts authorized as follows:

New Buildings and Additions.

District.	School.	Location.	Amount.
7	61	Borough of Manhattan.	
26	46	East 12th street, between Avenues B and C.....	\$291,000 00
25	44	Borough of The Bronx.	
32	168	Bainbridge and Briggs avenues and 196th street..	277,000 00
40	171	Prospect avenue and 176th street.....	240,000 00
		Borough of Brooklyn.	
32	168	Throop avenue, Bartlett and Whipple streets....	250,000 00
40	171	Ridgewood, Lincoln and Nichols avenues.....	261,000 00
			\$1,319,000 00

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 455.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following amended resolution adopted by the Board of Estimate and Apportionment at a stated meeting held February 27, 1913:

Resolved, That, subject to concurrence herewith by the Board of Aldermen, the following resolution adopted by the Board of Estimate and Apportionment April 25, 1912, and approved by the Board of Aldermen May 14, 1912:

Resolved, That, subject to the concurrence herewith by the Board of Aldermen, the following resolution adopted by the Board of Estimate and Apportionment on July 17, 1911, and approved by the Board of Aldermen on July 25, 1911:

Resolved, That, subject to the concurrence herewith by the Board of Aldermen, the following amended resolution adopted by the Board of Estimate and Apportionment January 26, 1911, and approved by the Board of Aldermen February 7, 1911:

Resolved, That, subject to the concurrence herewith by the Board of Aldermen, the following resolution, adopted by the Board of Estimate and Apportionment on December 9, 1910, and approved by the Board of Aldermen on December 20, 1910:

Resolved, That, subject to the concurrence herewith by the Board of Aldermen, the following resolution, adopted by the Board of Estimate and Apportionment June 10, 1910, and approved by the Board of Aldermen June 21, 1910:

Resolved, That, subject to the concurrence herewith by the Board of Aldermen, the following resolution, adopted by the Board of Estimate and Apportionment April 24, 1908, and approved by the Board of Aldermen May 26, 1908:

Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding four million six hundred and seven thousand and seventy-five dollars (\$4,607,075), to provide means for the construction and improvement of public school buildings and additions thereto, as follows:

"HIGH SCHOOLS.

"Borough of Brooklyn.

		"School and Location.	Amount.
		"Girls' High (addition), Nostrand avenue, Halsey and Macon streets	\$100,000 00
		"Erasmus Hall (addition), Flatbush avenue, near Church avenue	400,000 00
		"ELEMENTARY SCHOOLS.	
		"Borough of Manhattan.	
		"Public School 101, 111th street, near Lexington avenue, 44 rooms	295,000 00
		"Public School 132, 182d street and Wadsworth avenue, (addition), 16 rooms	96,000 00
		"Borough of The Bronx.	
		"Public School 30, 141st street and Brook avenue (addition), 18 rooms	135,000 00
		"Borough of Brooklyn.	
		"Public School 28, Herkimer street, near Ralph avenue, 36 rooms	211,000 00
		"Public School 84, Glenmore and Stone avenues (addition), 32 rooms	276,000 00
		"Public School 126, Barren Island, improvements	17,000 00
		"Public School 128, Meserole avenue and Lorimer street (additions), 16 rooms	132,000 00
		"Public School 128, 21st avenue and 83d street (addition), 10 rooms	119,000 00
		"Public School 160, Fort Hamilton avenue and 51st street, 35 rooms	211,000 00
		"Public School 131, Fort Hamilton avenue and 43d street, temporary buildings	8,000 00
		"Public School 162, St. Nicholas avenue and Suydam street, 48 rooms	280,000 00
		"Public School 163, Benson and 17th avenues, 35 rooms	211,000 00
		"Public School 164, 14th avenue and 42d street, 48 rooms	327,000 00
		"Public School 166, Power avenue and Harrison place, 48 rooms	327,000 00
		"Borough of Queens.	
		"Public School 51, Johnson ave., Richmond Hill, addition, 27 rooms	198,000 00
		"Public School 58, Walker and Grafton aves., Woodhaven, addition, 24 rooms	195,000 00
		"Public School 77, Covert ave. and George st., Ridgewood, 44 rooms	330,000 00
		"Public School 81, Ridgewood, temporary buildings	9,500 00
		"Public School 87, Middle Village, addition, 24 rooms	202,000 00
		"Public School 7, Van Alst ave., Long Island City, addition, 24 rooms	170,000 00
		"Public School 92, Park and Grinnell aves., and Randall st., North Corona, 48 rooms	182,000 00

		"School and Location.	Amount.
		"Contingencies.	
		"Salaries of Draftsmen, surveys, borings, drafting room supplies, etc.	195,575 00
			\$4,607,075 00

"—and when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue corporate stock of The City of New York, in the manner provided by section 169 of the Greater New York Charter, to an amount not exceeding four million six hundred and seven thousand and seventy-five dollars (\$4,607,075), the proceeds whereof to be applied to the purposes aforesaid.

"—be amended to read as follows:

"Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding three million five hundred and nine thousand and seventy-seven dollars and eighty-nine cents (\$3,509,077.89), to provide means for the construction and improvement of public school buildings and additions thereto, as follows:

"HIGH SCHOOLS.

"Borough of Brooklyn.

		"School and Location.	Amount.
		"Girls' High (addition), Nostrand ave., Halsey and Macon sts.	\$100,000 00
		"Erasmus Hall (addition), Flatbush ave., near Church ave.	400,000 00
		"ELEMENTARY SCHOOLS.	
		"Borough of Manhattan.	
		"Public School 101, 111th st., near Lexington ave., 44 rooms	258,000 00
		"Public School 132, 182d st. and Wadsworth ave., addition, 16 rooms	55,500 00
		"Borough of The Bronx.	
		"Public School 30, 141st st. and Brook ave., addition, 18 rooms	111,000 00
		"Borough of Brooklyn.	
		"Public School 84, Glenmore and Stone ayes., addition, 32 rooms	236,317 51
		"Public School 126, Meserole ave. and Lorimer st., addition, 16 rooms	17,000 00
		"Public School 128, 21st ave. and 83d st., addition, 10 rooms	109,805 54
		"Public School 160, Fort Hamilton ave. and 51st st., 35 rooms	116,555 32
		"Public School 131, Fort Hamilton ave. and 43d st., temporary building	196,500 00
		"Public School 162, St. Nicholas ave. and Suydam st., 48 rooms	8,000 00
		"Public School 58, Walker and Grafton avenues, Woodhaven, addition, 24 rooms	255,407 52
		"Public School 163, Benson and 17th ayes., 35 rooms	194,000 00
		"Public School 164, 14th ave. and 42d st., 48 rooms	273,000 00
		"Borough of Queens.	
		"Contingencies.	
		"Salaries of Draftsmen, surveys, borings, drafting room supplies, etc.	19,575 00
			\$3,509,077 89

"—and when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue corporate stock of The City of New York in the manner provided by section 169 of the Greater New York Charter to an amount not exceeding three million five hundred and nine thousand and seventy-seven dollars and eighty-nine cents (\$3,509,077.89), the proceeds whereof to be applied to the purposes aforesaid;

"—be further amended to read as follows:

"Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding three million four hundred and ninety-two thousand eight hundred and twenty-six dollars and twenty-nine cents (\$3,492,826.29), to provide means for the construction and improvement of public school buildings and additions thereto, as follows:

HIGH SCHOOLS.

Borough of Brooklyn.

		School and Location.	Amount.
		"Girls' High (addition), Nostrand avenue, Halsey and Macon streets	\$100,000 00
		"Erasmus Hall (addition), Flatbush avenue, near Church avenue	400,000 00
		"ELEMENTARY SCHOOLS.	
		"Borough of Manhattan.	
		"Public School 101, 111th street, near Lexington avenue, 44 rooms	258,000 00
		"Public School 132, 182d street and Wadsworth avenue, addition, 16 rooms	55,500 00
		"Borough of The Bronx.	
		"Public School 30, 14	

School and Location.	Amount.
" Public School 7, Van Alst ave., Long Island City, addition, 24 rooms	153,748 40
" Public School 92, Park and Grinnell aves. and Randall st., North Corona, 48 rooms	182,000 00
Contingencies.	
" Salaries of Draftsmen, surveys, borings, drafting room supplies, etc.	195,575 00
	\$3,492,826 29

"—and when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue corporate stock of The City of New York, in the manner provided by section 169 of the Greater New York Charter, to an amount not exceeding three million four hundred and ninety-two thousand eight hundred and twenty-six dollars and twenty-nine cents (\$3,492,826.29), the proceeds whereof to be applied to the purposes aforesaid.

"—be amended to make the amounts authorized as follows:

High Schools.	
Borough of Brooklyn.	
School and Location.	Amount.
" Girls' High (addition), Nostrand ave., Halsey and Macon sts.	\$85,000 00
" Erasmus Hall (addition), Flatbush ave., near Church ave.	400,000 00
Elementary Schools.	
Borough of Manhattan.	
" Public School 101, 111th st., near Lexington ave., 44 rooms.	258,000 00
" Public School 132, 182d st. and Wadsworth ave., addition, 16 rooms	55,500 00
Borough of The Bronx.	
" Public School 30, 141st st. and Brook ave., addition, 18 rooms.	111,000 00
Borough of Brooklyn.	
" Public School 84, Glenmore and Stone aves., addition, 32 rooms	236,317 51
" Public School, Barren Island, improvements.	17,000 00
" Public School 126, Mesarole ave. and Lorimer st., addition, 16 rooms	109,805 54
" Public School 128, 21st ave. and 83d st., addition, 10 rooms	116,555 32
" Public School 160, Ft. Hamilton ave. and 51st st., 35 rooms	196,500 00
" Public School 131, Ft. Hamilton ave. and 43d st., temporary building	8,000 00
" Public School 162, St. Nicholas ave. and Suydam st., 48 rooms	255,407 52
" Public School 163, Benson and 17th ave., 35 rooms	194,000 00
" Public School 164, 14th ave. and 42d st., 48 rooms	273,000 00
Borough of Queens.	
" Public School 58, Walker and Grafton aves., Woodhaven, addition, 24 rooms	188,000 00
" Public School 77, Covert ave. and George st., Ridgewood, 44 rooms	286,917 00
" Public School 81, Ridgewood, temporary buildings	9,500 00
" Public School 87, Middle Village, addition, 24 rooms	146,000 00
" Public School 7, Van Alst ave., Long Island City, addition, 24 rooms	153,748 40
" Public School 92, Park and Grinnell aves. and Randall st., North Corona, 48 rooms	182,000 00
Contingencies.	
" Salaries of Draftsmen, surveys, borings, drafting room supplies, etc.	195,575 00
	\$3,477,826 29

"be amended to make the total amount authorized not more than three million four hundred and seventy-seven thousand two hundred and seven dollars and ninety-one cents (\$3,477,207.91), distributed as follows:

HIGH SCHOOLS.	
Borough of Brooklyn.	
School and Location.	Amount.
" Girls' High (addition), Nostrand ave., Halsey and Macon sts.	\$85,000 00
" Erasmus Hall (addition), Flatbush ave., near Church ave.	400,000 00
Elementary Schools.	
Borough of Manhattan.	
" Public School 101, 111th st., near Lexington ave., 44 rooms	258,000 00
" Public School 132, 182d st. and Wadsworth ave., addition, 16 rooms	55,500 00
Borough of The Bronx.	
" Public School 30, 141st st. and Brook ave., addition, 18 rooms	111,000 00
Borough of Brooklyn.	
" Public School 84, Glenmore and Stone aves., addition, 32 rooms	236,317 51
" Public School, Barren Island, improvements.	17,000 00
" Public School 126, Mesarole ave. and Lorimer st., addition, 16 rooms	109,450 00
" Public School 128, 21st ave. and 83d st., addition, 10 rooms	116,500 00
" Public School 160, Ft. Hamilton ave. and 51st st., 35 rooms	196,500 00
" Public School 131, Ft. Hamilton ave. and 43d st., temporary building	8,000 00
" Public School 162, St. Nicholas ave. and Suydam st., 48 rooms	255,200 00
" Public School 163, Benson and 17th ave., 35 rooms	194,000 00
" Public School 164, 14th ave. and 42d st., 48 rooms	273,000 00
Borough of Queens.	
" Public School 58, Walker and Grafton aves., Woodhaven, addition, 24 rooms	188,000 00
" Public School 77, Covert ave. and George st., Ridgewood, 44 rooms	286,917 00
" Public School 81, Ridgewood, temporary buildings	9,500 00
" Public School 87, Middle Village, addition, 24 rooms	146,000 00
" Public School 7, Van Alst ave., Long Island City, addition, 24 rooms	153,748 40
" Public School 92, Park and Grinnell aves. and Randall st., North Corona, 48 rooms	182,000 00
Contingencies.	
" Salaries of Draftsmen, surveys, borings, drafting room supplies, etc.	195,575 00
	\$3,477,207 91

"—be amended to make the total amount authorized not to exceed three million four hundred and sixty-seven thousand two hundred and seven dollars and ninety-one cents (\$3,467,207.91), distributed as follows:

HIGH SCHOOLS.	
Borough of Brooklyn.	
School and Location.	Amount.
" Girls' High (addition), Nostrand ave., Halsey and Macon sts.	\$75,000 00
" Erasmus Hall (addition), Flatbush ave., near Church ave.	400,000 00
Elementary Schools.	
Borough of Manhattan.	
" Public School 101, 111th st., near Lexington ave., 44 rooms	258,000 00
" Public School 132, 182d st. and Wadsworth ave., addition, 16 rooms	55,500 00
Borough of The Bronx.	
" Public School 30, 141st st. and Brook ave., addition, 18 rooms	111,000 00
Borough of Brooklyn.	
" Public School 84, Glenmore and Stone aves., addition, 32 rooms	236,317 51

School and Location.	Amount.
Public School, Barren Island, improvements.	17,000 00
Public School 126, Mesarole ave. and Lorimer st., addition, 16 rooms.	109,450 00
Public School 128, 21st ave. and 83d st., addition, 10 rooms.	116,500 00
Public School 160, Ft. Hamilton ave. and 51st st., 35 rooms.	196,500 00
Public School 131, Ft. Hamilton ave. and 43d st., temporary building	8,000 00
Public School 162, St. Nicholas ave. and Suydam st., 48 rooms.	255,200 00
Public School 163, Benson and 17th ave., 35 rooms.	194,000 00
Public School 164, 14th ave. and 42d st., 48 rooms.	273,000 00
Borough of Queens.	
Public School 58, Walker and Grafton ave., Woodhaven, addition, 24 rooms	188,000 00
Public School 77, Covert ave. and George st., Ridgewood, 44 rooms	286,917 00
Public School 81, Ridgewood, temporary buildings	9,500 00
Public School 87, Middle Village, addition, 24 rooms.	146,000 00
Public School 7, Van Alst ave., Long Island City, addition, 24 rooms.	153,748 40
Public School 92, Park and Grinnell aves. and Randall st., North Corona, 48 rooms.	182,000 00
Contingencies.	
Salaries of Draftsmen, surveys, boring, drafting room supplies, etc.	195,575 00
	\$3,467,207 91

—be amended to make the total amount authorized not to exceed three million four hundred and fifty-nine thousand one hundred and thirty-two dollars and seventy-one cents (\$3,459,132.71), distributed as follows:

HIGH SCHOOLS.		
Borough of Brooklyn.		
School.	Location.	Amount.
Girls' High (addition) Nostrand ave., Halsey and Macon Sts.		\$75,000 00
Erasmus Hall (addition) Flatbush ave., near Church ave.		391,924 80
ELEMENTARY SCHOOLS.		
P. S. 101	111th st., near Lexington ave., 44 rooms.	258,000 00
P. S. 132	182d st. and Wadsworth ave., addition, 16 rooms.	55,500 00
P. S. 30	141st st. and Brook ave., addition, 18 rooms.	111,000 00
P. S. 84	Glenmore and Stone aves., addition, 32 rooms.	236,317 51
P. S. 126	Mesarole ave. and Lorimer st., addition, 16 rooms.	109,450 00
P. S. 128	21st ave. and 83d st., addition, 10 rooms.	116,500 00
P. S. 160	Fort Hamilton ave. and 51st st., 35 rooms.	196,500 00
P. S. 131	Fort Hamilton ave. and 43d st., temporary building	8,000 00
P. S. 162	St. Nicholas ave. and Suydam st., 48 rooms.	255,200 00
P. S. 163	Benson and 17th aves., 35 rooms.	194,000 00
P. S. 164	14th ave. and 42d st., 48 rooms.	273,000 00
P. S. 58	Walker and Grafton aves., Woodhaven, addition, 24 rooms.	188,000 00
P. S. 77	Covert ave. and George st., Ridgewood, 44 rooms.	286,917 00
P. S. 81	Ridgewood, temporary buildings	9,500 00
P. S. 87	Middle Village, addition, 24 rooms.	146,000 00
P. S. 7	Val Alst ave., Long Island City, addition, 24 rooms.	153,748 40
P. S. 92	Park and Grinnell aves. and Randall st., North Corona, 48 rooms.	182,000 00
Contingencies.		
Salaries of Draftsmen, surveys, boring, drafting room supplies, etc.		195,575 00
		\$3,459,132 71

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 456.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following amended resolution adopted by the Board of Estimate and Apportionment at a stated meeting held February 27, 1913:

Resolved, That, subject to concurrence herewith by the Board of Aldermen, the resolution adopted by the Board of Estimate and Apportionment June 3, 1910, and approved by the Board of Aldermen June 28, 1910; as follows:

"Resolved, That, pursuant to the provisions of section 47 of the Greater New York Charter, as amended, the Board of Estimate and Apportionment hereby approves of the issue of corporate stock of The City of New York to an amount not exceeding *fifty-nine thousand five hundred and thirty-five dollars* (\$59,535), to provide means for the equipment, including heating and ventilating and electric work, of new Public School 171, Ridgewood, Lincoln and Nichols aves., Borough of Brooklyn, and when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue corporate stock of The City of New York, in the manner provided by section 169 of the Greater New York Charter, to an amount not exceeding *fifty-nine thousand five hundred and thirty-five dollars* (\$59,535), the proceeds whereof to be applied to the purposes aforesaid."

—be amended to make the amount authorized *five-eight thousand six hundred and fifty-three dollars and fifty-two cents* (\$58,653.52).

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 457.

Resolved, That the Board of Aldermen hereby approves of and concurs in the following

tric work, of new Public School 168, Throop ave., Bartlett and Whipple sts., Borough of Brooklyn, and when authority therefor shall have been obtained from the Board of Aldermen, the Comptroller be and is hereby authorized to issue corporate stock of The City of New York, in the manner provided by section 169 of the Greater New York Charter, to an amount not exceeding *five-nine thousand five hundred and thirty-five dollars* (\$59,535), the proceeds whereof to be applied to the purposes aforesaid."—be amended to make the amount authorized *five-eight thousand nine hundred and sixty-seven dollars and seventy-nine cents* (\$58,967.79).

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 459.

Whereas, The Board of Estimate and Apportionment adopted the following resolution at a stated meeting held February 27, 1913:

Whereas, By opinion of the Corporation Counsel, as of June 28, 1910, and July 30, 1910, the Comptroller was advised that the payment of salaries of Janitors in the Department of Education is illegal unless such salary shall have been established under the provision of section 56 of the Greater New York Charter; and

Whereas, The matter of adjusting the compensation of Janitors and the fixation of their salaries under the provision of section 56 of the Charter is now in the hands of a Special Committee of the Board of Estimate and Apportionment; therefore be it

Resolved, That, pursuant to the provisions of section 56 of the Charter, the Board of Estimate and Apportionment hereby recommends to the Board of Aldermen, pending the report of said Committee, the compensation of Janitors in the Department of Education be fixed temporarily, and, until further modified, in accordance with the following list:

Title and School.	Rate of Compensation.
Janitor, 82, Manhattan, per annum (less \$234 rent allowance)	\$2,208 00
Janitor, 18, The Bronx, per annum (less \$240)	1,644 00
Janitor, 22, The Bronx, per month	60 00
Janitor, 61, Brooklyn, per month	60 00
Janitor, 78, Manhattan, per annum	4,296 00
Janitor, 132, Manhattan, per annum	4,260 00
Janitor, 7, Manhattan, per annum	2,868 00
Janitor, 21, Manhattan, per annum	5,088 00
Janitor, 79, Manhattan, per annum	2,376 00
Janitor, 2, The Bronx, per annum	3,768 00
Janitor, 3, The Bronx, per annum	5,604 00
Janitor, 105, Brooklyn, per annum	1,068 00
Janitor, 138, Brooklyn, per annum	7,056 00
Janitor, 159, Brooklyn, per annum	3,228 00
Janitor, 19, Queens, per annum	1,320 00
Janitor, 77, Queens, per annum	4,236 00
Janitor, 88, Queens, per annum	3,324 00
Janitor, Jamaica Training School, per annum	3,384 00
Janitor, Washington Irving High School, per month	500 00
Janitor, 40, Queens, per month, from December 23, 1912, to January 6, 1913	100 00
Janitor, 40, Queens, per month, after January 6, 1913	150 00
Janitor, 153, Brooklyn, for temporary care of 96, Brooklyn, per annum	600 00
Janitor, 23, Queens, for cleaning snow from site of Flushing High School on December 27 and 28, 1912	10 00

Resolved, That the Board of Aldermen hereby approves of and concurs in the above resolution and fixes the compensation of said positions as set forth therein.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 460.

Whereas, The Board of Estimate and Apportionment adopted the following resolution at a stated meeting held February 27, 1913:

Whereas, By opinion of the Corporation Counsel, as of June 28, 1910, and July 30, 1910, the Comptroller was advised that the payment of salaries of Janitors in the Department of Education is illegal, unless such salary shall have been established under the provision of section 56 of the Greater New York Charter; and

Whereas, The matter of adjusting the compensation of Janitors and the fixation of their salaries under the provision of section 56 of the Charter is now in the hands of a special committee of the Board of Estimate and Apportionment; therefore be it

Resolved, That pursuant to the provisions of section 56 of the Charter, the Board of Estimate and Apportionment hereby recommends to the Board of Aldermen, pending the report of said committee, the compensation of Janitors in the Department of Education be fixed temporarily, and until further modified, in accordance with the following list:

Title and School.	Rate of Compensation.
Janitor, 23, Brooklyn (per annum)	\$3,504 00
Janitor, 52, Manhattan (per annum)	1,212 00
Janitor, 98D, Manhattan (per annum)	1,036 00
Janitor, 35, The Bronx (per month)	224 00

Resolved, That the Board of Aldermen hereby approves of and concurs in the above resolution and fixes the compensation of said positions as set forth therein.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 461.

Whereas, The Board of Estimate and Apportionment adopted the following resolution at a stated meeting held March 6, 1913:

Whereas, By opinion of the Corporation Counsel as of June 28, 1910, and July 30, 1910, the Comptroller was advised that the payment of salaries of Janitors in the Department of Education is illegal unless such salary shall have been established under the provisions of section 56 of the Greater New York Charter; and

Whereas, The matter of adjusting the compensation of Janitors and the fixation of their salaries under the provisions of section 56 of the Charter is now in the hands of a special committee of the Board of Estimate and Apportionment; therefore be it

Resolved, That, pursuant to the provisions of section 56 of the Charter, the Board of Estimate and Apportionment hereby recommends to the Board of Aldermen, pending the report of said Committee, the compensation of Janitors in the Department of Education be fixed temporarily, and until further modified, in accordance with the following list:

	Rate of Compensation.
Janitor, Public School 162, Manhattan, per month	\$60 00
Janitor, Public School 23, Manhattan, per annum, less \$280	2,700 00
Janitor, Public School 15, Manhattan, per annum, less \$260	3,636 00
Janitor, Public School 50, Annex, Brooklyn, per annum, less \$221	1,104 00
Janitor, Public School 43, The Bronx, per annum	4,680 00
Janitor, Morris High School, The Bronx, per annum	2,000 00
Janitor, Manual Training High School, Brooklyn, per annum	2,000 00
Janitor, Public School 188, Manhattan, per annum	2,000 00

Resolved, That the Board of Aldermen hereby approves of and concurs in the above resolution and fixes the compensation of said positions as set forth therein.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 462.

Resolved, That the Comptroller be authorized and requested to pay to the Clerk of the Appellate Division, Supreme Court, 1st Department, the sum of one hundred dollars, to pay for minor expenses out of the proper accounts, and that further like payments be made to him after he has submitted proper accounting.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 463.

Resolved, That permission be and the same is hereby given to John Donohue to erect, place and keep a booth within the stoop line in front of premises 353 W. 49th st., in the Borough of Manhattan, provided the said booth shall be erected so as to conform in all respects with the provisions of the ordinance in such case made and provided; the work to be done at his own expense, under the direction of the President of the Borough, such permission to continue only during the pleasure of the Board of Aldermen.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 464.

Resolved, That permission be and the same is hereby given to the Sherwood Co. to parade a man with an advertising sign through the streets and thoroughfares of the Borough of Manhattan, under the supervision of the Police Department; such permission to continue only for the period of thirty days from the receipt hereof from his Honor the Mayor.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 465.

Resolved, That permission be and the same is hereby given to Louis Flasch to erect, place and keep a booth within the stoop line on the side of premises on the southwest corner of 75th st. and 2d ave. in the Borough of Manhattan, provided the said booth shall be erected so as to conform in all respects with the provisions of the ordinance in such case made and provided; the work to be done at his own expense, under the direction of the President of the Borough, such permission to continue only during the pleasure of the Board of Aldermen.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 466.

Resolved, That permission be and the same is hereby given to the Ostrich Feather Curling Co. to parade a man with an advertising sign through the streets and thoroughfares of the Borough of Manhattan, under the supervision of the Police Department; such permission to continue only for the period of thirty days from the receipt hereof from his Honor the Mayor.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 467.

Resolved, That permission be and the same is hereby given to C. Schuboth, of 499 3d ave., to parade a man with an advertising sign through the streets and thoroughfares of the Borough of Manhattan, under the supervision of the Police Department; such permission to continue only for the period of thirty days from the receipt hereof from his Honor the Mayor.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 468.

Resolved, That permission be and the same is hereby given to Nathan Herman to erect, place and keep a post, surmounted by a clock, on the sidewalk near the curb in front of his premises 271 Grand street, in the Borough of Manhattan; provided that the dimensions of the post at the base shall not exceed eighteen inches, if circular in form, and if upon a square base, no side thereof shall exceed eighteen inches; the work to be done at his own expense, under the direction of the President of the Borough, such permission to continue only during the pleasure of the Board of Aldermen.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 469.

Resolved, That permission be and the same is hereby given to Henry Lorber to parade a man with an advertising sign through the streets and thoroughfares of the Borough of Manhattan under the supervision of the Police Department; such permission to continue only for the period of thirty days from receipt hereof from his Honor the Mayor.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 470.

Resolved, That permission be and the same is hereby given to Mary A. McBride to parade a man with an advertising sign through the streets and thoroughfares of the Borough of Manhattan, under the supervision of the Police Department; such permission to continue only for the period of thirty days from the receipt hereof from his Honor the Mayor.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 471.

Resolved, That permission be and the same is hereby given to David Schwartz to parade a man with an advertising sign through the streets and thoroughfares of the Borough of Manhattan, under the supervision of the Police Department; such permission to continue only for the period of thirty days from the receipt hereof from his Honor the Mayor.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 472.

Resolved, That permission be and the same is hereby given to the Myron Co. to parade a man with an advertising sign through the streets and thoroughfares of the Borough of Manhattan, under the supervision of the Police Department; such permission to continue only for the period of thirty days from the receipt hereof from his Honor the Mayor.

Adopted by the Board of Aldermen March 25, 1913.

Received from his Honor the Mayor April 8, 1913, without his approval or disapproval thereof; therefore, as provided in section 40 of the Greater New York Charter, the same took effect as if he had approved it.

No. 473.

Resolved, That permission be and the same is hereby given to D. Schechter, of 310 W. 149th st., to parade a man with an advertising sign through the streets and thoroughfares of the Borough of Manhattan, under the supervision of the Police Department; such permission to continue only for the period of thirty days from the receipt hereof from his Honor the Mayor.

Adopted by the Board of Aldermen March 25, 1913.

No. 474.

Resolved, That in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue special revenue bonds to the amount of ten thousand dollars (\$10,000), the proceeds whereof to be used under the jurisdiction of a special committee of the Board of Aldermen for the purpose of meeting expenses incurred by the City in connection with the dedication of the Carl Schurz Memorial on University Heights, on May 10, 1913.

Adopted by the Board of Aldermen April 1, 1913.

Approved by the Mayor April 8, 1913.

No. 475.

Resolved, That, in pursuance of the provisions of subdivision 8 of section 188 of the Greater New York Charter, the Board of Estimate and Apportionment be and it is hereby requested to authorize the Comptroller to issue special revenue bonds to the amount of twenty-three thousand five hundred dollars (\$23,500), the proceeds whereof to be used by the Department of Water Supply, Gas and Electricity for the purpose of installing a driven well system on lands adjacent to the Flushing Pumping Station, Borough of Queens; all obligations hereunder to be contracted on or before December 31, 1913.

Adopted by the Board of Aldermen April 1, 1913.

Approved by the Mayor April 9, 1913.

P. J. SCULLY, City Clerk.

DEPARTMENT OF FINANCE.

WARRANTS MADE READY FOR PAYMENT IN DEPARTMENT OF FINANCE

FRIDAY, APRIL 11, 1913.

Below is a statement of warrants made ready for payment on the above date showing therein the Department of Finance voucher number, the date or dates of the invoices or bills, the date the voucher was filed in the Department of Finance, the name of the payee and the amount of the claim.

Where two or more bills are embraced in the warrant, the dates of the earliest and latest are given.

All of the warrants mentioned are forwarded through the mail unless some reason exists why payment is to be made in person, in which event written notice will be promptly given to the claimant.

In making a written or verbal inquiry at this office as to any of the below mentioned warrants, it is requested that reference be made by the Department of Finance voucher number.

WM. A. PRENDERGAST, Comptroller.

Finance Voucher No.	Invoice Dates.	Received in Department of Finance.	Name of Payee.	Amount.
Board of Aldermen.				
39668	3-28-13	4- 7-13	F. F. Fuhrmann	\$2 20
39669	3-31-13	4- 7-13	John Manning	6 76
Armory Board.				
34097	3-26-13	Charles Grimmer & Son	\$2,241 50	
39783	4- 7-13	Mehlbach Saddle Co.	35 00	
39785	3-17-13	Vero-Form Hygienic Co.	67 50	
39791	3-14-13	Lux Manufacturing Co.	30 00	
39792	3-13-13	Royal Typewriter Co.	81 00	
39802	1-31-13	Agent and Warden, Auburn Prison	8 50	
39807	3- 6-13	4- 7-13 Cavanagh Bros. & Co.	33 00	
Bellevue and Allied Hospitals.				
37088	2- 8-13	4- 1-13 The Hoffman-La Roche Chemical Works	\$465 00	
37089	2-10-13	4- 1-13 Schieffelin & Co.	300 00	
38365	3-18-13	4- 7-13 Knauth, Nachod & Kuhne, Assignee of Strauss Bros.	5,088 48	
38369	3- 5-13. 3-12-13	4- 3-13 The American Distributing Co., James A. Webb & Son Branch	361 41	
38370	3-11-13	4- 3-13 The Hoffman-La Roche Chemical Works	465 00	
38371	3-13-13	4- 3-13 Schieffelin & Co.	300 00	
39918	2- 6-13	4- 7-13 The A. R. Ohman Map Co.	17 00	
39919	1-27-13- 1-22-13	4- 7-13 Montgomery & Co.	28 59	
39920	2- 3-13	4- 7-13 The J. L. Mott Iron Works	39 60	
39941	2-14-13	4- 7-13 E. Machett & Son	4 50	
39943	1- 6-13	4- 7-13 The Lansden Co.	7 30	
39950	1-16-13. 1-31-13	4- 7-13 D. B. Pershall & Son	26 68	
39963	1-31-13	4- 7-13 Daniel Pollard	60 00	
39964	3- 1-13	4- 7-13 Fred Senzel	27 00	
39966	2- 5-13	4- 7-13 J. N. Jeffares	16 42	
39970	2-21-13	4- 7-13 C. H. & E. S. Goldberg	20 00	
39971	2- 3-13. 2-25-13	4- 7-13 High Grade Oil Refining Co.	27 00	
39972	1-18-13	4- 7-13 John Greig	50 18	
39973	1-21-13	4- 7-13 Automatic Adding Machine Co.	20 00	
39979	2- 1-13	4- 7-13 The George P. Clark Co.	22 71	
39976	2- 8-13	4- 7-13 Gimbel Brothers	25 59	
38776	2- 6-13	4- 4-13 John F. Schmadeke	426 24	
39977	2- 8-13	4- 7-13 Frank A. Hall & Sons	273 00	
39978	1- 9-13	4- 7-13 Cooper Hewitt Electric Co.	20 00	
39979	2- 5-13	4- 7-13 Hanlon & Goodman Co.	5 81	
39984	1- 4-13. 2-10-13	4- 7-13 Candee, Smith & Howland Co.	25 70	
39998	1-17-13. 2-19-13	4- 7-13 The American Laundry Machinery Co.	75 95	
40012	2- 1-13	4- 7-13 The Donellan Mfg. Co.	31 00	
40013	2-11-13	4- 7-13 Disbrow Cordage Co.	6 40	
40015	1-22-13	4- 7-13 Dennison Manufacturing Co.	9 00	
40016	2-17-13	4- 8-13 Farbwerke-Hoechst Co.	87 50	
40017	2- 5-13	4- 7-13 M. H. Fairchild & Bro.	73 13	
40039	2- 1-13. 2- 3-13	4- 7-13 Waite & Bartlett Mfg. Co.	3 75	
40040	3- 1-13	4- 7-13 John Sheehan	34 00	
40041	3- 1-13	4- 7-13 Tremont Auto and Carriage Works	19 00	
Department of Bridges.				
40080	4- 8-13	Calvin I. Crocker	\$3 25	
Board of City Record.				
39060	2-28-13. 3- 8-13	4- 5-13 M. J. Tobin	\$70 31	
39061	3- 8-13. 3-13-13	4- 5-13 M. J. Tobin	22 38	
39062		4- 5-13 M. J. Tobin	8 06	
39063	2-28-13. 3-13-13	4- 5-13 M. J. Tobin	4 18	
39064	2-28-13. 3-13-13	4- 5-13 M. J. Tobin	31 99	
39066	2-28-13. 3-13-13	4- 5-13 M. J. Tobin	19 57	
39068	2-18-13. 3-13-13	4- 5-13 M. J. Tobin	178 53	
39069	2-28-13. 3-13-13	4- 5-13 M. J. Tobin	181 26	
39075	2-28-13. 3-13-13	4- 5-13 M. J. Tobin	96 63	
Civil Service Commission.				
38967	2-26-13	4- 4-13 Koller & Smith, Inc.	\$242 46	
38990	3- 1-13	4- 4-13 Moran Towing & Transportation Co.	40 00	
38997		4- 4-13 New York Multi-Color Copying Co.	5 54	
County Clerk, Kings.				
39717	4- 1-13	4- 7-13 Great Bear Spring Co.	\$16 50	
39718		4- 7-13 Clynta Water Co.	40	
39720	3-12-13	4- 7-13 Seed Filter & Mfg. Co.	3 00	
39722	3-31-13	4- 7-13 Benjamin Cohn, Confidential Clerk	10 50	

Finance Voucher No.	Invoice Dates.	Received in Department of Finance.	Name of Payee.	Amount.
City Magistrates' Court, First District.				
39556	3-12-13	4- 7-13 Kerr & Krenkel		\$147 00
		Municipal Court.		
40127	4- -13	4- 8-13 James P. Sinnott, Clerk		\$22 00
		Court of General Sessions.		
39661		4- 7-13 Edward R. Carroll		\$21 50
39662	3-31-13	4- 7-13 William A. Thompson		23 15
		Court of Special Sessions.		
39734	3-27-13	4- 7-13 Art Metal Construction Co.		\$1 43
39735		4- 7-13 Fallon Law Book Co.		1 00
39736	4- 3-13	4- 7-13 Laurence J. Kelly		1 00
Department of Docks and Ferries.				
37610	3- 2-13	4- 2-13 Pattison & Bowns		\$23,639 94
Department of Education.				
36010	1-27-13	3-29-13 The Macmillan Co.		\$104 00
38479	1-21-13. 1-27-13	4- 4-13 Paul Baron		149 50
38555	2- 8-13	4- 4-13 A. T. Thompson & Co.		60 00
38572	2- 8-13	4- 4-13 The H. W. Wilson Co.		36 00
38573	2-14-13	4- 4-13 The Encyclopædia Britannica Co.		152 25
38657	1-10-13	4- 4-13 A. C. Lawrence		50 00
38671	2-14-13	4- 4-13 Stewart & Knorr		38 40
39539	4- 2-13	4- 7-13 Raisler Heating Co.		1,343 00
39543	4- 3-13	4- 7-13 A. W. King		1,360 00
39544	4- 3-13	4- 7-13 A. W. King		1,445 00
40114	2-24-13	4- 8-13 Cavanagh Bros. & Co.		15 62
40118	3-18-13	4- 8-13 Barrett Plumbing & Heating Co.		9 00
40379	1-31-13	4- 8-13 Albert Smith & Son		9 20
40106	4- 1-13	4- 8-13 George H. Behrman		75 00
40109	4- 1-13	4- 8-13 James Dougherty		81 00
40382		4- 8-13 George W. Goeller, Jr.		84 28
40381		4- 8-13 Tristam W. Metcalfe		126 42
Department of Finance.				

Finance Voucher No.	Invoice Dates.	Received in Depart- ment of Finance.	Name of Payee.	Amount.	Finance Voucher No.	Invoice Dates.	Received in Depart- ment of Finance.	Name of Payee.	Amount.
Department of Health.									
38753	2-28-13	4-4-13	Dr. H. M. Alexander & Co.	\$22 50	36982	3- 8-13	4-1-13	N. Z. Graves & Co.	\$63 90
38755	3- 5-13	4-4-13	McKesson & Robbins	23 68	38120	4- 3-13	4-3-13	William Werner	3,078 00
38769		4-4-13	John S. Kennedy, Agent and Warden	14 00	38130	2-27-13. 3-10-13	4-3-13	John Bellmann	2,849 31
38777	3- 1-13	4-4-13	P. W. Valley, Inc.	45 50	38886	1-31-13. 2-28-13	4-4-13	Sulzberger & Sons Co.	13,052 38
39318	3- 4-13	4-7-13	Knauth Bros.	19 90	38888	3- 1-13	4-4-13	Westchester Fish Co.	581 10
Law Department.									
40124	3-31-13	4-8-13	Keuffel & Esser Co.	\$6 05	38893	2-25-13. 2-28-13	4-3-13	John Bellmann	112 21
40125	3- 6-13. 4- 1-13	4-3-13	Kolesch & Co.	4 18	38895	2-28-13. 3- 5-13	4-4-13	John Bellmann	344 68
40126	3-31-13	4-8-13	Foster-Scott Ice Co.	10 53	38897	2-25-13	4-4-13	Burton & Davis Co.	15 55
Mayoralty.									
37731	3-21-13	4-2-13	Yawman & Erbe Mfg. Co.	\$5 40	38899	2- 5-13	4-4-13	Sulzberger & Sons Co.	61 95
Normal College.									
37172	2-26-13	4-2-13	Marine Biological Laboratory	\$31 95	38900	3- 1-13	4-4-13	Westchester Fish Co.	51 09
37175	2-17-13	4-2-13	Kate Louise Hartt	31 03	38906	2-13-13	4-4-13	C. F. Smith	38 17
37178	1-24-13	4-2-13	Heywood Bros. & Wakefield Co.	67 50	39760	3-19-13	4-7-13	Angus P. Thorne, Superintendent	140 09
Department of Parks, Manhattan and Richmond.									
37913	2- 6-13. 2-27-13	4-3-13	Olin J. Stephens, Inc.	\$3,540 21	39772	2- -13	4-7-13	New York Central & Hudson River R. R. Co.	70 65
38844	3-17-13	4-3-13	E. G. Solmann	18 00	39773	1-31-13. 2-28-13	4-7-13	Albert H. Garvin, M. D., Superintendent	4,050 27
38845	3-25-13	4-3-13	Bergstrom & Bass	28 00					
38921	3- 8-13	4-4-13	Grochola & Kuskowski	60 00					
38933	3-24-13	4-4-13	George Solms	6 70					
39571		4-7-13	American Flag Co.	89 75					
39573	3-25-13	4-7-13	John A. Gifford & Son	8 70					
39875		4-7-13	Manhattan Hardware	24 00					
39876	3-21-13	4-7-13	Schoverling, Daly & Gales	76 60					
39880	3-19-13	4-7-13	Colwell Lead Co.	10 50					
39882	3-14-13	4-7-13	U. T. Hungerford Brass and Copper Co.	3 44					
39889	3-20-13	4-7-13	M. W. Schermerhorn & Co.	12 60					
39846	4- 5-13	4-8-13	Barber Asphalt Paving Co.	11,367 23					
39568	3-31-13	4-7-13	Enoch Morgans Sons Co.	18 00					
39570	3-27-13	4-7-13	Neal & Brinker Co.	30 15					
39587	3- 6-13	4-7-13	Wm. Young & Bro.	335 00					
39895	3-20-13	4-7-13	A. C. Smucker	70 00					
39601	3-24-13	4-7-13	John S. Kennedy, Agent and Warden, Sing Sing Prison	8 17					
39577	3- 3-13. 3-12-13	4-7-13	The George Taylor Brass & Bronze Works	5 40					
40416	3-31-13	4-7-13	Metropolitan Museum of Art, Howard Mansfield, Treasurer	397 52					
Police Department.									
38202	3-14-13	4-3-13	James Dever & Son	\$141 05					
38203	11-12-12	4-3-13	Vacuum Oil Co.	41 87					
38205	3-14-13	4-3-13	James Dever & Sons	625 75					
38234	3-17-13	4-3-13	Air-O-Pad Co.	1,190 51					
39816	3-21-13	4-7-13	Three In One Oil Co.	100 00					
39818	2-14-13	4-7-13	The General Fireproofing Co.	465 00					
39822		4-7-13	Tiffany & Co.	24 50					
39825	3-14-13	4-7-13	Dickerson, Van Dusen & Co.	26 25					
39838	2- -13	4-7-13	The Western Union Telegraph Co.	108 85					
39839	3- -13	4-7-13	Gertrude Schoensiegle	352 50					
President of the Borough of Manhattan.									
39083	2- -13	4-5-13	Yorkville Central Garage	\$104 15					
39107	3-25-13	4-5-13	Uvalde Contracting Co.	21 00					
39108		4-5-13	The Asphalt Construction Co.	111 37					
39123	2-28-13. 3- 8-13	4-5-13	The Sicilian Asphalt Paving Co.	155 76					
40418		4-8-13	New York Aquarium, Percy R. Pyne, Treasurer	815 91					
President of the Borough of The Bronx.									
38292	4- 2-13	4-5-13	Joseph Rosenzweig	\$850 00					
39513	4- 1-13	4-7-13	Edward F. Miller, Inc.	1 20					
39523		4-7-13	Schildwachter Ice Co.	7 54					
39526	3-29-13	4-7-13	Munson Supply Co.	3 15					
39527	3-31-13	4-7-13	The A. R. Olman Map Co., Inc.	2 25					
39528	3-31-13	4-3-13	The Macey-Dohme Co.	261 75					
39529	3- 6-13	4-7-13	John S. Kennedy, Agent and Warden, Sing Sing Prison	88 95					
39531	4- 1-13	4-7-13	D. Shapiro	11 85					
39533	4- 1-13	4-7-13	Tremont Auto and Carriage Works	14 50					
39536	4- 1-13	4-7-13	Chas. H. Nichols	68 00					
39537		4-7-13	Chas. H. Nichols	16 75					
President, Borough of Brooklyn.									
37073	4- 1-13	4-1-13	John C. Schrade	\$4,828 66					
37801	3-31-13	4-2-13	Malone & Lettieri	2,933 82					
38303	3-14-13	4-3-13	West Disinfecting Co.	17 50					
38304	3- 7-13	4-3-13	The Gutta Percha Rubber Mfg. Co.	267 50					
38313	3-17-13	4-3-13	Pete Bjurberg	63 18					
38333	2-26-13	4-3-13	Arthur J. Jacobson & Sons	122 34					
38980	4- 2-13	4-5-13	Washington Bulkley, Inc.	978 60					
President of the Borough of Queens.									
37061	12- 3-12	4-1-13	Standard Oil Co.	\$25 05					
38070	3- 1-13. 3- 3-13	4-3-13	John S. Kennedy, Agent and Warden, Sing Sing Prison	278 40					
38072		4-3-13	Morris' Auto Garage	40 30					
38079	3-13-13	4-3-13	John B. Reimer	20 00					
38091	12-18-12	4-3-13	Chas. Hvass & Co.	650 00					
38092	3-17-13	4-3-13	Charles Longenecker & Co.	450 00					
38093	3-11								

Finance Vouch- er No. er No.	Invoice er No. er No.	Name of Payee.	Amount.	Finance Vouch- er No. er No.	Invoice er No. er No.	Name of Payee.	Amount.	Finance Vouch- er No. er No.	Invoice er No. er No.	Name of Payee.	Amount.
42288	4-1-13	Mittnacht & Co.	35 00	42056	Wood-Harmon	Warranty	24 31	42258	4-3-13	Stevenson & Marsters	50 00
42289	3-31-13	John J. Fox.	18 75	42057	Corp.		45 82	42259	3-28-13	Stevenson & Marsters	4 00
42290		Thomas H. Curtin.	13 10	42058	Henry Hollwegs		6 65	42260	2-28-13	Municipal Garage	19 64
42291		John Riegelman	10 60	42059	John Frank		1 61	42261	2-28-13	Municipal Garage	11 14
42292		Jerome F. Healy	12 80	42060	Kiendi & Sons		4 11	42262	2-13-13	C. W. Keenan	25 50
42293		Wm. T. Austin	2 10	42061	Estate Henry M. Butecke		284 83	42263	3-8-13	C. W. Keenan	17 86
		County Clerk, Kings County.		42062	Title Guarantee & Trust Co.			42264	3-24-13	Stanley Rule & Level Co.	5 30
41884	4-1-13	Clynta Water Co.	1 89	42063	United States Title Guaranty Co.		70 73	42265	3-25-13	The J. M. Pater Co., Inc.	175 00
41885	4-1-13	Great Bear Spring Co.	15 30	42064	Piel Bros.		152 57	42266	3-31-13	Arthur C. Jacobson & Sons	74 74
41887	4-1-13	The Crescent Towel Supply Co.	3 25	42065	Chas. A. O'Malley		6 82	42267	3-26-13	Remington Typewriter Co.	60
41888		Chas. S. Devoy	63 09	42066	S. H. Goodacre		24 62	42268	4-1-13	Stevenson & Marsters	1 50
41886	1-28-13	The Banks Law Pub. Co.	6 00	42067	Frank J. Prial		51 89	42269	3-17-13	Remington Typewriter Co.	70
41889		Chas. S. Devoy	2 60	42068	Chas. S. Hewey		18 01	42270	3-10-13	Jas. H. Brown	4 86
41888	3-31-13	N. Y. Tel. Co.	72 80	42069	John H. Timmermann		64 18	42271	2-28-13	Buffalo Steam Roller Co.	179 00
		City Magistrates' Courts.		42070	Daniel Moynahan		134 51	42272	2-28-13	The Fairbanks Co.	50 64
41883	3-26-13	Fallon Law Book Co.	\$45 00	42071	Albert E. Haddock		9 90	42273	2-28-13	Municipal Garage	37 86
41897	3-31-13	J. W. Cleary	2 00	42072	Harry A. York		72 52	42274	3-13-13	Municipal Garage	20 00
41898	3-31-13	N. Y. Bottling Co.	90	42073	J. J. McDonough		40 04	42275	4-1-13	Sweeney & Nail Auto Co.	18 00
41899	4-1-13	The Peerless Towel Supply Co.	1 50	42074	R. B. McIntyre		60 90	42276	3-31-13	Owen Drum	14 50
		Municipal Court.		42075	Haris Sheddinsky		150 00	42277	4-1-13	Wm. T. Allen	212 02
41900		John H. Servis	\$14 80	42076	The 149th St. Realty Co.		90 00	42278	4-1-13	Brighton Stables	74 52
		County Court, Queens County.		42077	D. Kidansky & L. J. Levy		120 00	42279	4-1-13	Union League Stables	165 00
41893	4-1-13	Empire State Window Cleaning & Towel Supply Co.	2 16	42078	M. Goldberg		79 50	42280	3-25-13	Chas. G. Moser	55 00
41894	4-1-13	Great Bear Spring Co.	1 80	42079	A. Stone		165 00	42281	2-28-13	P. H. Powers & Son	137 50
41891	3-31-13	N. Y. Tel. Co.	4 93	42080	Egerton L. Winthrop, Inc.		133 50	42282	2-28-13	John B. Creighton	5 00
41892	3-31-13	N. Y. Tel. Co.	8 96	42081	Martha K. Miller		88 50	42283	2-19-13	Municipal Garage	27 90
41895	4-4-13	Baker, Voorhis & Co.	81 00	42082	J. Solomon		238 50	42284	3-1-13	Municipal Garage	55
41896	4-1-13	Heilbut & Kleefeld	147 00	42083	Jos. Friedman		88 50	42285	2-28-13	Sweeney & Nail Auto Co.	2 70
		Board of Justices.		42084	B. E. Winham		67 50	42286	11-1-12	A. Pearson's Sons	463 48
42251	4-9-13	J. B. Lyon Co.	\$455 00	42085	Antonia Casela & Co.		75 00	42287	2-19-13	Fredk. Loeser & Co.	542 50
		Court of Special Sessions.		42086	Mrs. Carolina Kessler		60 00	42288	2-1-13	B. C. Miller & Son	25 24
42196		Frank W. Smith	\$228 16	42087	F. Fruin		105 00	42289	105 00	The Barber Asp. Pav. Co.	115 70
		Board of Education.		42088	Antonio Rinschler		118 50			President of the Borough of Queens.	
41853	3-31-13	A. L. Brasefeld	\$336 09	42089	August Hahn		87 00	42185		William E. Everitt	74 30
41854	3-28-13	A. L. Brasefeld	48 63	42090	Edward W. Thompson & Co.		75 00	42186		G. Howland Leavitt	88 00
41855	3-29-13	A. L. Brasefeld	145 97	42091	Samuel Yutkowitz		105 00			Department of Public Charities.	
41856	3-28-13	A. L. Brasefeld	79 10	42092	Mrs. S. Heischover		78 00	42190	4-1-13	Angus P. Thorne	\$12 00
41857	3-26-13	A. L. Brasefeld	17 53	42093	John D. Allesio		78 00	42193	4-2-13	Joseph D. Flick	6 10
		Board of Estimate and Apportionment.		42094	David Mickelbank		88 50	42197	4-1-13	Angus P. Thorne	1 50
41865	4-1-13	The Rapid Safety Filter Co.	•2 00	42095	Eugenio Gentile		90 00	42198	4-1-13	Michael J. Drummond	4 55
41867	4-2-13	John Montague	4 43	42096	Miss Amelia Schaefer		78 00	42199	3-13-13	The Del. Lack. & Westn. R. R. Co.	130 18
41869	3-26-13	Independent Towel Supply Co.	6 20	42100	Louis Jarmulowsky as Exec.		135 00	42200	3-11-13	Angus P. Thorne	2 60
41863	4-1-13	Auto Truck & Storage Exchange Co.	15 15	42101	Geo. F. Driscoll Co.	\$7,579 45		42201	3-1-13	John A. Rawlins	90 00
41864	3-31-13	Merck & Co.	35 27	42102	Thos. B. Leahy Bldg. Co.	10,136 25		42202	3-11-13	Edward E. McMahon	10 75
41858	3-26-13	Standard Supply Co.	9 00	42103	E. G. Soitman	4 50		42203	2-28-13	Angus P. Thorne	1 50
41859	3-31-13	Eimer & Amend	11 41	42104	Brooklyn Alcatraz Asph. Co.	122 00		42204	2-24-13	Milton Bradley Co.	18 70
41871	3-29-13	Munson Supply Co.	3 15	42105	The Hastings Pavement Co.	120 00		42205	3-4-13	George W. Cole	24 45
41868	3-25-13	The C. G. Braxmar Co.	13 50	42106	Brooklyn Alcatraz Asph. Co.	93 25		42206	3-17-13	Jos. Johnsons Sons	13 88
41861	3-31-13	Gottlieb Greiner	57 91	42107	3-20-13	Jas. McC. Miller	78 54	42207	2-3-13	E. T. Joyce	7 15
41866	3-1-13	The Cutler Hammer Mfg. Co.	17 30	42108	Jas. McC. Miller	29 40	42208	2-21-13	Troy Laundry Machinery Co., Ltd.	50 65	
41870	1-28-13	Jas. G. Biddle	150 00	42109	Jas. McC. Miller	38 40	42209	2-27-13	William S. Vanclief	6 75	
41860	3-31-13	Hammarlund Mfg. Co.	36 45	42110	Jas. McC. Miller	45 40	42210	3-11-13	Peter Woll & Sons	52 86	
41862	3-24-13	Voland & Sons	18 00	42111	Jas. McC. Miller	12 60	42211	3-8-13	Clark & Appelman	79 50	
41872		Library Bureau	61 50	42112	Jas. McC. Miller	25 40	42212	2-7-13	The Fairbanks Co.	100 00	
41925	2-25-13	Tower Mfg. & Nov. Co.	5 80	42113	Jas. McC. Miller	44 67	42213	2-6-13	Department of Correction	9 40	
41920		Adams Express Co.	10 81	42114	Jas. McC. Miller	12 85	42214	2-26-13	Cornell & Underhill	8 00	
41921	3-28-13	John Schirmer	18 75	42115	Jas. McC. Miller	8 76	42215	2-21-13	E. T. Joyce	4 34	
41922		John P. Fox	2 10	42116	Jas. McC. Miller	290 87	42216	3-14-13	Knauth Brothers	493 98	
41923		Henry C. Wright	25 45	42117	Burton & Davis Co.	37 50	42217	3-8-13	The Kny-Scheerer Co.	10 00	
41924		John P. Fox	12 60	42118	Edwin C. Hahn	27 28	42218	2-28-13	Wm. Langbein & Bros.	3 70	
41926		W. Richmond Smith	6 15	42119	Burton & Davis Co.	51 25	42219	3-5-1			

Finance Vouch- er No. er No. er No.	Name of Payee.	Amount.	Finance Vouch- er No. er No.	Name of Payee.	Amount.	Finance Vouch- er No. er No.	Name of Payee.	Amount.		
41945	Guarantee Const. Co.....	2,295 00	41978	3-21-13	Vaccum Oil Co.....	2 40	42005	3-21-13	Keuffel & Esser Co.....	21 27
41946	The Beaver Engineering & Cont. Co.....	27,866 06	41979	3-26-13	Seed Filter & Mfg. Co.....	3 00	42006	3-24-13	Vacuum Oil Co.....	8 00
41947	Altrades.....	983 65	41989	3- 5-13	Chas. D. Durkee & Co., Inc.	11 51	42007	3-28-13	Eimer & Amend.....	14 60
41953	Edison Electrical Ill. Co.....	1,481 91	41990	2- 3-13	The Garlock Packing Co.....	1 50	42008	3-31-13	Hodgkiss & Co.....	25 00
41952	Edison Electrical Ill. Co.....	279 18	41992	4- 1-13	H. Mueller Mfg. Co.....	4 80	42009	3-26-13	H. Mueller Mfg. Co.....	38 50
41951	Edison Electrical Ill. Co.....	272 72	41993	3-21-13	W. D. Smalley.....	2 50	42010	3-21-13	Keuffel & Esser Co.....	66 01
41950	Edison Electrical Ill. Co.....	1,257 53	41980	3-26-13	Bronx Taxicab Co.....	75 00	42011	3-21-13	Eugene Dietzgen Co.....	30 05
41949	Edison Electrical Ill. Co.....	4,971 53	41981	3-31-13	F. F. Fuhrmann.....	5 00	42012	3-31-13	Curtis Bros. Lumber Co.....	46 44
41948	Edison Electrical Ill. Co.....	2,710 82	41982	3-31-13	N. Y. Sporting Goods Co.....	4 20	42013	3-31-13	Curtis Bros. Lumber Co.....	36 00
41956	Jos. Balban Co.....	43 50	41983	4- 2-13	Firestone Tire & Rubber Co.....	78 26	42014	3-31-13	Wm. J. Ryan.....	78 00
41955	F. N. Lewis.....	3,412 34	41984	3-24-13	C. F. Smith.....	8 38	42015	4- 1-13	John Becker.....	78 00
41954	Henry R. Worthington.....	6,570 00	41985	3-25-13	C. F. Smith.....	20 67	42016	4- 1-13	Bernard Corrigan.....	25 00
41957	The Pratt & Cady Co.....	3,689 45	41986	3- 3-13	Patterson Bros.....	24 92	42017	3- 3-13	Jas. Sexton.....	40 25
41964	Benjamin A. Keiley.....	933 75	41987	4- 3-13	The Manhattan Supply Co.....	48 59			Commissioners of Accounts.	
41965	Benjamin A. Keiley.....	254 19	41988	3-22-13	Herring-Hall-Marvin Safe Co.....	40 00	42065	3-31-13	The Lithoprint Co.....	\$29 85
41966	Town of Ossining.....	1,097 17	41994	2-19-13	The Green Fuel Economizer Co.....	293 00	42066	4- 1-13	Morris Auto Garage.....	33 38
41967	Wm. R. McGuire.....	45 00			The Beck Duplicator Co.....	3 50			Vouchers received in Department of Finance Thursday, April 10, 1913, charged to the Department of Health, should be charged to the Department of Finance.	
41968	Charles O. Davis.....	3 70	41995	3-27-13	The Manhattan Supply Co.....	716 11				
41969	Wm. A. Horton.....	47 80	41996	11-25-12	The Smith, Worthington Co.....	1 68				
41970	3- 5-13	Valvoline Oil Co.....	18 00	41997	3-21-13	The Smith, Worthington Co.....	1 46			
41971	4- 3-13	Fred Rhode.....	100 00	41998	3-21-13	John E. Larney.....	18 75			
41972	3-31-13	Knickerbocker Towel Sup. Co.....	12 66	41999	3-29-13	John E. Larney.....	31 25			
41973	3-31-13	Knickerbocker Towel Sup. Co.....	4 34	42000	3-29-13	Alfred Chatwin Supply Co.....	6 93			
41974	3-29-13	F. F. Fuhrmann.....	5 15	42001	3-25-13	C. F. Smith.....	3 74			
41975	3-20-13	N. Y. Letter Co.....	3 00	42002	3-26-13	C. F. Smith.....	1 56			
41976	3-24-13	E. G. Ruehle & Co.....	5 10	42003	3-26-13	E. B. Latham & Co.....	8 48			
41977	3-25-13	Alfred Chatwin Supply Co.....	12 00	42004	3-31-13	Goldman, Sachs & Co.....	41279			\$487,000 00

METEOROLOGICAL OBSERVATORY OF THE DEPARTMENT OF PARKS.

Abstract of Registers from Self-Recording Instruments for the Week Ending Saturday, April 5, 1913.

Central Park, The City of New York—Latitude, 40° 45' 58" N. Longitude, 73° 57' 58" W. Height of Instruments Above the Ground, 53 feet; Above the Sea, 97 feet. Under Supervision of U. S. Weather Bureau, James H. Scarr, District Forecaster, Acting Director.

BAROMETER.

DATE.	7 a. m.	2 p. m.	9 p. m.	Mean for the Day.	Maximum.		Minimum.	
					Reduced to Freezing.	Time.	Reduced to Freezing.	Time.
March and April.								
Sunday, 30	42 30.19	59 30.03	54 29.96	30.06	43 30.27	o a. m.	54 29.86	12 p. m.
Monday, 31	53 29.66	49 29.40	49 29.46	29.47	54 29.88	2 p. m.	55 29.30	2 p. m.
Tuesday, 1	43 29.55	53 29.55	57 29.69	29.66	45 29.75	12 p. m.	48 29.49	o a. m.
Wednesday, 2	42 29.92	50 29.93	54 30.02	29.96	52 30.09	11-45 p. m.	45 29.73	o a. m.
Thursday, 3	45 30.06	54 29.98	46 29.94	29.99	52 30.07	12 p. m.	44 29.92	12 p. m.
Friday, 4	44 29.96	54 29.86	50 29.81	29.88	44 29.96	7 a. m.	47 29.76	12 p. m.
Saturday, 5	54 29.85	50 29.87	54 29.93	29.88	52 29.93	9 p. m.	47 29.76	o a. m.

Mean for the week.....

Maximum " at o a. m., Mar. 30.....

Minimum " at 2 p. m., Mar. 31.....

Range " 0.97 "

THERMOMETERS.

DATE.	Dry Bulb.	Wet Bulb.	Dry Bulb.	Wet Bulb.	Dry Bulb.	Wet Bulb.	Dry Bulb.	Wet Bulb.	Maximum.		Minimum.		Maximum.	
									Time.	Time.	Time.	Time.	In Sun.	
March and April.														
Sunday, 30	42 40	59 52	52 54	52 52	48 50	21.5 p. m.	53 53	9 p. m.	42 7 a. m.	39 12 p. m.	39 12 p. m.	39 12 p. m.	100	
Monday, 31	53 52	56 56	49 49	52 53	47 52	11-30 a. m.	55 55	12 Noon	47 12 p. m.	39 12 p. m.	39 12 p. m.	39 12 p. m.	111	
Tuesday, 1	43 53	52 52	47 47	52 56	41 51	4 p. m.	49 49	4 p. m.	42 4 p. m.	32 6.30 a. m.	32 6.30 a. m.	32 6.30 a. m.	103	
Wednesday, 2	42 53	56 56	42 42	51 51	39 57	4 p. m.	43 43	4 p. m.	41 4 p. m.	32 6 a. m.	32 6 a. m.	32 6 a. m.	104	
Thursday, 3	45 44	54 54	49 49	42 48	44 54	2 p. m.	49 49	2 p. m.	44 12 p. m.	41 7 a. m.	41 7 a. m.	41 7 a. m.	97	
Friday, 4	44 41	54 54	50 49	49 48	3 51	3 p. m.	51 51	3 p. m.	49 6 a. m.	40 6 a. m.	40 6 a. m.	40 6 a. m.	98	
Saturday, 5	54 48	56 56	42 42	54 54	45 57	4 p. m.	51 51	5 a. m.	40 12 p. m.	39 12 p. m.	39 12 p. m.	39 12 p. m.	106	

Mean for the week.....

Maximum " at 11:30 a. m., Mar. 31..... 50.7 degrees.

Minimum " at 6 a. m., Apr. 2..... 41 " at 6 a. m., Apr. 2..... 43.9 degrees.

Range " 23 " 27 "

WIND.

DATE.	Direction.			Velocity in Miles.	Force in Pounds per Square Foot.				
7 a. m.	2 p. m.	9 p. m.	7						

Court.	Register and Folio.	When Commenced.	Title.	Nature of Action.	
Supreme...	94 441	Mar. 19, 1913	Courtney, William J., vs. Michael A. Kofrano et al.	To foreclose mortgage.	George F. Spencer vs. City of New York et al.—Tried before Greenbaum, J.; decision reserved. J. L. O'Brien for the City.
Supreme...	94 442	Mar. 20, 1913	Mehlin & Sons Piano Co., Paul G. (ex rel.), vs. Edgar J. Laufer.	Mandamus to compel signing of warrant of seizure in re Mehlin vs. A. F. Bommersheim.	People ex rel. H. A. La Chicotte vs. A. J. O'Keeffe—Tried before Bischoff, J., and a jury; remitted to Special Term for judgment on the pleadings. E. S. Benedict for the City.
Supreme...	94 443	Mar. 20, 1913	Heine Piano Co. (ex rel.), vs. Edgar J. Laufer, etc.	Mandamus to compel signing of writ of replevin in re Heine Piano Co. vs. Apple.	William Mallock—Tried before Wells, J., in Municipal Court; complaint dismissed. A. Parker for the City.
Supreme...	94 444	Mar. 20, 1913	Volpe, Domenico, and ano. (Matter of) vs. Bishop, Bennett, vs. James A. Whitcomb.	For order dispensing with lost mortgage.	Alter Mitchell vs. City of New York et al.—Tried before Prince, J., and a jury in Municipal Court; verdict for defendants. J. P. O'Connor for the City.
Supreme...	94 445	Mar. 20, 1913	Bishop, Bennett, vs. James A. Whitcomb.	For order directing Chamberlain to comply with order of distribution.	Mary Humel—Tried before Young, J., and a jury in Municipal Court; complaint dismissed. P. N. Harrison for the City.
Supreme...	94 446	Mar. 20, 1913	Tone, Catherine A., and ano., vs. William H. Quinn et al.	To foreclose mortgage.	People ex rel. Waldorf-Astoria Hotel Co. vs. L. Purdy et al.—Reference proceeded and adjourned. E. Fay for the City.
Supreme...	94 446	Mar. 20, 1913	Apple, Herman F., vs. Charles J. Reinhardt et al.	To foreclose mortgage.	Rapid Transit (Westchester ave.) (in re Jonas Weil)—Reference proceeded and closed. C. Bradshaw for the City.
Supreme...	94 447	Mar. 20, 1913	Associates Land Co., The, vs. The Woodlawn Cemetery and ano.	For payment of award in re change of grade of E. 233d st., etc., \$40,150.	William R. Smith vs. Board of Education; Arthur B. J. Sauerbrunn vs. Board of Education; City of New York vs. Seeley-Taylor Co. and another; City of New York vs. Central Park North and East River Railroad Co.; City of New York vs. Wilkinson Bros. Co.—Argued at Court of Appeals; decision reserved. T. Farley for the City.
Supreme...	N 4	Mar. 20, 1913	Open Stair Tenement Co. (ex rel.), vs. Lawson Purdy et al.	Certiorari to review assessment of relator's real estate for 1913.	People ex rel. Mary A. Regua vs. Board of Education; People ex rel. Frank Strakac vs. W. J. Gaynor—Argued at Appellate Division; decision reserved. W. E. C. Mayer for the City. "Order affirmed."
Supreme...	N 5	Mar. 20, 1913	Open Stair Tenement Co. (ex rel.), vs. Same.	Certiorari to review assessment of relator's real estate for 1913.	City of New York vs. New York Evening Post Co.—Motion for leave to appeal to Court of Appeals submitted to Appellate Division; decision reserved. W. E. C. Mayer for the City.
Supreme...	94 448	Mar. 21, 1913	Brady, Joseph E. (ex rel.), vs. William A. Prendergast and ano.	Mandamus to compel payment of salary as Patrolman, Police Department.	People ex rel. Norma Roman vs. Board of Education—Argued at Appellate Division; decision reserved. C. McIntyre for the City.
Supreme...	94 449	Mar. 21, 1913	Walsh, John (ex rel.), vs. William A. Prendergast and ano.	Mandamus to compel payment of salary as Patrolman, Police Department.	Ambrose O. Neal and another vs. City of New York et al.—Tried before Cohalan, J.; decision reserved. J. L. O'Brien for the City.
Land Office	94 450	Mar. 21, 1913	Sound View Land & Improvement Co. (Matter of)	For a grant of land under waters of East River, Bronx.	People ex rel. Interstate Land Co. vs. L. Purdy et al. (1912); People ex rel. Frederick Ayer vs. Same—Tried before Donnelly, J.; decision reserved. I. Phillips for the City.
Sup., K. Co.	94 451	Mar. 21, 1913	Butler, Michael	Summons only served.	Lena Meehan—Tried before Oppenheimer, J., and a jury in Municipal Court; complaint dismissed. M. J. Kelly for the City.
Municipal..	94 452	Mar. 21, 1913	Pollack, Samuel, infant, by guardian, etc., vs. Board of Education.	Personal injuries, struck by falling door, classroom, Public School 34, \$500.	People ex rel. Waldorf-Astoria Hotel Co. vs. L. Purdy et al.—Reference proceeded and adjourned. E. Fay for the City.
Municipal..	94 453	Mar. 21, 1913	Adams, James E., Jr., vs. Thomas F. O'Connor	To recover property valued at \$150.	City of New York vs. American Sugar Refining Co.—Reference proceeded and adjourned; three hearings held. F. B. Pierce for the City.
Supreme...	94 454	Mar. 21, 1913	Ormond Realty Co. vs. Kinsella Construction Co. et al.	To foreclose mortgage.	In re Charles S. Devoy—Motion to compel Comptroller to pay disbursements in action of People ex rel. Donnelly vs. Devoy argued before Kelby, J.; decision reserved. C. J. Druhan for the City.
U. S. Dist.	98 303	Mar. 21, 1913	Hastings & Miller (Matter of)	Bankruptcy proceeding.	Jacob S. Butcher; Mary Lalor—Argued at Court of Appeals; decision reserved. J. D. Bell for the City.
Mun., B'k'n	94 455	Mar. 21, 1913	Rosche, Fred, and ano., etc.	For damage to wagon, run into by ash cart, 691 Atlantic ave., \$50.	Michael J. Dady—Argued at Court of Appeals; decision reserved. J. W. Johnson for the City.
U. S. Dist.	98 304	Mar. 22, 1913	Brunswick Laundry Co. (Matter of)	Bankruptcy proceeding.	John M. Johnson, an infant; Millie H. Sayer; Salathiel Mastin; Castle Bros. Co.; the City of New York vs. Benjamin Blum et al.—Argued at Court of Appeals; decision reserved. J. D. Bell for the City.
Supreme...	94 456	Mar. 22, 1913	VanTwiller Hotel Co. vs. Rhinelander Waldo et al.	To restrain interference with premises, 25th st. and Lexington ave.	<i>Hearings Before Commissioners of Estimate in Condemnation Proceedings.</i> Court house site, four hearings. C. D. Oeldorf for the City.
Supreme...	94 457	Mar. 22, 1913	Uvalde Contracting Co.	For extra work on contract for paving Carter ave., Bronx, \$2,623.37.	57th to 61st st., Brooklyn Dock, four hearings. L. G. Godley for the City.
Municipal..	94 458	Mar. 22, 1913	Moore Mica Paint Co.	For paints, etc., sold to Bridge Department, \$243.60.	Rapid Transit (Mott ave.), three hearings; Silver Lake Reservoir, Richmond County Court House, two hearings each; Subway Loop Proceeding No. 1, Subway Loop Proceeding No. 6, one hearing each. H. W. Mayo for the City.
Supreme...	(12)225	Mar. 22, 1913	Becker, Adolphine C., and ano. (in re) ...	To vacate assessment in re opening Washington terrace, Manhattan.	Rapid Transit (Joralemon st.), two hearings; Rapid Transit (Ashland place), one hearing. E. J. Kenney, Jr., for the City.
Sup., K. Co.	94 460	Mar. 22, 1913	Fitzpatrick, William H.	Personal injuries, struck by falling large brass screw while a Watchman, Western District Repair Yard, \$10,000.	SCHEDULE "B." <i>Judgments, Orders and Decrees Entered.</i>
Supreme...	94 454	Mar. 22, 1913	Mayer, Bernhard, vs. Jacob Aberbach et al.	To foreclose mortgage.	People ex rel. Edward S. Avery et al., as administrators, vs. L. Purdy et al.—Entered Appellate Division order reversing order reducing assessment and dismissing writ of certiorari, with costs to defendants.
People ex rel. Chelsea Fibre Mills vs. L. Purdy et al.—Entered order reducing assessment on relator's real property to \$575,000.				People ex rel. Michael J. Egan vs. R. Waldo—Entered Appellate Division order dismissing writ of certiorari, with \$50 costs and disbursements to defendant.	
City of New York vs. New York Evening Post Co.—Entered Appellate Division order reversing order appealed from and denying motion to compel service of more specific complaint.				People ex rel. Daniel Buckley vs. L. Purdy et al. (two proceedings)—Entered orders discontinuing proceedings, without costs.	
Edward L. Kingsley (three actions)—Entered orders discontinuing actions, without costs.				Margaret Dalton—Entered order changing place of trial to Kings County.	
People ex rel. James G. Collins vs. G. McAneny—Appellate Division order entered modifying order appealed from, as modified, affirming same, with costs to relator.				Evelyn Pillion—Entered judgment in favor of defendant, dismissing the complaint, and for \$114.33 costs.	
People ex rel. Michael J. Egan vs. R. Waldo—Entered Appellate Division order dismissing writ of certiorari, with \$50 costs and disbursements to defendant.				Sophia Hymans—Entered judgment in favor of defendant, dismissing the complaint, and for \$110.33 costs.	
People ex rel. Daniel Buckley vs. L. Purdy et al. (two proceedings)—Entered orders discontinuing proceedings, without costs.				Thomas Pillion—Entered judgment in favor of defendant, dismissing the complaint, and for \$106.33 costs.	
Thomas Kavanagh, an infant—Entered judgment in favor of defendant, dismissing the complaint, and for \$116.33 costs.				Thomas Kavanagh, an infant—Entered judgment in favor of defendant, dismissing the complaint, and for \$116.33 costs.	
Judgments Were Entered in Favor of the Plaintiffs in the Following Actions.					

Date.	Name.	Register and Folio.	Amount.
Mar. 11, 1913	Mamie Weissbach	93 200	\$25 00
Mar. 13, 1913	Virgil P. Ettinger, infant	94 242	123 90
Mar. 17, 1913	Guy Vroman	91 132	125 00
Mar. 17, 1913	George McConnell	89 32	125 00
Mar. 19, 1913	Matthew J. O'Neill	85 375	3,656 20

SCHEDULE "C."*Record of Court Work.*

Main street school site (in re J. R. Halsey et al.)—Motion to confirm referee's report submitted at Appellate Division; decision reserved. C. Bradshaw for the City. "Motion granted."

In re Union Trust Co.; in re James C. Crawford—Motion for order directing Register to discharge mortgage submitted to Platzek, J.; decision reserved. G. H. Cowie for the City.

R. Louise Davega—Motion for examination of parties before trial argued before Davis, J., and granted. J. W. Goff, Jr., for the City.

Rapid Transit (138th st. and Southern boulevard)—Motion for appointment of Commissioners of Appraisal argued before Bijur, J., and granted. H. W. Mayo for the City.

John P. Butler, as assignee—Tried before Ford, J., and a jury; verdict for plaintiff; motion to set aside verdict granted. R. P. Chittenden for the City.

Broadway Ferry Terminal—Motion to stay proceedings before Commissioners of Appraisal pending decision of appeal argued before Kelby, J.; decision reserved. L. G. Godley for the City. "Motion granted."

People ex rel. Young Women's Christian Association vs. H. S. Thompson—Argued at Appellate Division; decision reserved. C. A. Peters for the City.

William Schusterson, an infant—Complaint dismissed by default before Hooker, J. J. W. Goff, Jr., for the City.

New York State Construction Co.—Tried before Putnam, J., and a jury; complaint dismissed. F. Martin for the City.

William Douth vs. R. Waldo et al.—Motion to change venue to New York County submitted to Kelby, J.; decision reserved. A. Parker for the City. "Motion denied."

Etta Abramson—Tried before Davies, J., in Municipal Court; complaint dismissed. W. H. Doherty for the City.

City of New York vs. Sicilian Asphalt Paving Co.—Argued at Court of Appeals; decision reserved. T. Farley for the City. "Judgment affirmed."

George W. Hebard, executor—Motion to tax defendant's bill of costs argued before Platzek, J.; decision reserved. F. Martin for the City.

Department.	Contracts Approved as to Form.	Contracts Examined and Returned for Revision.	Advertisements Approved as to Form.
Borough Presidents	11	..	1
Department of Water Supply, Gas and Electricity	3	3	2
Fire Department	1	..	1
Board of Education	1	..	..
Department of Bridges	1	..	..
Bellevue and Allied Hospitals	1	..	..
Total	18	3	4
Bonds Approved.			
Department of Finance			13
Fire Department			2
Department of Docks and Ferries			1
Total			16
Deeds Approved.			
Board of Water Supply			1
Leases Approved.			
Department of Finance			2
Department of Street Cleaning			1
Board of Education			1
Department of Docks and Ferries			1
Total			5
Releases Approved.			
Board of Water Supply			1
Agreements Approved.			
Board of Water Supply			8
Board of Estimate and Apportionment			1
Total			9
SCHEDULE "E."			
<i>Opinions Rendered to the Various Departments.</i>			
Department.	Opinions Rendered.		
Department of Finance	30		
Police Department	7		
Borough Presidents	5		
Department of Water Supply, Gas and Electricity	3		
Board of Water Supply	2		
Board of Estimate and Apportionment	2		
Department of Health	2		
Department of Public Works	2		
Department of Docks and Ferries	1		
Coroner, Queens County	1		
Department of Taxes and Assessments	1		
Department of Bridges	1		
Bureau of Licenses	1		
Commissioners of Accounts	1		
Public Service Commission	1		
Board of Education	1		
Total	62		

ARCHIBALD R. WATSON, Corporation Counsel.

Borough of Manhattan.

Bureau of Buildings.

Statement of operations for the week ending April 5, 1913: Plans filed for new buildings, 13; estimated cost of new buildings, \$1,155,500; plans filed for alterations, 124; estimated cost of alterations, \$144,513; buildings reported as unsafe, 63; other violations of law reported, 186; unsafe buildings notices issued, 81; violation notices issued, 589; violation cases forwarded for prosecution, 4; iron and steel inspections made, 4,432.

Changes in Departments, Etc.

EXECUTIVE DEPARTMENT.

Office of the Mayor.

April 11, 1913—Appointments recently made by the Mayor: April 1, Norman J. Marsh, 400 E. 153d st., The Bronx, City Magistrate, First Division; April 2, R. A. C. Smith, 12 W. 72d st., Manhattan, Commissioner of Docks and Ferries; John A. L. Campbell, 520 W. 114th st., Manhattan, City Magistrate (temporary), First Division; April 9, Ernest F. Eilert, 608 W. 146th st., New York City, Member Board of Education.

DEPARTMENT OF DOCKS AND FERRIES.

April 8, 1913—On the 31st ultimo John S. Modrakowski was appointed temporarily as a Painter. He has since resigned this position.

DEPARTMENT OF HEALTH.

Report for Week Ending April 5, 1913.

NEW HOSPITAL FOR CONTAGIOUS DISEASES IN THE BOROUGH OF QUEENS.

In the calendar of the Board of Estimate and Apportionment for Thursday March 27, 1913, under the heading of public improvements, appears the following:

"Report of the Corporate Stock Budget Committee, recommending that the resolution adopted June 17, 1910, which recommended to the Board of Health the abandonment of the 'Haacke Farm property' in the Borough of Queens as a site for a contagious disease hospital, and further, that another site or sites be selected for the same purpose, be rescinded, for the reason that in a matter so vital as the preservation of the public health, the advice of those who are charged with the duty of protecting the public health should be followed."

This would seem to mark the successful termination, for the time being at least, of the efforts of the Department of Health to establish a hospital for contagious diseases in the Borough of Queens. It is indeed a matter of great satisfaction that this subject has finally been brought to a successful conclusion, for the benefits which will accrue to the inhabitants of the Borough of Queens will undoubtedly be very great. The history of the department's efforts to obtain this hospital, with its successive victories and defeats, is rather interesting.

Acquisition of "Haacke Farm" Site.

On December 19, 1902, the Board of Estimate and Apportionment adopted a resolution approving the selection of property in Jamaica, known as the "Jaek's Farm," as a site for a hospital for contagious diseases, and authorized the Department of Health to purchase the property at a price not to exceed \$18,000. The owners of Jaek Farm refused to dispose of it for the amount appropriated, and on March 18, 1903, the Board of Estimate was requested to permit the purchase, at the same price, of the premises on the east side of Jamaica and Flushing avenues, 229 acres in extent, and known as the "Haacke Farm." The property was accordingly acquired and almost immediately a disinfecting station was established thereon. At this time no specific appropriation was made for the construction of the proposed hospital. On June 11, 1909, the Board of Estimate and Apportionment authorized the issue of corporate stock in the amount of \$230,000 for the construction of buildings upon the Haacke Farm. On June 10, 1910, the Comptroller recommended the selection of another site, on an island or on the water-front of the Borough of Queens, and further recommended that the suggestion be made to the Department of Health to turn over the Haacke Farm to the Commissioners of the Sinking Fund, and that the Board of Health request authority from the Board of Estimate to purchase new sites when selected. The Department of Health accordingly made every effort to secure another site for a contagious disease hospital in the Borough of Queens, but were unable to locate any property that would be suitable for the erection of any kind of a hospital. No island suitable for the purpose exists in Jamaica Bay. Under the circumstances, the Board of Health was compelled to urge upon the Board of Estimate and Apportionment the necessity of rescinding its action of June 10, 1910, and permitting the retention of the Haacke Farm property for the purposes for which it was originally acquired.

Proper Location of Contagious Disease Hospitals.

The recommendation of the Comptroller that some other and more distant site be selected was made on account of objections raised by persons residing in the vicinity of the Haacke Farm, and these objections seemed to be based upon two assumptions, first, that the establishment of a hospital for contagious diseases in the Borough of Queens itself would result in danger to the community, and, secondly, that the establishment of such a hospital would cause a marked depreciation in real estate values. Each of these assumptions is without foundation. The proper place for a hospital for contagious diseases is in the heart of congested population, and, if not at the very centre of the areas congested, at the nearest possible points to these centres. In European cities, hospitals for contagious diseases are almost invariably situated, if not in congested districts, at least without any regard to the possible or rather impossible dissemination of contagion. In our own country, the Boston Hospital for Contagious Diseases, the Philadelphia Hospital for Contagious Diseases, and, in New York City, the Willard Parker Hospital, are so situated. The advantages of such an arrangement are only too obvious. We have long passed the age when children desperately ill with scarlet fever, diphtheria or membranous croup, shall be moved in intensely cold weather seven or eight miles to a water-front, transferred to a boat, carried across the river or bay, and transferred again to a ward, the whole process occupying, perhaps, three or four hours, an experience for which any child perfectly well might pay a severe penalty. To refer again to the supposed danger to the surrounding community, it can be affirmed most positively that when the hospital is once established and in operation no one will for a moment give it a second thought, any more than now those who protested against its establishment consider themselves in any way endangered by the presence of a case of scarlet fever or diphtheria in the next house.

Effect on Property Values.

In regard to the possible depreciation of property, the department is by no means prepared to admit that this depreciation would take place. This has not been the experience of other cities, and the parking of the surrounding area which has been suggested by the Board of Health would not only remove the sentimental objections and prejudices of the surrounding property owners, but would probably result ultimately in a greatly increased value of the surrounding property. In order to care properly for cases of contagious disease, The City of New York seriously needs additional hospitals located in the areas of developing population, and the fundamental need of more numerous and scattered contagious disease hospitals is a matter of such demand and importance that it would seem to be unwise to allow sentimental reasons or dubious property considerations to stand in their way.

THE NEW SEA VIEW HOSPITAL.

As a location for a hospital to care for the tuberculosis cases which must be treated in New York City, no finer site could have been chosen than that on Manor

April 10, 1913—Transferred: Thomas J. Kilmet from the position of Ticket Agent to Ticket Chopper, at \$66 per month while employed, the transfer to take effect April 12, 1913.

The Commissioner has to-day fixed the pay of Michael A. Lally, Laborer, at \$3 per day, while employed, to take effect April 11, 1913.

DEPARTMENT OF PARKS.

Boroughs of Manhattan and Richmond.

April 10, 1913—Appointed for 30 days, April 7, 1913: Frank J. Bahr, Painter, 534a 18th st., Brooklyn, \$4 per day; John H. Hartung, Painter, 500 W. 150th st., \$4 per day.

Appointed Park Laborers, at \$2.50 per day, for a temporary period of six months, April 8, 1913: Joseph Scavozzo, 507 E. 11th st.; Giuseppe Di Giacomo, 228 Bleecker st.; James F. Neagle, 351 W. 48th st.; Joseph Anzman, 105 Goerck st.; James Kelly, 1103 1st ave.; David A. Lynch, 250 E. 90th st.; Patrick J. Ryan, 430 W. 124th st.; Charles J. O'Connor, 162 Perry st.

Reassigned, April 9, 1913: Daniel Bolland, Park Laborer, 2361 8th ave.

DEPARTMENT OF BRIDGES.

April 10, 1913—Transferred: Joseph Carberry, 415 W. 26th st., New York, from the position of Laborer, in the Bureau of Highways, Manhattan, to a similar position in this department, at \$2.50 per day, to date from April 14, 1913.

Road, Staten Island, where the great Sea View Hospital of the Department of Public Charities, with over one thousand beds, is soon to be opened.

This project was conceived and undertaken several years ago. The acquirement of the property, planning and erection of so large a hospital, with the delays attendant on the provision of funds, have naturally consumed much time; but at last the City has ready for use probably the finest, and certainly the most beautiful plant in this country, and one of the finest in the world.

Although no definite policy can be outlined now as to the class of cases which will be received, it is planned at first to take patients in not later than the second stage. A requirement, however, which will be strictly enforced is that patients shall be of the respectable, self-supporting class, not vagrants nor alcoholics, and preference will be given to those with families, who might become infected by their continued stay at home.

It is hoped to make every day a visiting day at Sea View, if possible, so as to give ample opportunity for the patients to see their friends, and for every member of a patient's family to get to know this great institution, which the City has erected at a cost of \$3,500,000, so as to give every one with tuberculosis in New York City an opportunity to get well in beautiful and comfortable surroundings, where everything which science has evolved has been provided to hasten their recovery. E. S. McSweeney, M. D., formerly Resident Physician at the Otisville Sanatorium of the Department of Health, is the Medical Superintendent.

THE VON PIRQUET TEST FOR TUBERCULOSIS.

Unless especially contraindicated, the Von Pirquet tuberculin test is performed on every child attending the children's classes of the tuberculosis clinics of the Department of Health. This test, when positive, in the absence of a localized reaction, is of little if any service in adults, for it has been shown that about 90 per cent. of all adult bodies coming to autopsy present lesions of either healed or active tuberculosis. In children under five years of age, however, a positive reaction is of considerable diagnostic importance in a case presenting doubtful clinical symptoms. It may be said, in addition, that the test is of value when negative, both in adults and children.

Von Pirquet's test, in so far as a reaction denotes the presence of tuberculosis somewhere in the body, appears to be exceedingly reliable, and from the ease of its performance and the practical absence of constitutional reaction, is to be preferred in dispensary practice to the test by subcutaneous injection. The diagnosis of tuberculosis in children is frequently so difficult that no means should be neglected which promises to assist the examiner.

Von Pirquet's test is best performed as follows:

Three points of scarification are made upon the upper part of the left arm and separated from each other vertically by about 3 or 4 c.m. The scarification should be small and should not draw blood in any considerable quantity. The uppermost scarification serves as a control. Into the second is inoculated a 25 per cent. solution of crude tuberculin, while the third or lowest scarification receives an inoculation of 50 per cent. tuberculin. The inoculation may be made in a number of ways. One, which is simple and satisfactory in its results, consists in placing a drop or two of the solution upon the skin and then performing light scarification through it. It is necessary to dilute the tuberculin. The crude tuberculin, as furnished by the department, is a glycerine extract and contains no water. In consequence, when placed upon a scarified surface, absorption may fail to occur and disappointment result. It is true that the scarification may liberate enough blood serum in certain cases to make a solution which will be satisfactorily absorbed, but this is not to be relied upon. A successful "take" manifests itself in from twenty-four to forty-eight hours. At the point of control there will be no reaction, whereas at the two points of inoculation a zone of inflammation more marked at the lowest point of scarification will be evident. The "takes" are slightly elevated and light pink or red in color and are sometimes accompanied by swelling of the surrounding tissues. In a few days all signs disappear save except some temporary discoloration of the skin. The reactions at the points of inoculation vary considerably in severity, from slight redness and superficial infiltration, to a lesion somewhat resembling the earlier stages of a smallpox vaccination.

VITAL STATISTICS

Summary for Week Ending Saturday, 12 M., April 5, 1913.

Boroughs.	Population U.S. Census April 15, 1910.	Estimated Population July 1, 1913.	Deaths.			Births.	Marriages.	Stillbirths.	Death-rate.	
			1912.	1913.	*Cor-rected, 1913.				1912.	1913.
Manhattan	2,331,542	2,487,796	825	755	758	1,270	695	57	17.65	15.84
The Bronx	430,080	583,081	160	146	137	233	35	10	16.60	13.04
Brooklyn	1,644,331	1,845,443	584	483	495	909	193	51	17.09	13.65
Queens	244,041	359,891	85	97	101	161	36	8	13.20	14.00
*Richmond	85,969	95,872	30	31	27	45	8	1	16.89	16.87
City of New York	4,766,883	5,372,983	1,651	1,512	1,512	2,678	967	127	17.05	14.68
									

*Corrected according to borough of residence.

† The presence of several large institutions, the great majority of whose inmates are non-residents of the city, increases considerably the death-rate of this Borough.

Deaths by Principal Causes, According to Locality and Age.

Boroughs.	Contagious Diseases detailed elsewhere.		Malaria Diseases.	Tuberculosis.	Cerebro-Spinal Meningitis.	Bronchitis.	Diarrhoeal Diseases under 5 Years.	Pneumonia.	Bronchitis.	Pneumonia.	Suicides.	Homicides.	Accidents.	Under 1 Year.	Under 5 Years.	5-65 Years.	65 Years and Over.	
	1912.	1913.																
Manhattan	39	..	103	4	4	33	27	50	76	8	3	31	140	230	490	116	.....
The Bronx	27	..	24	..	2	4	2	9	5	1	..	4	15	35	81	30	.....
Brooklyn	32	..	57	1	6	26	17	50	34	2	..	23	81	142	267	74	.....
Queens	5	..	6	..	1	2	1	1	5	7	1	..	5	10	17	62	18
Richmond	1	..																

Deaths According to Cause, Age and Sex.

	Total Deaths.	Deaths in Corresponding Week of year.	Males.	Females.	Under 1 Year.	1 Year and Under 5.	5 and Under 5.	Under 5 Years.	5-15.	15-25.	25-45.	45-65.	65 and Over.
Total, all causes.....	1,512	1,601	833	679	248	101	84	433	58	94	319	364	244
1. Typhoid Fever.....	4	3	2	2	..	..	..	..	..	..	4	..	..
3. Malaria Fever.....	..	..	..	..	..	..	..	..	..	..	..	..	..
4. Small-pox.....	..	..	..	..	..	..	..	..	..	..	..	..	..
5. Measles.....	25	33	13	12	7	10	7	24	1	..	..	..	..
6. Scarlet Fever.....	22	22	12	10	4	8	12	5	4	1	..	..	..
7. Whooping Cough.....	5	3	2	3	3	2	..	5	..	..	..	..	..
8. Diphtheria and Croup.....	38	30	19	19	5	11	17	33	3	..	..	2	..
9. Influenza.....	18	6	7	11	..	2	..	2	2	1	4	5	4
12. Other Epidemic Diseases.....	9	21	7	2	4	..	..	4	..	..	2	2	1
13. Tuberculosis Pulmonalis.....	196	208	125	71	..	2	1	3	3	31	107	46	6
14. Tuberculosis Meningitis.....	23	21	10	13	4	3	11	18	4	1	..	..	..
15. Other forms of Tuberculosis.....	15	11	10	5	2	..	..	2	2	4	4	3	..
16. Cancer, Malignant Tumor.....	79	87	22	57	..	..	..	..	..	19	35	25	..
17. Simple Meningitis. Of which	9	16	5	4	2	..	3	5	1	1	2	..	..
18. Cerebro Spinal Meningitis.....	6	11	3	3	1	..	3	4	1	..	1	..	..
18. Apoplexy, Softening of the Brain.....	22	31	11	11	..	..	..	..	..	2	10	10	..
19. Organic Heart Diseases.....	192	198	102	90	1	..	1	2	6	10	28	70	76
20. Acute Bronchitis.....	13	24	9	4	8	1	1	10	..	..	..	2	1
21. Chronic Bronchitis.....	1	3	1	..	..	..	..	..	..	..	..	..	..
22. Pneumonia (excluding Broncho Pneumonia).....	115	137	73	42	12	15	4	31	5	10	29	25	15
22a. BronchoPneumonia.....	121	133	59	62	50	32	19	101	2	..	..	8	10
23. Other Respiratory Diseases.....	13	11	11	2	4	1	..	5	..	1	1	4	2
24. Diseases of the Stomach (Cancer excepted).....	9	8	5	4	1	..	..	1	..	..	5	3	..
25. Diarrhoeal diseases (under 5 years).....	47	44	27	20	42	4	1	47	..	..	..	..	..
26. Appendicitis and Typhilitis.....	9	24	5	4	..	..	..	..	2	4	2	..	1
27. Hernia, Intestinal Obstruction.....	10	12	5	5	..	..	..	..	..	1	3	4	2
28. Cirrhosis of Liver.....	25	14	17	8	..	..	..	..	..	..	12	11	2
29. Bright's Disease and Ac. Nephritis.....	123	124	69	54	2	4	1	7	2	8	27	49	30
30. Diseases of Women (not Cancer).....	5	8	..	5	..	..	..	..	..	..	3	2	..
31. Puerperal Septicemia.....	5	10	..	5	..	..	..	..	..	1	4	..	..
32. Other Puerperal Diseases.....	8	7	..	8	..	..	..	..	..	2	6	..	..
33. Congenital Deformities and Malformations.....	73	77	37	36	73	..	..	73	..	..	..	..	..
34. Old Age.....	14	16	10	4	..	..	..	..	..	..	..	..	..
35. Violent Deaths.....	67	83	46	21	1	5	8	14	8	7	15	8	5
a. Effects of Heat.....	..	..	..	..	..	..	..	..	..	..	..	..	..
b. Other Accidents.....	64	81	43	21	..	5	8	13	8	6	15	17	5
c. Homicide.....	3	2	3	..	1	..	..	1	..	1	1	..	..
36. Suicide.....	12	20	9	3	..	..	..	..	..	..	7	5	..
37. All other causes.....	185	245	103	82	27	5	2	34	12	8	32	59	40
38. Ill-defined causes.....	..	1	..	..	..	..	..	..	..	..	..	..	..

* If the deaths under one month, numbering 88, be deducted from the total deaths under one year the resultant rate will be 62 per 1,000 births, weekly average of 1912.

Corrected Mortality Among Children, Week Ending April 5, 1913.

Boroughs.	Under 1 Year of Age.				Under 5 Years of Age.							
	All Causes.	Rate per 1,000 Births.	Diarrhoeal Diseases.		All Causes.	Rate per 1,000 Living.	Diarrhoeal Diseases.	Rate per 1,000 Living.				
Manhattan.....	142	112.	25	19.6	9	16	323	45.7	28	5.5	36	7.1
The Bronx.....	12	46.	1	3.8	1	..	29	24.3	1	1.8	8	6.7
Brooklyn.....	82	94.	15	17.2	4	11	145	35.5	17	4.5	36	6.9
Queens.....	10	65.	1	6.5	..	..	15	24.5	1	1.3	3	4.1
Kichmond.....	2	45.	..	..	..	..	9	45.9	..	..	1	5.1
City of New York...	248	95.	42	16.1	14	28	433	39.5	47	4.3	74	6.7

* Includes Small Pox, Measles, Scarlet Fever, Diphtheria and Whooping Cough.

Deaths According to Cause, Annual Rate per 1,000 and Age, with Meteorology and Number of Deaths in Public Institutions for 14 Weeks.

Week Ending -	Jan. 4.	Jan. 11.	Jan. 18.	Jan. 25.	Feb. 1.	Feb. 8.	Feb. 15.	Feb. 22.	Mar. 1.	Mar. 8.	Mar. 15.	Mar. 22.	Mar. 29.	Apr. 5.
Total deaths....	1,519	1,512	1,546	1,461	1,440	1,568	1,732	1,836	1,699	1,723	1,848	1,685	1,660	1,512
Annual death-rate.....	14.75	14.68	15.01	14.19	13.98	15.23	16.82	17.83	16.50	16.73	17.94	16.36	16.12	14.68
Typhoid Fever.....	7	3	4	2	3	4	4	4	4	5	4	9	2	4
Malaria Fever.....	1	..	..	..	..	..	..	..	..	..	..	..	..	..
Small-pox.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Measles.....	11	8	5	15	10	9	10	11	12	12	27	24	16	25
Scarlet Fever.....	14	11	12	19	17	13	10	20	12	24	19	20	26	22
Whooping Cough.....	3	3	5	6	6	3	3	6	3	6	11	5	8	5
Diphtheria and Croup.....	22	26	25	35	33	38	38	36	41	39	39	36	35	38
Influenza.....	17													

BOARD OF WATER SUPPLY.

Office, No. 165 Broadway.
Charles Straus, President; Charles N. Chadwick and John F. Galvin, Commissioners.
Joseph P. Morrissey, Secretary.
J. Waldo Smith, Chief Engineer.
Office hours, 9 a. m. to 5 p. m.; Saturdays 9 a. m. to 12 m.
Telephone, 4310 Cortlandt.

BUREAU OF THE CHAMBERLAIN.

Stewart Building, Chambers street and Broadway, Room 63 to 67.
Robert R. Moore, Chamberlain.
Henry J. Walsh, Deputy Chamberlain.
Office hours, 9 a. m. to 5 p. m.
Telephone, 4270 Worth.

CHANGE OF GRADE DAMAGE COMMISSION.

Office of the Commission, Room 223, No. 280 Broadway (Stewart Building), Borough of Manhattan, New York City.

William D. Dickey, Cambridge, Livingston, David Robinson, Commissioners. Lamont McLaughlin, Clerk.

Regular advertised meetings on Monday, Tuesday and Thursday of each week at 3 o'clock p. m.
Office hours, 9 a. m. to 4 p. m.; Saturdays 9 a. m. to 12 m.
Telephone, 3284 Worth.

CITY CLERK AND CLERK OF THE BOARD OF ALDERMEN.

City Hall, Rooms 11, 12; 10 a. m. to 4 p. m.
Saturdays, 10 a. m. to 12 m.
Telephone, 7580 Cortlandt.

P. J. Scully, City Clerk and Clerk of the Board of Aldermen.

Joseph F. Prendergast, First Deputy.
James J. Hines, Chief Clerk of the Board of Aldermen.

Joseph V. Sculley, Clerk, Borough of Brooklyn.
Matthew McCabe, Deputy City Clerk, Borough of the Bronx.

George D. Frens, Deputy City Clerk, Borough of Queens.

William K. Walsh, Deputy City Clerk, Borough of Richmond.

COMMISSIONERS OF ACCOUNTS.

Jeremiah T. Mahoney, Harry M. Rice, Commissioners.
Rooms 114 and 115, Stewart Building, No. 280 Broadway, 9 a. m. to 5 p. m.; Saturdays, 9 a. m. to 12 m.
Telephone, 4315 Worth.

COMMISSIONER OF LICENSES.

Office, No. 277 Broadway.
Herman Robinson, Commissioner.
Samuel Prince, Deputy Commissioner.
John J. Caldwell, Secretary.
Office hours, 9 a. m. to 5 p. m.; Saturdays 9 a. m. to 12 m.
Telephone, 2828 Worth.

COMMISSIONERS OF SINKING FUND.

William J. Gaynor, Mayor, Chairman; William A. Prendergast, Comptroller; Robert R. Moore, Chamberlain; John Purroy Mitchel, President of the Board of Aldermen, and Henry H. Curran, Chairman Finance Committee, Board of Aldermen, members; John Korb, Jr., Secretary.
Office of Secretary, Room 9, Stewart Building No. 280 Broadway, Borough of Manhattan.
Telephone, 1200 Worth.

DEPARTMENT OF BRIDGES.

Municipal Building, 18th floor.
Arthur J. O'Keefe, Commissioner.
William H. Sinnott, Deputy Commissioner.
Edgar E. Schiff, Secretary.
Office hours, 9 a. m. to 5 p. m.
Saturdays, 9 a. m. to 12 m.
Telephone, No. 380 Worth.

DEPARTMENT OF CORRECTION.

CENTRAL OFFICE.
No. 148 East Twentieth street. Office hours, from 9 a. m. to 5 p. m. Saturdays, 9 a. m. to 12 m.
Telephone, 1047 Gramercy.
Patrick A. Whitney, Commissioner.
William J. Wright, Deputy Commissioner.
John B. Fitzgerald, Secretary.

DEPARTMENT OF DOCKS AND FERRIES.

Pier "A" N. R., Battery place.
Telephone, 300 Rector.
Richard A. C. Smith, Commissioner.
B. F. Cresson, Jr., First Deputy Commissioner.
William J. Barney, Second Deputy Commissioner.
Matthew J. Harrington, Secretary.
Office hours, 9 a. m. to 5 p. m.; Saturdays 9 a. m. to 12 m.

DEPARTMENT OF EDUCATION.

BOARD OF EDUCATION.
Park avenue and Fifty-ninth street, Borough of Manhattan, 9 a. m. to 5 p. m. (in August 9 a. m. to 4 p. m.); Saturdays, 9 a. m. to 12 m.
Telephone, 5580 Plaza.

Stated meetings of the Board are held at 4 p. m. on the first Monday in February, the second Wednesday in July, and the second and fourth Wednesdays in every month except July and August.

Reba C. Bamberger (Mrs.), Joseph Baroness, Nicholas J. Barrett, Henry J. Bigham, Thomas W. Churchill, Joseph E. Cosgrove, Francis P. Cunnion, Thomas M. De Lancy, Martha Lincoln Draper (Mrs.), Ernest F. Elert, Rev. James M. Farrar, D. D., Alexander Ferris, George J. Gillespie, John Greene, Robert L. Harrison, Louis Haupt, M. D., Ella W. Kramer (Mrs.), Peter J. Lavalle, Olivia Leventritt (Mrs.) Isadore M. Levy, Alick H. Man, John Martin, Robert E. McCafferty, Dennis J. McDonald, M. D., Augustus G. Miller, George C. Miller, Henry P. Morrison, Louis Newman, Antonio Pisani, M. D., Alice Lee Post (Mrs.), Arthur S. Somers, Morton Stein, Abraham Stern, M. Samuel Stern, Ernest W. Stratmann, Cornelius J. Sullivan, James E. Sullivan, Michael J. Sullivan, Bernard Suydam, Rupert B. Thomas, John R. Thompson, John Whalen, Ira S. Wile, M. D., Frank D. Wilsey, George W. Wingate, Egerton L. Winthrop, Jr., members of the Board.

Thomas W. Churchill, President.
John Greene, Vice-President.
A. Emerson Palmer, Secretary.
Fred H. Johnson, Assistant Secretary.
C. B. J. Snyder, Superintendent of Schools.
Patrick Jones, Superintendent of School Supplies.
Henry R. M. Cook, Auditor.
Thomas A. Dillon, Chief Clerk.
Henry M. Leipziger, Supervisor of Lectures.
Claude G. Leland, Superintendent of Libraries.
A. J. Maguire, Supervisor of Janitors.

BOARD OF SUPERINTENDENTS.

William H. Maxwell, City Superintendent of Schools, and Andrew W. Edson, John H. Haaren, Clarence E. Meloney, Thomas S. O'Brien, Edward B. Shallow, Edward L. Stevens, Gustave Straubmuller, John H. Walsh, Associate City Superintendents.

DISTRICT SUPERINTENDENTS.
Darwin L. Bardwell, William A. Campbell, John P. Conroy, John W. Davis, John Dwyer, James M. Edsall, William L. Ettinger, Cornelius E. Franklin, John Griffin, M. D., Henry W. Jameson, Henry E. Jenkins, Cecil A. Kidd, James Lee, Charles W. Lyon, James J. McCabe, Ruth E. McGraw (Mrs.), William J. O'Shea, Alfred T. Schaufler,

Albert Shiel, Edgar Dube Shimer, Seth T. Stewart, Edward W. Stitt, Grace C. Strachan (Miss), Joseph S. Taylor, Benjamin Veit, Joseph H. Wade.

BOARD OF EXAMINERS.

William H. Maxwell, City Superintendent of Schools, and James C. Byrnes, Walter L. Hervey, Jerome A. O'Connell, George J. Smith, Examiners.

BOARD OF RETIREMENT.

Thomas W. Churchill, Abraham Stern, Arthur S. Somers, William H. Maxwell, Josephine E. Rogers, Mary A. Curtis, Lyman A. Best, Principal P. S. 171, Brooklyn, Secretary telephone, 4140 Cypress).

DEPARTMENT OF FINANCE.

Stewart Building, Chambers street and Broadway, 9 a. m. to 5 p. m.; Saturdays, 9 a. m. to 12 m.
Telephone, 1200 Worth.

William A. Prendergast, Comptroller.

Douglas Mathewson, Deputy Comptroller.

Edmund D. Fisher, Deputy Comptroller

Hubert L. Smith, Assistant Deputy Comptroller.

George L. Tirrell, Secretary to the Department.

Thomas W. Haynes, Supervisor of Charitable Institutions.

Walter S. Wolfe, Chief Clerk.

BUREAU OF AUDIT.

Charles S. Hervey, Chief Auditor of Accounts.

Room 29, Harry York, Deputy Chief Auditor of Accounts.

Duncan MacInnes, Chief Accountant and Bookkeeper.

John J. Kelly, Auditor of Disbursements.

H. H. Ratheny, Auditor of Receipts.

James J. Munro, Chief Inspector.

R. B. McIntyre, Examiner in Charge, Expert Accountants' Division.

LAW AND ADJUSTMENT DIVISION.

Albert E. Hadlock, Auditor of Accounts.

Room 185, BUREAU OF MUNICIPAL INVESTIGATION AND STATISTICS.

James Tilden Adamson, Supervising Statistician and Examiner.

Room 180, STOCK AND BOND DIVISION.

James J. Sullivan, Chief Stock and Bond Clerk.

Room 85, OFFICE OF THE CITY PAYMASTER.

No. 83 Chambers street and No. 68 Reade street.

John H. Timmerman, City Paymaster.

DIVISION OF REAL ESTATE.

Charles A. O'Malley, Appraiser of Real Estate.

Room 103, No. 280 Broadway.

DIVISION OF AWARDS.

Joseph R. Kenny, Bookkeeper in Charge

Rooms 155 and 157, 280 Broadway.

BUREAU FOR THE COLLECTION OF TAXES.

Borough of Manhattan—Stewart Building.

Room 0.

Frederick H. E. Ebstein, Receiver of Taxes.

John J. McDonough and Sylvester L. Malone

Deputy Receivers of Taxes.

Borough of The Bronx—Municipal Building.

Third and Tremont avenues.

Edward H. Healy and John J. Knewitz, Deputy Receivers of Taxes.

Borough of Brooklyn—Municipal Building.

Rooms 2-8.

Alfred J. Boulton and David E. Kemlo, Deputy Receivers of Taxes.

Borough of Queens—Municipal Building, Court House Square, Long Island City.

William A. Beadle and Thomas H. Green, Deputy Receivers of Taxes.

Borough of Richmond—Borough Hall, St. George, New Brighton.

John De Morgan and Edward J. Lovett, Deputy Receivers of Taxes.

Borough of Brooklyn—Municipal Building.

Rooms 2-8.

W. F. Bennett, Deputy Commissioner.

Benjamin A. Kelley, Water Registrar, Borough of Manhattan. Telephone 3545 Cortlandt.

Frederic T. Parsons, Deputy Commissioner, Borough of Brooklyn. Municipal Building, Brooklyn.

John L. Jordan, Deputy Commissioner, Borough of The Bronx, Tremont and Arthur avenues.

M. P. Walsh, Deputy Commissioner, Borough of Queens, Municipal Building, Long Island City.

John E. Bowe, Deputy Commissioner, Borough of Richmond, Municipal Building, St. George.

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John E. Bowe, Deputy Commissioner, Borough of Richmond, Municipal Building, St. George.

Henry S. Thompson, Commissioner.

W. F. Bennett, Deputy Commissioner.

Benjamin

John W. Tumbridge, Superintendent of Highways.
Telephone, 3940 Main.

BOROUGH OF QUEENS.

President's Office, Borough Hall, Jackson avenue and Fifth street, Long Island City; 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m.
Telephone, 4120 Hunters Point.
Maurice E. Connolly, President.
Hugh Hall, Secretary to the President.
Samuel Brock, Secretary of the Borough.
Joseph Flanagan, Commissioner of Public Works.
G. Howland Leavitt, Superintendent of Highways.
John R. Higgins, Superintendent of Sewers.
John W. Moore, Superintendent of Buildings.
Daniel E. Kauth, Superintendent of Street Cleaning.
Francis X. Duer, Superintendent of Public Buildings and Offices.

BOROUGH OF RICHMOND.

President's Office, New Brighton, Staten Island
George Cromwell, President.
Maybury Fleming, Secretary.
Louis Lincoln Tribus, Consulting Engineer and Acting Commissioner of Public Works.
John Seaton, Superintendent of Buildings.
H. E. Buel, Superintendent of Highways.
John T. Fetherston, Assistant Engineer and Acting Superintendent of Street Cleaning.
Ernest H. Seehusen, Superintendent of Sewers.
John Timlin, Jr., Superintendent of Public Buildings and Offices.
Offices, Borough Hall, New Brighton, N. Y., 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m.
Telephone, 1000 Tompkinsville.

CORONERS.

Borough of Manhattan—Office, 70 Lafayette street, corner of Franklin street.
Open at all times of the day and night.
Coroners: Israel L. Feinberg, Herman Hellestein, James E. Winterbottom, Herman W. Holtzhauser.
Telephones, 5057, 5058 Franklin.
Borough of the Bronx—Corner of Arthur avenue and Tremont avenue. Telephones, 1250 Tremont and 1402 Tremont.
Jacob Shengut, Jerome F. Healy.
Borough of Brooklyn—Office, 236 Duffield street, near Fulton street. Telephones, 4004 Main and 4005 Main.
Alexander J. Rooney, Edward Glidden, Coroners. Open at all hours of the day and night.
Borough of Queens—Office, Town Hall, Fulton street, Jamaica, L. I.
Alfred S. Ambler, G. J. Schaefer.
Office hours from 9 a. m. to 10 p. m., excepting Sundays and holidays; office open then from 9 a. m. to 12 m.
Borough of Richmond—No. 175 Second street, New Brighton. Open at all hours of the day and night.
William H. Jackson, Coroner.
Telephone, 7 Tompkinsville.

COUNTY OFFICES.

NEW YORK COUNTY.

COMMISSIONER OF JURORS.
Room 127, Stewart Building, Chambers street and Broadway, 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m.
Thomas Allison, Commissioner.
Frederick P. Simpson, Assistant Commissioner.
Telephone, 241 Worth.

COMMISSIONER OF RECORDS.

Office, Hall of Records.
John F. Cowan, Commissioner.
James O. Farrell, Deputy Commissioner.
William Moore, Superintendent.
James J. Fleming, Jr., Secretary.
Telephone, 3940 Worth.
Office hours, 9 a. m. to 5 p. m.; Saturdays, 9 a. m. to 12 m.
During the months of July and August, from 9 a. m. to 2 p. m.

COUNTY CLERK.

No. 5, 8, 9, 10 and 11 New County Court House. Office hours, 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m. During the months of July and August the hours are from 9 a. m. to 2 p. m., except on Saturdays.
William F. Schneider, County Clerk.
Charles E. Gehring, Deputy.
Wm. B. Selden, Second Deputy.
Herman W. Beyer, Superintendent of Indexing and Recording.
Telephone, 5388 Cortlandt.

DISTRICT ATTORNEY.

Building for Criminal Courts, Franklin and Centre streets.
Office hours from 9 a. m. to 5 p. m.; Saturdays, 9 a. m. to 12 m.
Charles S. Whitman, District Attorney.
Henry D. Sayer, Chief Clerk.
Telephone, 2304 Franklin.

PUBLIC ADMINISTRATOR.

No. 119 Nassau street, 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m.
William H. Hoos, Public Administrator.
Telephone, 6376 Cortlandt.

REGISTER.

Hall of Records, office hours, from 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m. During the months of July and August the hours are from 9 a. m. to 2 p. m.
M. J. S. Grifenhagen, Register.
William Halpin, Deputy Register.
Telephone, 3900 Worth.

SHERIFF.

No. 200 Broadway, 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m. Except during July and August 9 a. m. to 2 p. m.; Saturdays, 9 a. m. to 12 m.
Julius Harburger, Sheriff.
John F. Gilchrist, Under Sheriff.
Telephone, 4984 Worth.

SURROGATES.

Hall of Records. Court opens from 9 a. m. to 4 p. m., except Saturday, when it closes at 12 m. During the months of July and August the hours are from 9 a. m. to 2 p. m.
John P. Cohalan and Robert L. Fowler, Surrogates; William V. Leahy, Chief Clerk.
Bureau of Records: John F. Curry, Commissioner; Charles W. Calkin, Deputy Commissioner; Frank J. Scamell, Superintendent.
Telephone, 3900 Worth.

KINGS COUNTY.

COMMISSIONER OF JURORS.
Park Building, 381-387 Fulton street, Brooklyn.
Thomas R. Farrell, Commissioner.
Michael J. Trudden, Deputy Commissioner.
Office hours from 9 a. m. to 4 p. m.; Saturdays from 9 a. m. to 12 m.

Office hours during July and August, 9 a. m. to 2 p. m.; Saturdays, 9 a. m. to 12 m.
Telephone, 1454 Main.

COMMISSIONER OF RECORDS.

Hall of Records.
Office hours, 9 a. m. to 4 p. m., excepting months of July and August, then 9 a. m. to 2 p. m.; Saturdays, 9 a. m. to 12 m.
Edmund O'Connor, Commissioner.
William F. Thompson, Deputy Commissioner.
Telephone, 8938 Main.

COUNTY CLERK.

Hall of Records, Brooklyn. Office hours, 9 a. m. to 4 p. m.; during months of July and August 9 a. m. to 2 p. m.; Saturdays, 9 a. m. to 12 m.
Charles S. Devoy, County Clerk.
John Feitner, Deputy County Clerk.
Telephone, 4930 Main.

COUNTY COURT.

County Court House, Brooklyn, Room 1, 10 daily and sits until business is complete.
Part I, Room No. 23; Part II, Room No. 10; Part III, Room No. 14; Part IV, Room No. 1, Court House, Clerk's office, Rooms 17, 18, 19 and 22 open daily from 9 a. m. to 5 p. m.; Saturdays, 12 m.
Norman S. Duke and Lewis L. Fawcett, County Judges.
John T. Rafferty, Chief Clerk.
Telephones, 4154 and 4155 Main.

DISTRICT ATTORNEY.

Office, 66 Court street, Borough of Brooklyn. Hours, 9 a. m. to 5:30 p. m.; Saturdays, 9 a. m. to 1 p. m.
James C. Crowley, District Attorney.
Telephones, 2054-5-7 Main.

PUBLIC ADMINISTRATOR.

No. 44 Court street (Temple Bar), Brooklyn 9 a. m. to 4 p. m.; Saturday, 9 a. m. to 12 m.
Frank V. Kelly, Public Administrator.
Telephone, 2840 Main.

REGISTRAR.

Hall of Records. Office hours, 9 a. m. to 4 p. m., excepting months of July and August, then from 9 a. m. to 2 p. m., provided for by statute; Saturdays, 9 a. m. to 12 m.

Edward T. O'Loughlin, Register.
Alfred T. Hobley, Deputy Register.
Telephone, 2830 Main.

SHERIFF.

Temple Bar Building, 136 Remsen street, Room 401, Brooklyn, N. Y.
9 a. m. to 4 p. m.; Saturdays, 12 m.
Charles L. Law, Sheriff.
Lewis M. Swayze, Under Sheriff.
Telephone, 6345, 6346, 6347 Main.

SURROGATE.

Hall of Records, Brooklyn, N. Y.
Herbert T. Ketcham, Surrogate.
John H. McCauley, Chief Clerk and Clerk to the Surrogate's Court.

Court opens at 10 a. m. Office hours, 9 a. m. to 4 p. m., except during months of July and August, when office hours are from 9 a. m. to 2 p. m.; Saturdays, 9 a. m. to 12 m.

Telephone, 3954 Main.

QUEENS COUNTY.

COMMISSIONER OF JURORS.
Office hours, 9 a. m. to 4 p. m.; July and August, 9 a. m. to 2 p. m.; Saturdays, 9 a. m. to 12 m.; Queens County Court House, Long Island City.

Thordyke C. McKenna, Commissioner of Jurors.

Rodman Richardson, Assistant Commissioner.
Telephone, 455 Greenpoint.

COUNTY CLERK.

No. 364 Fulton street, Jamaica, Fourth Ward, Borough of Queens, City of New York.
Office open, 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m.

Leonard Knoff, County Clerk.
Telephone, 151 Jamaica.

COUNTY COURT.

County Court House, Long Island City.
County Court opens at 10 a. m. Trial Terms begin first Monday of each month, except July, August and September. Special Terms each Saturday, except during August and first Saturday of September.

Burt J. Humphrey, County Judge.
Telephone, 551 Jamaica.

DISTRICT ATTORNEY.

Office, Queens County Court House, Long Island City, 9 a. m. to 5 p. m.; Saturdays, 9 a. m. to 12 m.

County Judge's office always open at No. 336 Fulton street, Jamaica, N. Y.

Matthew J. Smith, District Attorney.
Telephone, 3871 and 3872 Hunters Point.

PUBLIC ADMINISTRATOR.

No. 364 Fulton street, Jamaica, Queens County, Randolph White, Public Administrator, County of Queens.

Office hours, 9 a. m. to 4 p. m.

Saturdays, 9 a. m. to 12 m.

Telephone, 39- Jamaica.

SHERIFF.

County Court House, Long Island City, 9 a. m. to 4 p. m.; during July and August, 9 a. m. to 2 p. m.; Saturdays, 9 a. m. to 12 m.

George E. Emerick, Sheriff.

Samuel J. Mitchell, Under Sheriff.
Telephone, 3766-7 Hunters Point (office).

SURROGATE.

Daniel Noble, Surrogate.
Office, No. 364 Fulton street, Jamaica.

Except on Sundays, holidays and half-holidays, the office is open from 9 a. m. to 4 p. m.; Saturdays, from 9 a. m. to 12 m. July and August, 9 a. m. to 2 p. m.

The calendar is called on each work day at 10 a. m., except during the month of August.

Telephone, 307 Jamaica.

RICHMOND COUNTY.

COMMISSIONER OF JURORS.

Village Hall, Stapleton.

Charles J. Kullman, Commissioner.

Office open from 9 a. m. until 4 p. m.; Saturdays from 9 a. m. to 12 m.

Telephone, 81 Tompkinsville.

COUNTY CLERK.

County Office Building, Richmond, S. I., 9 a. m.

to 4 p. m.; Saturdays, 9 a. m. to 12 m.

C. Livingston Bostwick, County Clerk.
Telephone, 28 New Dorp.

COUNTY JUDGE AND SURROGATE.

County Court—J. Harry Tierman, County Judge.

Terms of the County Court.

First Monday of March and first Monday of October, 1912, with a Grand and Trial Jury.

First Monday of May and first Monday of December, 1912, with a Trial Jury only.

On Wednesdays of each week at Richmond

(except during the month of August).

Surrogate's Court—J. Harry Tierman, Surrogate.

Court days: Mondays and Tuesdays, at the Surrogate's Office in the Borough Hall, St. George;

and Wednesdays, at the Surrogate's Office, Richmond, at 10:30 a. m., on which citations and orders are returnable, except during the month of August, and except on days when Jury terms of the County Court are held.

Telephones, 235 New Dorp and 1000 Tompkinsville—Court Room

DIST. ATTORNEY.

Borough Hall, St. George, S. I.

Albert C. Fisch, District Attorney.

Telephone, 50 Tompkinsville.

Office hours, 9 a. m. to 5 p. m.; Saturdays, 9 a. m. to 12 m.

PUBLIC ADMINISTRATOR.

Office, Port Richmond.

William T. Holt, Public Administrator.

Telephone, 704 West Brighton.

SHERIFF.

County Court House, Richmond, S. I.

Joseph F. O'Grady, Sheriff; Peter J. Finn, Jr., Under Sheriff.

Office hours, 9 a. m. to 12 m.

Telephone, 120 New Dorp.

THE COURTS.

APPELLATE DIVISION OF THE SUPREME COURT.

FIRST JUDICIAL DEPARTMENT.

Court House, Madison Avenue, corner Twenty-fifth street. Court open from 2 p. m. until 6 p. m.

Friday, Motion Day. Court open at 10:30 a. m. Motions called at 10 a. m. Orders called at 10:30 a. m.

George L. Ingraham, Presiding Justice; Chester P. McLaughlin, Frank C. Laughlin, John Proctor Clarke, Francis M. Scott, Victor J. Dowling, Henry D. Hotchkiss, Justices; Alfred Wagstaff, Clerk, William Lamb, Deputy Clerk.

Clerk's Office open 9 a. m.

Telephone, 2840 Madison Square.

SUPREME COURT—FIRST DEPARTMENT.

County Court House, Chambers street. Court open from 10:15 a. m. to 4 p. m.

Special Term, Part I (

BOROUGH OF QUEENS.

City Magistrates—Joseph P. Fitch, John A. Leach, Harry Miller, James J. Conway.

Courts.

First District—St. Mary's Lyceum, Long Island City.

Second District—Town Hall, Flushing, L. I.

Third District—Central avenue, Far Rockaway, L. I.

Fourth District—Town Hall, Jamaica, L. I.

BOROUGH OF RICHMOND.

City Magistrates—Joseph B. Handy, Nathaniel Marsh.

Courts.

First District—Lafayette avenue, New Brighton, Staten Island.

Second District—Village Hall, Stapleton, Staten Island.

All Courts open daily for business from 9 a. m. to 4 p. m., except on Saturdays, Sundays and legal holidays, when only morning sessions are held.

MUNICIPAL COURTS.

BOROUGH OF MANHATTAN.

First District—The First District embraces the territory bounded on the south and west by the southerly and westerly boundaries of the said borough, on the north by the centre line of Fourteenth street and the centre line of Fifth street from the Bowery to Second avenue, on the east by the centre lines of Fourth street to Fifth street, Second avenue, Chrystie street, Division street and Catharine street.

Waugh Lynn, William F. Moore, John Hoyer, Justices.

Thomas O'Connell, Clerk.

Frank Mangin, Deputy Clerk.

Location of Court—Merchants' Association Building, Nos. 54-56 Lafayette street. Clerk's Office open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.

Additional Part is held at southwest corner of Sixth avenue and Tenth street.

Telephone, 6030 Franklin.

Second District—The Second District embraces the territory bounded on the south by the centre line of Fifth street from the Bowery to Second avenue and on the south and east by the southerly and easterly boundaries of the said borough, on the north by the centre line of East Fourteenth street, on the west by the centre lines of Fourth avenue from Fourteenth street to Fifth street, Second avenue, Chrystie street, Division street and Catharine street.

Benjamin Hoffman, Leon Sanders, Thomas P. Dinnane, Leonard A. Snitkin, Justices.

James J. Devlin, Clerk.

Location of Court—Nos. 264 and 266 Madison street. Clerk's Office open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.

Telephone, 4300 Orchard.

Third District—The Third District embraces the territory bounded on the south by the centre line of Fourteenth street, on the east by the centre line of Seventh avenue from Fourteenth street to Fifty-ninth street and by the centre line of Central Park West from Fifty-ninth street to Sixty-fifth street, on the north by the centre line of Sixty-fifth street and the centre line of Fifty-ninth street from Seventh to Eighth avenues, on the west by the westerly boundary of the said borough.

Thomas E. Murray, Thomas F. Noonan, Justices.

Michael Skelly, Clerk.

Location of Court—No. 314 West Fifty-fourth street. Clerk's Office open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m.

Telephone number, 5450 Columbus.

Fourth District—The Fourth District embraces the territory bounded on the south by the center line of East Fourteenth street, on the west by the centre line of Lexington avenue and by the centre line of Irving place, including its projection through Gramercy Park, on the north by the centre line of Fifty-ninth street, on the east by the easterly line of said borough; excluding, however, any portion of Blackwells Island.

Michael P. Blake, William J. Boyhan, Justices.

Abram Bernard, Clerk.

Location of Court—Part I. and Part II., No. 207 East Thirty-second street. Clerk's Office open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.

Telephone, 4358 Madison square.

Fifth District—The Fifth District embraces the territory bounded on the south by the centre line of Sixty-fifth street, on the east by the centre line of Central Park West, on the north by the centre line of One Hundred and Tenth street, on the west by the westerly boundary of said borough.

Alfred P. W. Seaman, William Young, Frederick Spiegelberg, Justices.

John H. Servis, Clerk.

Location of Court—Northwest corner of Broadway and Ninety-sixth street. Clerk's Office open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.

Telephone, 4006 Riverside.

Sixth District—The Sixth District embraces the territory bounded on the south by the centre line of Fifty-ninth street and by the centre line of Ninety-sixth street from Lexington avenue to Fifth avenue, on the west by the centre line of Lexington avenue from Fifty-ninth street to Ninety-sixth street and the centre line of Fifth avenue from Ninety-sixth street to One Hundred and Tenth street, on the north by the centre line of One Hundred and Tenth street, on the east by the easterly boundary of said borough, including however, all of Blackwells Island and excluding any portion of Wards Island.

Jacob Marks, Solomon Oppenheimer, Justices.

Edward A. McQuade, Clerk.

Location of Court—Nos. 155 and 157 East 88th street. Clerk's Office open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m.

Seventh District—The Seventh District embraces the territory bounded on the south by the centre line of One Hundred and Tenth street, on the east by the centre line of Fifth avenue to the northerly terminus thereof, and north of the northerly terminus of Fifth avenue, following in a northerly direction the course of the Harlem River, on a line coterminous with the easterly boundary of said borough, on the north and west by the northerly and westerly boundaries of said borough.

Philip J. Sinnott, David L. Well, John R. Davies, Justices.

John P. Burns, Clerk.

Location of Court—No. 70 Manhattan street. Clerk's Office open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.; July and August, 9 a. m. to 2 p. m.

Eighth District—The Eighth District embraces the territory bounded on the south by the centre line of One Hundred and Tenth street, on the west by the centre line of Fifth avenue, on the north and east by the northerly and easterly boundaries of said borough, including Randalls Island and the whole of Wards Island.

Joseph P. Fallon and Leopold Prince, Justices.

Hugh H. Moore, Clerk.

Location of Court—Sylvan place and One Hundred and Twenty-first street, near Third avenue. Clerk's Office open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.

Telephone, 3950 Harlem.

Ninth District—The Ninth District embraces the territory bounded on the south by the centre line of Fourteenth street and by the centre line of Fifty-ninth street from the centre line of Seventh

avenue to the centre line of Central Park West, on the east by the centre line of Lexington avenue and by the centre line of Irving place, including its projection through Gramercy Park, and by the centre line of Fifth avenue from the centre line of Ninety-sixth street to the centre line of One Hundred and Tenth street, on the north by the centre line of Ninety-sixth street from the centre line of Lexington avenue to the centre line of Fifth avenue and One Hundred and Tenth street from Fifth avenue to Central Park West, on the west by the centre line of Seventh avenue and Central Park West.

Edgar J. Lauer, Frederic De Witt Wells, Frank D. Sturges, William C. Wilson, Justices.

Frank Bulley, Clerk.

Location of Court—Southwest corner of Madison avenue and Fifty-ninth street. Parts I. and II. Court opens at 9 a. m. Clerk's Office open daily Sundays and legal holidays excepted) from 9 a. m. to 4 p. m.; Saturdays, 9 a. m. to 12 m.

Telephone, 3873 Plaza.

BOROUGH OF THE BRONX.

First District—All that part of the Twenty-fourth Ward which was lately annexed to the City and County of New York by chapter 934 of the Laws of 1895, comprising all of the Town of Westchester and part of the Towns of Eastchester and Pelham, including the Villages of Wakefield and Williamsbridge. Court room, Town Hall, No. 1400 Williamsbridge road, Westchester Village. Court open daily (Sundays and legal holidays excepted) from 9 a. m. to 4 p. m. Trials of causes, Tuesday and Friday of each week.

Peter A. Shell, Justice.

Stephen Collins, Clerk.

Office hours from 9 a. m. to 4 p. m.; Saturdays closing at 12 m.

Telephone, 457 Westchester.

Second District—Twenty-third and Twenty-fourth Wards, except the territory described in chapter 934 of the Laws of 1895. Court room southeast corner of Washington avenue and One Hundred and Sixty-second street. Office hours from 9 a. m. to 4 p. m. Court opens at 9 a. m. Sundays and legal holidays excepted.

John M. Tierney and William R. Morris, Justices.

Thomas A. Maher, Clerk.

Telephone, 3043 Melrose.

BOROUGH OF BROOKLYN.

First District—Comprising First, Second, Third, Fourth, Fifth, Sixth, Tenth and Twelfth Wards; and that portion of the Eleventh Ward beginning at the intersection of the centre lines of Hudson and Myrtle avenues, thence along the centre line of Myrtle avenue to North Portland avenue, thence along the centre line of North Portland avenue to Flushing avenue, thence along the centre line of Flushing avenue to Navy street, thence along the centre line of Navy street to Johnson street, thence along the centre line of Johnson street to Hudson avenue, and thence along the centre line of Hudson avenue to the point of beginning of the Borough of Brooklyn.

Court House, northwest corner State and Court streets. Parts I. and II.

Eugene Conran, Justice. John L. Gray, Clerk. Clerk's Office open from 9 a. m. to 4 p. m. Sundays and legal holidays excepted.

Telephone, 7081 Main.

Second District—Seventh Ward and that portion of the Twenty-first and Twenty-third Wards west of the centre line of Stuyvesant avenue and the centre line of Schenectady avenue, also that portion of the Twentieth Ward beginning at the intersection of the centre lines of North Portland and of Myrtle avenue to Waverly avenue, thence along the centre line of Waverly avenue to Park avenue, thence along the centre line of Flushing avenue to North Portland avenue, and thence along the centre line of North Portland avenue to the point of beginning. Court room, No. 495 Gates avenue.

John R. Farrar, George Freifeld, Justices.

Court's Office open from 8.45 a. m. to 4 p. m. Sundays and legal holidays excepted. Saturdays, 8.45 a. m. to 12 m.

Telephone, 504 Bedford.

Third District—Embraces the Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth and Nineteenth Wards, and that portion of the Twenty-seventh Ward lying northwest of the centre line of Starr street between the boundary line of Queens County and the centre line of Central avenue and northwest to the centre line of Suydam street between the centre lines of Central and Bushwick avenues, and northwest of the centre line of Willoughby avenue between the centre lines of Bushwick avenue and Broadway.

Court House, Nos. 6 and 8 Le avenue, Brooklyn.

Philip D. Meagher and William J. Bogenhuts, Justices. John W. Carpenter, Clerk. Clerk's Office open from 9 a. m. to 4 p. m. Sundays and legal holidays excepted.

Court opens at 9 a. m.

Telephone, 995 Williamsburg.

Fourth District—Embraces the Twenty-fourth and Twenty-fifth Wards, that portion of the Twenty-first and Twenty-third Wards lying east of the centre line of Stuyvesant avenue and east of the centre line of Schenectady avenue, and that portion of the Twenty-seventh Ward lying southeast of the centre line of Starr street between the boundary line of Queens and the centre line of Central avenue and southeast of the centre line of Suydam street between the centre lines of Central and Bushwick avenues, and southeast of the centre line of Willoughby avenue between the centre lines of Bushwick avenue and Broadway.

Court room, No. 14 Howard avenue.

Jacob S. Straub, Justice. Joseph P. McCarthy Clerk.

Court's Office open from 9 a. m. to 4 p. m. Sundays and legal holidays excepted.

Fifth District—Contains the Eighth, Thirtieth and Thirty-first Wards, and so much of the Twenty-second Ward as lies south of Prospect avenue.

Court House, northwest corner of Fifty-third street and Third avenue (No. 5220 Third avenue).

Cornelius Ferguson, Justice. Jeremiah J. O'Leary, Clerk.

Court's Office open from 9 a. m. to 4 p. m. Sundays and legal holidays excepted.

Telephone, 3807 Sunset.

Sixth District—The Sixth District embraces the Ninth and Twenty-ninth Wards and that portion of the Twenty-second Ward north of the centre line of Prospect avenue; also that portion of the Eleventh and the Twentieth Wards beginning at the intersection of the centre lines of Bridge and Fulton streets; thence along the centre line of Fulton street to Flatbush avenue; thence along the centre line of Flatbush avenue to Atlantic avenue; thence along the centre line of Atlantic avenue to Washington avenue; thence along the centre line of Washington avenue to Park avenue; thence along the centre line of Park avenue to Waverly avenue; thence along the centre line of Myrtle avenue to Hudson avenue; thence along the centre line of Hudson avenue to Johnson street; thence along the centre line of Johnson street to Bridge street, and thence along the centre line of Bridge street to the point of beginning.

Lucien S. Bayliss and Stephen Callaghan, Justices. William R. Fagan, Clerk.

Court House, No. 238 Duffield street.

Telephone, 6166-J Main.

Seventh District—The Seventh District embraces the Twenty-sixth, Twenty-eighth and Thirty-second Wards.

Alexander S. Rosenthal and Edward A. Richards, Justices. James P. Sinnott, Clerk. Court House, corner Pennsylvania avenue and Fulton street (No. 31 Pennsylvania avenue).

Court's Office open from 8.45 a. m. to 4 p. m. Saturdays, 9 a. m. to 12 m. Trial days, Tuesdays, Wednesdays, Thursdays and Fridays. During July and August, 8.45 a. m. to 2 p. m.

Telephones, 904 and 905 East New York

BOROUGH OF QUEENS.

First District—Embraces the territory bounded by and within the canal, Rapelye avenue, Jackson avenue, Old Bowery Bay road, Bowery Bay, East River and Newtown Creek. Court room, St. Mary's Lyceum, Nos. 115 and 117 Fifth street, Long Island City.

Court's Office open from 9 a. m. to 4 p. m. each day, excepting Saturdays, closing at 12 m. Trial days, Mondays, Wednesdays and Fridays. All other business transacted on Tuesdays and Thursdays.

Telephone, 3873 Plaza.

BOROUGH OF THE BRONX.

First District—Embraces the territory bounded by and within the canal, Rapelye avenue, Jackson avenue, Old Bowery Bay road, Bowery Bay, East River and Newtown Creek.

Court room in Court House of the late Town of Newtown, corner of Broadway and Court street, Elmhurst, New York. P. O. address, Elmhurst, Queens County, New York.

John M. Craven, Justice. J. Frank Ryan, Clerk.

Telephone, 1420 Hunters Point.

Second District—Embraces the territory bounded by and within Maspeth avenue, Maurice avenue, Calamus road, Long Island Railroad, Trotting Course lane, Metropolitan avenue, boundary line between the Second and Fourth Wards, boundary line between the Second and Third Wards, Flushing Creek, Ireland Mill road, Lawrence avenue, Bradford avenue, Main street, Lincoln street, Union street, Broadway, Parsons avenue, Lincoln street, Percy street, Sanford avenue, Murray lane, Bay-side avenue, Little Bay-side road, Little Neck Bay, boundary line between Queens and Nassau counties, Rockaway road, Morris avenue, Atlantic avenue, Shaw avenue, Jamaica avenue and Vandever avenue.

Court room, Town Hall, northeast corner of Fulton street and Flushing avenue, Jamaica.

James F. McLaughlin, Justice. George W. Damon, Clerk.

Deposit required, Five Hundred Dollars (\$500).
ITEM NO. 2. PLUMBING WORK, IN OLD 22D REGIMENT ARMORY, 68TH ST. AND BROADWAY, BOROUGH OF MANHATTAN IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS.

The time for the completion of the work and the full performance of the contract will be sixty (60) working days.

The amount of security required will be Two Thousand Dollars (\$2,000).

Deposit required, One Hundred Dollars (\$100).

Plans may be examined at the office of the Architect, Elisha H. Janes, 124 W. 45th st., Manhattan.

Bidders are requested to make their bids or estimates upon the blank form prepared by the Armory Board, a copy of which, with the proper envelope in which to inclose the bid, together with a copy of the contract, including the specifications, in the form approved by the Corporation Counsel, can be obtained upon application at the office of the Armory Board, Suite 6, New Hall of Records (basement), Borough of Manhattan.

WILLIAM J. GAYNOR, Mayor; WILLIAM A. PRENDERGAST, Comptroller; JOHN PURROY MITCHEL, President of the Board of Aldermen; JOHN G. EDDY, Brigadier-General, 2d Brigade; R. P. FORSHEW, Commanding Naval Militia, New York; ELMORE F. AUSTIN, Chief of Coast Artillery; LAWSON PURDY, President, Department of Taxes and Assessments, the Armory Board.

^{a12,24} See General Instructions to Bidders on the last page, last column, of the "City Record."

DEPARTMENT OF DOCKS AND FERRIES.

Proposals.

OFFICE OF THE DEPARTMENT OF DOCKS AND FERRIES, PIER "A," FOOT OF BATTERY PLACE, NORTH RIVER, BOROUGH OF MANHATTAN, THE CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Commissioner of Docks at the above office until 12 o'clock, noon, on

MONDAY, APRIL 21, 1913.

CONTRACT NO. 1371.
FOR FURNISHING ALL THE LABOR AND MATERIALS REQUIRED FOR FURNISHING AND DELIVERING ABOUT 1,013,595 FEET, BOARD MEASURE, OF SAWED NEW YELLOW PINE LUMBER.

The time for the completion of the work and the full performance of the contract is on or before the expiration of 120 calendar days.

The amount of security required shall be thirty (30) per cent. of the total amount for which the contract is awarded.

The security deposit to accompany bid shall be in an amount not less than one and one-half per cent. of the total amount of the bid.

The bidder shall state, both in writing, and in figures, a price per thousand feet, board measure, for furnishing and delivering all of the lumber called for. The contract, if awarded, will be awarded to the bidder whose price per thousand feet, board measure, is the lowest, and whose bid is regular in all respects.

In case of discrepancy between the written price and that given in figures, the price in writing will be considered as the bid.

Delivery will be required to be made at the time and in the manner and in such quantities as may be directed.

Blank forms and further information may be obtained at the office of the said Department.

R. A. C. SMITH, Commissioner of Docks.

Dated April 5, 1913. ^{a9,21}

^{a12} See General Instructions to Bidders on the last page, last column, of the "City Record."

OFFICE OF THE DEPARTMENT OF DOCKS AND FERRIES, PIER "A," FOOT OF BATTERY PLACE, NORTH RIVER, BOROUGH OF MANHATTAN, THE CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Commissioner of Docks at the above office until 12 o'clock, noon, on

MONDAY, APRIL 21, 1913.

CONTRACT NO. 1373.
FOR FURNISHING ALL THE LABOR AND MATERIALS REQUIRED FOR FURNISHING AND DELIVERING ABOUT 600 OAK PILES.

The time for the completion of the work and the full performance of the contract is on or before the expiration of 120 calendar days.

The amount of security required shall be thirty (30) per cent. of the total amount for which the contract is awarded.

The security deposit to accompany the bid shall be in an amount not less than one and one-half per cent. of the total amount of the bid.

The bidder shall state, both in writing, and in figures, a price per unit and a total or aggregate price for furnishing and delivering all of the piles called for. The contract, if awarded, will be awarded to the bidder whose price per pile is the lowest and whose bid is regular in all respects.

Delivery will be required to be made at the time and in the manner and in such quantities as may be directed.

Blank forms and further information may be obtained at the office of the said Department.

R. A. C. SMITH, Commissioner of Docks.

Dated April 5, 1913. ^{a9,21}

^{a12} See General Instructions to Bidders on the last page, last column, of the "City Record."

DEPARTMENT OF PARKS.

Proposals.

OFFICE OF THE DEPARTMENT OF PARKS, ARSENAL BUILDING, 5TH AVE. AND 64TH ST., BOROUGH OF MANHATTAN, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Park Board at the above office of the Department of Parks until 3 o'clock p. m., on

THURSDAY, APRIL 17, 1913.

Borough of the Bronx.
FOR FURNISHING AND DELIVERING ONE (1) MOTOR LAWN MOWER FOR THE DEPARTMENT OF PARKS, BOROUGH OF THE BRONX.

The time allowed for the completion of the contract is thirty (30) days.

The amount of security required is thirty per cent. of the amount for which the contract is awarded.

Submit bid in duplicate.

The bids will be compared and the contract awarded at a lump or aggregate sum.

Blank forms and other information may be obtained at the office of the Department of Parks, Zbrowski Mansion, Claremont Park, Borough of The Bronx, on personal application or by mail only when request is accompanied by ten (10) cents in stamps to pay postage.

CHARLES B. STOVER, President; THOMAS J. HIGGINS, MICHAEL J. KENNEDY, WALTER G. ELIOT, Commissioners of Parks.

^{a7,17} See General Instructions to Bidders on the last page, last column, of the "City Record."

OFFICE OF THE DEPARTMENT OF PARKS, ARSENAL BUILDING, 5TH AVENUE AND 64TH STREET, BOROUGH OF MANHATTAN, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Park Board at the above office of the Department of Parks until 3 o'clock p. m., on

THURSDAY, APRIL 17, 1913.

Borough of Brooklyn.
FOR FURNISHING AND DELIVERING 250 CUBIC YARDS OF TOP SOIL OR GARDEN MOLD IN CITY PARK, BOROUGH OF BROOKLYN.

The time allowed for the completion of this contract will be five (5) days.

No bond will be required with the bid, as heretofore, but will be required on awarding of the contract in an amount equal to thirty (30) per cent. of the contract. A certified check or cash in the sum of one and one-half (1½) per cent. of the total amount of estimate must accompany the bid.

Bids will be compared and the contract awarded at a lump or aggregate sum.

Bids must be submitted in duplicate.

Blank forms may be obtained at the office of the Department of Parks, Borough of Brooklyn, Litchfield Mansion, Prospect Park West and 5th street, Prospect Park, Brooklyn.

CHARLES B. STOVER, President; THOMAS J. HIGGINS, MICHAEL J. KENNEDY, WALTER G. ELIOT, Commissioners of Parks.

Blank forms and further information may be obtained at the office of the Department of Street Cleaning, the Borough of Manhattan.

WILLIAM H. EDWARDS, Commissioner.

Dated April 7, 1913. ^{a10,22}

^{a12} See General Instructions to Bidders on the last page, last column, of the "City Record."

MAIN OFFICE OF THE DEPARTMENT OF STREET CLEANING, ROOM 1403, NOS. 13-21 PARK ROW, BOROUGH OF MANHATTAN, THE CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Commissioner of Street Cleaning at the above office until 12 o'clock noon on

TUESDAY, APRIL 22, 1913.

Boroughs of Manhattan, The Bronx and Brooklyn.
FOR FURNISHING AND DELIVERING PARTS FOR SWEEPING MACHINES.

The time for the delivery of the articles, materials and supplies and the performance of the contract is forty-five (45) days.

The amount of security required is thirty (30) per cent. of the amount of bid or estimate.

Bids must be submitted in duplicate, each in separate envelopes.

The bidder will state the price of each item or article contained in the specifications or schedules herein contained or hereto annexed, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and award made to the lowest bidder.

Delivery will be required to be made at the time and in the manner and in such quantities as may be directed.

Blank forms and further information may be obtained at the office of the Department of Street Cleaning, the Borough of Manhattan, Nos. 13-21 Park row.

WILLIAM H. EDWARDS, Commissioner.

Dated April 7, 1913. ^{a10,22}

^{a12} See General Instructions to Bidders on the last page, last column, of the "City Record."

MAIN OFFICE OF THE DEPARTMENT OF STREET CLEANING, ROOM 1403, NOS. 13-21 PARK ROW, BOROUGH OF MANHATTAN, THE CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Commissioner of Street Cleaning at the above office until 12 o'clock m., on

WEDNESDAY, APRIL 16, 1913.

Boroughs of Manhattan, The Bronx and Brooklyn.
FOR FURNISHING AND DELIVERING HARNESS SOAP.

The time for the delivery of the articles, materials and supplies and the performance of the contract is thirty (30) days.

The amount of security required is thirty per cent. (30%) of the amount of bid or estimate.

Bids must be submitted in duplicate, each in separate envelopes.

The bidder will state the price of each item or article contained in the specifications or schedules herein contained or hereto annexed, per pound, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and award made to the lowest bidder.

Delivery will be required to be made at the time and in the manner and in such quantities as may be directed.

Blank forms and further information may be obtained at the office of the Department of Street Cleaning, the Borough of Manhattan, Nos. 13-21 Park row.

WILLIAM H. EDWARDS, Commissioner.

Dated March 28, 1913. ^{a4,16}

^{a12} See General Instructions to Bidders on the last page, last column, of the "City Record."

MAIN OFFICE OF THE DEPARTMENT OF STREET CLEANING, ROOM 1403, NOS. 13-21 PARK ROW, BOROUGH OF MANHATTAN, THE CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Commissioner of Street Cleaning at the above office until 12 o'clock m., on

WEDNESDAY, APRIL 16, 1913.

Borough of Manhattan.
FOR FURNISHING AND DELIVERING HARNESS SOAP.

The time for the delivery of the articles, materials and supplies and the performance of the contract is thirty (30) days.

The amount of security required is thirty per cent. (30%) of the amount of bid or estimate.

Bids must be submitted in duplicate, each in separate envelopes.

The bidder will state the price of each item or article contained in the specifications or schedules herein contained or hereto annexed, per pound, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and award made to the lowest bidder.

Delivery will be required to be made at the time and in the manner and in such quantities as may be directed.

Blank forms and further information may be obtained at the office of the Department of Street Cleaning, the Borough of Manhattan, Nos. 13-21 Park row.

WILLIAM H. EDWARDS, Commissioner.

Dated April 7, 1913. ^{a4,16}

^{a12} See General Instructions to Bidders on the last page, last column, of the "City Record."

MAIN OFFICE OF THE DEPARTMENT OF STREET CLEANING, ROOM 1403, NOS. 13-21 PARK ROW, BOROUGH OF MANHATTAN, THE CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Commissioner of Street Cleaning at the above office until 12 o'clock m., on

WEDNESDAY, APRIL 16, 1913.

Boroughs of Manhattan, The Bronx and Brooklyn.
FOR FURNISHING AND DELIVERING STACKING AND STORING VALVES.

The time allowed for the delivery of the materials and supplies and the performance of the contract will be sixty (60) calendar days.

The security required will be One Thousand Dollars (\$1,000).

No. 2. FOR FURNISHING, DELIVERING, STACKING AND STORING DOUBLE NOZZLE FIRE HYDRANTS.

The time allowed for the delivery of the materials and supplies and the performance of the contract will be sixty (60) calendar days.

The security required will be Fifteen Hundred Dollars (\$1,500).

The bidder will state the price of work contained in the specifications or schedule, by which the bids will be tested. The bids will be compared and awards made to the lowest formal bidder in a lump or aggregate sum for each contract.

Bidders are requested to make their bids or estimates upon the blank form prepared by the Department, a copy of which, with the proper envelope in which to enclose the bid, together with a copy of the contract, including the specifications, in the form approved by the Corporation Counsel, can be obtained upon application thereto at the office of the Department, Room 1903, 13 to 21 Park row, Borough of Manhattan.

CHARLES B. STOVER, President; THOMAS J. HIGGINS, MICHAEL J. KENNEDY, WALTER G. ELIOT, Commissioners of Parks.

Dated April 7, 1913. ^{a4,16}

^{a12} See General Instructions to Bidders on the last page, last column, of the "City Record."

DEPARTMENT OF WATER SUPPLY, GAS AND ELECTRICITY, ROOM 1903, 13 TO 21 PARK ROW, BOROUGH OF MANHATTAN, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Commissioner of Water Supply, Gas and Electricity at the above office until 2 o'clock p. m., on

WEDNESDAY, APRIL 16, 1913.

Boroughs of Manhattan and The Bronx.
FOR HAULING AND LAYING WATER MAINS AND APPURTENANCES IN PELHAM, CROTONA, TREMONT AND BELMONT AVENUES, BOROUGH OF THE BRONX.

WEDNESDAY, APRIL 16, 1913.

All Boroughs.

1. FOR FURNISHING, DELIVERING, STORING AND TRIMMING COAL.

The time allowed for the performance of the contract is: Section I, before June 1, 1913; Sections VI, VII, XI, XIII, XIV, XVI, before September 1, 1913; Sections VIII, IX, X, before November 1, 1913; Sections II, III, IV, V, XII, XV, XVII, XVIII, XIX, XX, XXI, before December 31, 1913.

The amount of security shall be thirty (30) per cent. of the total amount for which the contract is awarded.

2. FOR FURNISHING AND DELIVERING MISCELLANEOUS SUPPLIES.

Classification No. 10—Drugs and chemicals, chloride of lime.

Classification No. 20—Iron, steel and other metals.

Classification No. 26—Miscellaneous; brass padlocks, mow wringers, white wood plugs, lamps, lanterns, charts, linen fire hose, hose rack, fire extinguishers, hydrant parts, etc.

Classification No. 40—Tools and implements.

The time allowed for the performance of the contract, unless otherwise specified, is thirty (30) calendar days.

The amount of security for the performance of the contract shall be thirty (30) per cent. of the total amount for which the contract is awarded.

No bid will be considered unless it is accompanied by a deposit, which shall be in the form of money, or a certified check upon one of the State or National banks of The City of New York, drawn to the order of the Comptroller, or corporate stock or certificate of indebtedness of any nature issued by The City of New York and approved by the Comptroller as of equal value to the security required.

Such deposit shall be in an amount not less than one and one-half (1½) per cent. of the total amount of the bid.

The bidder will state the price of each item or article contained in the specifications or schedules per pound, ton, dozen, gallon, yard or other unit of measure, by which the bids will be tested. Commissioner will award the contract to the lowest bidder on each section in No. 1 and to the lowest bidder in each item in No. 2 for all the articles, materials or supplies specified and contained in the specifications and schedule.

Bidders are requested to make their bids or estimates upon the blank form prepared by the Department, a copy of which, with the proper envelope in which to enclose the bid, together with a copy of the contract, including the specifications, in the form approved by the Corporation Counsel, can be obtained upon application therefor at the office of the Department, Room 1903, 13 to 21 Park row, Borough of Manhattan, where any further information desired may be obtained.

HENRY S. THOMPSON, Commissioner.

Dated April 1, 1913.

See General Instructions to Bidders on the last page, last column, of the "City Record."

DEPARTMENT OF EDUCATION.

Proposals.

DEPARTMENT OF EDUCATION, CORNER OF PARK AVE. AND 59TH ST., BOROUGH OF MANHATTAN, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Superintendent of School Buildings at the above office of the Department of Education until 11 o'clock a. m., on

MONDAY, APRIL 21, 1913.

Borough of Brooklyn.

NO. 1. FOR ALTERATIONS, REPAIRS, ETC., AT PUBLIC SCHOOLS 80, 98, 102, 103, 112, 118, 127, 128, 134, 139, 140, 152, 153, 163 AND 164, BOROUGH OF BROOKLYN.

The time allowed to complete the whole work on each school will be fifty-five working days, as provided in the contract.

The amount of security required is as follows:

Public School 80, \$300; Public School 98, \$300; Public School 102, \$600; Public School 103, \$600; Public School 112, \$600; Public School 118, \$300; Public School 127, \$300; Public School 128, \$400; Public School 134, \$600; Public School 139, \$400; Public School 140, \$600; Public School 152, \$400; Public School 153, \$200; Public School 163, \$400; Public School 164, \$400.

A separate proposal must be submitted for each school, and award will be made thereon.

The deposit accompanying bid on each school shall be five per centum of the amount of security.

NO. 2. FOR ITEM 1—INSTALLING HEATING AND VENTILATING APPARATUS, AND ITEM 2—INSTALLING TEMPERATURE REGULATION IN NEW PUBLIC SCHOOL 99, ON E. 9TH AND 10TH STS., ABOUT 200 FEET SOUTH OF HOWARD AVE., BOROUGH OF BROOKLYN.

The time allowed to complete the whole work of each item will be one hundred and thirty (130) working days, as provided in the contract.

The amount of security required is as follows:

Item 1, \$14,000; Item 2, \$1,000.

A separate proposal must be submitted for each item, and award will be made thereon.

The deposit accompanying bid on Item 1 or Item 2 shall be five per centum of the amount of security.

NO. 3. FOR FURNISHING AND DELIVERING GLASS TO VARIOUS SCHOOLS IN THE BOROUGH OF BROOKLYN.

The time allowed to complete the whole work will be sixty (60) working days, as provided in the contract.

The amount of security required is Sixteen Hundred Dollars (\$1,600).

The bid to be submitted must include the entire work on all schools, and award will be made thereon.

The deposit accompanying bid shall be five per centum of the amount of security.

On Nos. 1 and 2 the bidders must state the price of each item, by which the bids will be tested.

On No. 3 the bids will be compared and the contract will be awarded in a lump sum to the lowest bidder.

Blank forms, plans and specifications may be obtained or seen at the office of the Superintendent, at Estimating Room, ninth floor, Hall of the Board of Education, Park ave. and 59th st., Borough of Manhattan, and also at Branch Office, No. 131 Livingston st., Borough of Brooklyn.

C. B. J. SNYDER, Superintendent of School Buildings.

Dated April 9, 1913.

See General Instructions to Bidders on the last page, last column, of the "City Record."

DEPARTMENT OF EDUCATION, CORNER OF PARK AVE. AND 59TH ST., BOROUGH OF MANHATTAN, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Superintendent of School Buildings at the above office of the Department of Education until 11 o'clock a. m., on

MONDAY, APRIL 21, 1913.

Borough of Manhattan.

NO. 4. FOR ERECTING BRICK FENCE WALLS, ETC., AT PUBLIC SCHOOLS 16,

33, 45, 50, 112 AND 120, BOROUGH OF MANHATTAN.

The time allowed to complete the whole work on each school will be as follows:

Public School 16, thirty working days; Public School 33, thirty-five working days; Public School 45, thirty working days; Public School 50, twenty working days; Public School 112, thirty working days; Public School 120, thirty-five working days, as provided in the contract.

The amount of security required is as follows:

Public School 16, \$300; Public School 33, \$400; Public School 45, \$800; Public School 50, \$300; Public School 112, \$800; Public School 120, \$200.

A separate proposal must be submitted for each school, and award will be made thereon.

The deposit accompanying bid on each school shall be five per centum of the amount of security.

NO. 5. FOR FURNITURE ETC., FOR ADDITION TO PUBLIC SCHOOL 72, ON THE WESTERLY SIDE OF LEXINGTON AVE., BETWEEN 105TH AND 106TH STS., BOROUGH OF MANHATTAN.

The time allowed to complete the whole work will be sixty (60) working days, as provided in the contract.

The amount of security required is as follows:

Item 1, \$300; Item 2, \$100.

A separate proposal must be submitted for each item, and award will be made thereon.

The deposit accompanying bid on each item shall be five per centum of the amount of security.

Borough of Queens.

NO. 6. FOR ALTERATIONS, REPAIRS, ETC., AT PUBLIC SCHOOLS 1, 4, 6, 11, 16, 20, 31, 35, 39, 43, 44, 46, 50, 89; JAMAICA TRAINING SCHOOL, JAMAICA HIGH SCHOOL, NEWTON HIGH SCHOOL, BRYANT HIGH SCHOOL AND ASTORIA ATHLETIC FIELD, BOROUGH OF QUEENS.

The time allowed to complete the whole work on each school will be fifty-five (55) working days, as provided in the contract.

The amount of security required is as follows:

Public School 1, \$300; Public School 4, \$200; Public School 6, \$300; Public School 11, \$200; Public School 16, \$400; Public School 20, \$600; Public School 31, \$100; Public School 35, \$300; Public School 39, \$100; Public School 43, \$200; Public School 44, \$100; Public School 46, \$1,200; Public School 50, \$200; Public School 89, \$400; Jamaica Training School, \$600; Jamaica High School, 200; Newton High School, \$300; Bryant High School, \$200; Astoria Athletic Field, \$300.

A separate proposal must be submitted for each school, and award will be made thereon.

The deposit accompanying bid on each school shall be five per centum of the amount of security.

On Nos. 4, 5 and 6 the bidders must state the price of each item, by which the bids will be tested.

Blank forms, plans and specifications may be obtained or seen at the office of the Superintendent, at Estimating Room, ninth floor, Hall of the Board of Education, Park ave. and 59th st., Borough of Manhattan, and also at Branch Office, No. 69 Broadway, Flushing, Borough of Queens, for work for their respective boroughs.

C. B. J. SNYDER, Superintendent of School Buildings.

Dated April 9, 1913.

See General Instructions to Bidders on the last page, last column, of the "City Record."

DEPARTMENT OF EDUCATION, CORNER OF PARK AVENUE AND 59TH STREET, BOROUGH OF MANHATTAN, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Superintendent of School Buildings at the above office of the Department of Education until four o'clock p. m., on

MONDAY, APRIL 14, 1913.

Borough of Brooklyn.

NO. 1. FOR ITEM 1, INSTALLING HEATING AND VENTILATING APPARATUS, AND ITEM 2, INSTALLING TEMPERATURE REGULATION IN NEW PUBLIC SCHOOL 28, ON FULTON AND HERKIMER STS., ABOUT 200 FEET WEST OF HOWARD AVE., BOROUGH OF BROOKLYN.

The time allowed to complete the whole work of each item will be two hundred (200) working days, as provided in the contract.

The amount of security required is as follows:

Item 1, Twelve Thousand Dollars (\$12,000); Item 2, One Thousand Dollars (\$1,000).

A separate proposal must be submitted for each item, and award will be made thereon.

The deposit accompanying bid on Item 1 or Item 2 shall be five per centum of the amount of security.

On No. 1 the bidders must state the price of each item by which the bids will be tested.

Blank forms, plans and specifications may be obtained or seen at the office of the Superintendent, at estimating room, ninth floor, Hall of the Board of Education, Park ave. and 59th st., Borough of Manhattan, and also at branch office, No. 131 Livingston st., Borough of Brooklyn.

C. B. J. SNYDER, Superintendent of School Buildings.

Dated April 2, 1913.

See General Instructions to Bidders on the last page, last column, of the "City Record."

DEPARTMENT OF EDUCATION, CORNER OF PARK AVE. AND 59TH ST., BOROUGH OF MANHATTAN, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Superintendent of School Buildings at the above office of the Department of Education until four o'clock p. m., on

MONDAY, APRIL 14, 1913.

Borough of Manhattan.

NO. 2. FOR ITEM 1, GENERAL CONSTRUCTION (CONTRACT NO. 2), ALSO ITEM 2, PLUMBING AND DRAINAGE OF NEW PUBLIC SCHOOL 115, ON 176TH AND 177TH STS., ABOUT 100 FEET EAST OF ST. NICHOLAS AVE., BOROUGH OF MANHATTAN.

The time allowed to complete the whole work will be two hundred and seventy-five (275) working days, as provided in the contract.

The amount of security required is as follows:

Item No. 1, One Hundred Thousand Dollars (\$100,000); Item 2, Eight Thousand Dollars (\$8,000).

A separate proposal must be submitted for each item, and award will be made thereon.

The deposit accompanying bid on Item 1 or Item 2 shall be five per centum of the amount of security.

On No. 2 the bidders must state the price of each item by which the bids will be tested.

Blank forms, plans and specifications may be obtained or seen at the office of the Superintendent, at estimating room, ninth floor, Hall of the Board of Education, Park ave. and 59th st., Borough of Manhattan.

C. B. J. SNYDER, Superintendent of School Buildings.

Dated April 2, 1913.

See General Instructions to Bidders on the last page, last column, of the "City Record."

DEPARTMENT OF EDUCATION, CORNER OF PARK AVE. AND 59TH ST., BOROUGH OF MANHATTAN, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the Superintendent of School Buildings at the above office of the Department of Education until 11 o'clock a. m., on

MONDAY, APRIL 21, 1913.

Borough of Manhattan.

NO. 4. FOR ERECTING BRICK FENCE WALLS, ETC., AT PUBLIC SCHOOLS 16,

33, 45, 50, 112 AND 120, BOROUGH OF MANHATTAN.

The time allowed to complete the whole work will be sixty (60) working days, as provided in the contract.

The amount of security required is Sixteen Hundred Dollars (\$1,600).

The bid to be submitted must include the entire work on all schools, and award will be made thereon.

The deposit accompanying bid shall be five per centum of the amount of security.

On Nos. 1 and 2 the bidders must state the price of each item, by which the bids will be tested.

On No. 3 the bids will be compared and the contract will be awarded in a lump sum to the lowest bidder.

The above assessment was certified to the Collector of Assessments and Arrears, under the provisions of section 391 of the Greater New York Charter.

—that the same was entered on April 8, 1913, in the Record of Titles of Assessments, kept in the Bureau for the Collection of Assessments and Arrears of Taxes and Assessments and of Water Rents, and unless the amount assessed for benefit on any person or property shall be paid within sixty days after the date of said entry of the assessment, interest will be collected thereon, as provided in section 1019 of said Greater New York Charter.

Said section provides, in part, "If any such assessment shall remain unpaid for the period of sixty days after the date of entry thereof in the said Record of Titles of Assessments, it shall be the duty of the officer authorized to collect and receive the amount of such assessment, to charge, collect and receive interest thereon at the rate of seven per centum per annum, to be calculated to the date of payment, from the date when such assessment became a lien, as provided by section 159 of this act."

Section 159 of this act provides * * * "An assessment shall become a lien upon the real estate affected thereby ten days after its entry in the said record."

The above assessment is payable to the Collector of Assessments and Arrears at the Bureau for the Collection of Assessments and Arrears of Taxes and Assessments and of Water Rents, Room H, 280 Broadway, Borough of Manhattan, between the hours of 9 a. m. and 2 p. m., and on Saturdays from 9 a. m. to 12 m., and all payments made thereon on or before June 7, 1913, will be exempt from interest, as above provided, and after that date will be subject to a charge of interest at the rate of seven per centum per annum, from the date when such assessment became a lien to the date of payment.

WM. A. PRENDERGAST, Comptroller.
City of New York, Department of Finance,
Comptroller's Office, April 8, 1913. a11,22

NOTICE TO PROPERTY OWNERS.

IN PURSUANCE OF SECTION 1018 OF THE Greater New York Charter, the Comptroller of The City of New York hereby gives public notice to all persons, owners of property, affected by the following assessments for LOCAL IMPROVEMENTS in the BOROUGH OF BROOKLYN:

SIXTEENTH WARD, SECTION 8.
MONTROSE AVENUE, as extended—PAV-
ING, from Union ave. to Broadway. Area of assessment: Both sides of Montrose ave., from Union ave. to Broadway, and to the extent of half the block at the intersecting streets and avenue.

EIGHTH WARD, SECTION 3; TWENTY-
SIXTH WARD, SECTIONS 12 AND 13;
TWENTY-NINTH WARD, SECTION 16,
AND TWENTY-EIGHTH WARD, SECTION 11.

FENCING LOTS ON SIXTH AVENUE, east side, between 21st and 22d sts.; SHERMAN STREET, east side, between Reeve place and Greenwood ave.; SACKMAN STREET, west side, between Liberty and East New York ave.; CHRISTOPHER STREET, east side, between Liberty and East New York ave.; WARWICK STREET, west side, between Belmont and Sutter aves.; LIBERTY AVENUE, south side, between Railroad and Lincoln aves.; LINCOLN AVENUE, west side, between Liberty and Glenmore aves.; ARLINGTON AVENUE, north side, between Dresden st. and Shepherd ave.; DRESDEN STREET, west side, between Arlington and Ridgewood aves.; KNICKER-
BOCKER AVENUE, north side, between Woodbine and Palmetto sts., and PALMETTO STREET, east side, between Knickerbocker and Irving aves. Area of assessment affects Lot 3, Block 898; Lots 19, 40, 43 and 46, Block 5279; Lots 1 and 27, Block 3676; Block 4030; Lots 21, 22 and 25, Block 4201; Lots 61 and 62, Block 3929; Lots 1, 4 and 8, Block 3362.

TWENTY-SIXTH WARD, SECTION 13.
ATKINS AVENUE—REGULATING, GRAD-
ING, CURBING AND FLAGGING, between Sutter and Blake aves. Area of assessment: Both sides of Atkins ave., from Sutter to Blake ave., and to the extent of half the block at the intersecting avenues.

TWENTY-NINTH WARD, SECTION 15.
HAWTHORNE STREET—REGULATING,
GRADING, CURBING AND FLAGGING, be-
tween New York and Kingston aves. Area of assessment: Both sides of Hawthorne st., from New York to Kingston aves., and to the extent of half the block at the intersecting avenues.

CLARKSON AVENUE—REGULATING,
GRADING, CURBING AND FLAGGING, from Troy ave. to E. 98th st. Area of assessment: Both sides of Clarkson ave., from Troy ave. to E. 98th st., and to the extent of half the block at the intersecting streets.

LOUISA STREET—SEWER, from Chester ave. to 36th st. Area of assessment affects Lots 9, 18 and 29, in Block 5310, and Lots 9 and 10, in Block 5312.

AVENUE C—PAVING, from Ocean parkway to E. 3d st. Area of assessment: Both sides of Avenue C, from Ocean parkway to E. 3d st., and to the extent of half the block at the intersecting streets.

ALBEMARLE ROAD—PAVING AND CURBING, between E. 3d and E. 5th sts. Area of assessment: Both sides of Albemarle road, from E. 3d to E. 5th sts., and to the extent of half the block at the intersecting streets.

CHESTER AVENUE—REGULATING,
GRADING, CURBING AND FLAGGING, be-
tween Fort Hamilton ave. and Louis st. Area of assessment: Both sides of Chester ave., from Fort Hamilton ave. to Louis st., and to the extent of 100 feet at the intersecting streets.

EAST 4TH STREET—PRELIMINARY
PAVEMENT, from Church ave. to Albemarle road. Area of assessment: Both sides of E. 4th st., from Church ave. to Albemarle road, and to the extent of half the block at the intersecting streets.

TWENTY-SECOND WARD, SECTIONS 3
AND 4; THIRTIETH WARD, SECTIONS
17, 18 AND 19.

FLAGGING EIGHTY-SECOND STREET, be-
tween 11th and 12th aves.; SENATOR
STREET, north side, between 3d and 4th aves.;
TENTH AVENUE, east side, between 18th and
19th sts.; WINDSOR PLACE, south side, be-
tween Howard and Fuller places; FIFTY-
FIFTH STREET, between 12th and 13th aves. Area of assessment: Both sides of 82d st., from 11th to 12th aves.; north side of Senator st., from 3d to 4th aves.; Lot 1, Block 884; Lot 38, Block 1114; both sides of 55th st., between 12th and 13th aves.

THIRTIETH WARD, SECTION 17.
SEWERS, in SIXTY-FIRST STREET, from
21st ave. to Bay parkway, and in SIXTY-
SECOND STREET, from 21st ave. to Bay park-
way. Area of assessment affects Blocks Nos.
5522, 5529 and 5536.

SIXTY-SIXTH STREET—SEWER, between 12th and 13th aves. Area of assessment: Both sides of 66th st., from 12th to 13th aves.

SEWERS, in SIXTEENTH AVENUE, be-
tween 45th and 47th sts., and between 48th
and 52d sts. Area of assessment affects both
sides of 16th ave., between 45th and 47th sts.,
and 48th and 52d sts.

THIRTIETH WARD, SECTION 18.
SEWER, in SEVENTY-THIRD STREET, be-
tween 10th and 11th aves., and in SEVENTY-
SECOND STREET, between 10th and 11th
avens. Area of assessment affects Blocks Nos.
5903, 5914 and 5924.

SEVENTY-THIRD STREET—REGULAT-
ING, GRADING, CURBING AND FLAGGING,
between 10th and 11th aves. Area of assessment:
Both sides of 73d st., from 10th to 11th
avens., and to the extent of half the block at
the intersecting avens.

THIRTIETH WARD, SECTIONS 18 AND 19.

SEWER, in TENTH AVENUE, from 77th to
79th sts.; SEVENTY-EIGHTH STREET, be-
tween 10th and Fort Hamilton aves.; FORT
HAMPTON AVENUE, east side, between 78th
st. and 7th ave.; SEVENTH AVENUE, east
side, between Fort Hamilton ave. and 79th st.
Area of assessment affects Blocks Nos. 6242,
5945, 5954, 5964, 5965, 5973 and 5974.

THIRTIETH WARD, SECTION 19.

FIFTEENTH AVENUE—REGULATING,
GRADING, CURBING AND FLAGGING, from
Bath to Cropey ave. Area of assessment:
Both sides of 15th ave., from Bath to Cropey
ave., and to the extent of half the block at
the intersecting avens.

SEWERS, in SEVENTY-FIFTH STREET,
between New Utrecht and 16th aves., and in
NEW Utrecht AVENUE, west side, be-
tween 24th and 25th sts. Area of assessment
affects Blocks Nos. 6214 and 6225.

THIRTY-FIRST WARD, SECTION 20.

AVENUE L—REGULATING, GRADING,
CURBING AND FLAGGING, from Coney
Island ave. to E. 15th st., and from E. 16th
st. to Ocean ave. Area of assessment: Both
sides of Avenue L, from E. 15th st. to Coney
Island ave., and from E. 16th st. to Ocean
ave., and to the extent of half the block at
the intersecting streets.

THIRTY-SECOND WARD, SECTION 24.

SEA VIEW AVENUE—REGULATING,
GRADING, CURBING AND FLAGGING, be-
tween Rockaway ave. and a point about 400
feet easterly. Area of assessment affects Blocks
Nos. 8300, 8328 and 8329.

—that the same were confirmed by the Board
of Assessors on April 1, 1913, and entered April
2, 1913, in the Record of Titles of Assessments,
kept in the Bureau for the Collection of Assessments
and Arrears of Taxes and Assessments and of
Water Rents, and unless the amount assessed
for benefit on any person or property shall be
paid within sixty days after the date of said
entry of the assessments, interest will be collected
thereon, as provided by section 1019 of the Greater New York Charter.

Said section provides, in part, "If any such
assessment shall remain unpaid for the period of
sixty days after the date of entry thereof in the
said Record of Titles of Assessments, it shall be
the duty of the officer authorized to collect and
receive the amount of such assessment, to charge,
collect and receive interest thereon at the rate of
seven per centum per annum, to be calculated
to the date of payment, from the date when
such assessment became a lien, as provided by
section 159 of this act."

Section 159 of this act provides * * * "An
assessment shall become a lien upon the real
estate affected thereby ten days after its entry
in the said record."

The above assessment is payable to the Collec-
tor of Assessments and Arrears at the Bureau
for the Collection of Assessments and Arrears
of Taxes and Assessments and of Water Rents,
Room H, 280 Broadway, Borough of Manhat-
tan, between the hours of 9 a. m. and 2 p. m., and
on Saturdays from 9 a. m. to 12 m., and all pay-
ments made thereon on or before June 7, 1913,
will be exempt from interest, as above provided,
and after that date will be subject to a charge of
interest at the rate of seven per centum per
annum, from the date when such assessment
became a lien to the date of payment.

The above assessment is payable to the Collec-
tor of Assessments and Arrears at the Bureau
for the Collection of Assessments and Arrears
of Taxes and Assessments and of Water Rents,
Room H, 280 Broadway, Borough of Manhat-
tan, between the hours of 9 a. m. and 2 p. m., and
on Saturdays from 9 a. m. to 12 m., and all pay-
ments made thereon on or before June 7, 1913,
will be exempt from interest, as above provided,
and after that date will be subject to a charge of
interest at the rate of seven per centum per
annum, from the date when such assessment
became a lien to the date of payment.

The above assessment is payable to the Collec-
tor of Assessments and Arrears at the Bureau
for the Collection of Assessments and Arrears
of Taxes and Assessments and of Water Rents,
Room H, 280 Broadway, Borough of Manhat-
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will be exempt from interest, as above provided,
and after that date will be subject to a charge of<br

Sealed bids (blank forms of which may be obtained upon application) will be received by the Comptroller at the office of the Collector of City Revenue, Room K, No. 280 Broadway, Borough of Manhattan, until 11 a. m., on the 25th day of April, 1913, and then publicly opened for the sale for removal of the above described buildings and appurtenances thereto, and the award will be made to the highest bidder within twenty-four hours, or as soon as possible thereafter.

Each parcel must be bid for separately and will be sold in its entirety, as described in above advertisement.

Each and every bid must be accompanied by a deposit of cash or certified check in a sum equal to 25 per cent. of the amount of the bid, except that a minimum deposit of \$50 will be required with all bids, and that a deposit of \$500 will be sufficient to entitle bidders to bid on any or all of the buildings.

Deposits of unsuccessful bidders will be returned within twenty-four hours after successful bidders have paid purchase price in full and given security, and those of successful bidders may be declared forfeited to The City of New York by the Comptroller upon the failure of the successful bidder to further comply with the requirements of the terms and conditions of the sale as set forth hereinafter.

Successful bidders will be required to pay the purchase money and deposit the required security within twenty-four hours of the receipt of notification of the acceptance of their bids.

The Comptroller reserves the right to reject any and all bids and to waive any defects or informalities in any bid should it be deemed in the interest of The City of New York to do so.

All bids must state clearly (1) the number or description of the building or buildings bid for, (2) the amount of the bid, (3) the full name and address of the bidder.

All bids must be enclosed in properly sealed envelopes, marked "Proposals to be opened April 25, 1913," and must be delivered, or mailed in time for their delivery, prior to 11 a. m. of that date to the "Collector of City Revenue," Room K, No. 280 Broadway, New York City, from whom any further particulars regarding the buildings to be disposed of may be obtained.

THE BUILDINGS WILL BE SOLD FOR IMMEDIATE REMOVAL ONLY, SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS ISSUE OF THE "CITY RECORD."

WM. A. PRENDERGAST, Comptroller.
City of New York, Department of Finance, Comptroller's Office, April 7, 1913. \$2,25

CORPORATION SALE OF BUILDINGS AND APPURTENANCES THERETO ON CITY REAL ESTATE BY SEALED BIDS.

AT THE REQUEST OF THE PRESIDENT of the Borough of Brooklyn, public notice is hereby given that the Commissioners of the Sinking Fund, by virtue of the powers vested in them by law, will offer for sale by sealed bids certain encroachments standing upon property owned by The City of New York, acquired by it for street opening purposes in the

Borough of Brooklyn.
Being the buildings, parts of buildings, etc., standing within the lines of W. 30th st., from Surf ave., to the mean high water line of the Atlantic Ocean, in the Borough of Brooklyn, all of which are more particularly described on a certain map on file in the office of the Collector of City Revenue, Department of Finance, Room K, No. 280 Broadway, Borough of Manhattan.

Pursuant to a resolution of the Commissioners of the Sinking Fund adopted at a meeting held April 2, 1913, the sale by sealed bids at the upset or minimum prices named in the description of each parcel, of the above described buildings and appurtenances thereto will be held by direction of the Comptroller on

THURSDAY, APRIL 24, 1913.

at 11 a. m., in lots and parcels and in manner and form and at upset prices as follows:

Parcel No. 171. One-story frame house on W. 30th st., about 600 feet south of Surf ave. Also part of one-story frame house east of said house. Cut 3.2 feet on north side by line of street. Upset price, \$30.

Parcel No. 174. Porch of three-story frame house on the southwest corner of W. 30th st. and Surf ave. Upset price, \$10.

Parcel No. 179. Platform of three-story frame hotel west of Parcel No. 171. Upset price, \$10.

Sealed bids (blank forms of which may be obtained upon application) will be received by the Comptroller at the office of the Collector of City Revenue, Room K, No. 280 Broadway, Borough of Manhattan, until 11 a. m., on the 24th day of April, 1913, and then publicly opened for the sale for removal of the above described buildings and appurtenances thereto, and the award will be made to the highest bidder within twenty-four hours, or as soon as possible thereafter.

Each parcel must be bid for separately and will be sold in its entirety, as described in above advertisement.

Each and every bid must be accompanied by a deposit of cash or certified check in a sum equal to 25 per cent. of the amount of the bid, except that a minimum deposit of \$50 will be required with all bids, and that a deposit of \$500 will be sufficient to entitle bidders to bid on any or all of the buildings.

Deposits of unsuccessful bidders will be returned within twenty-four hours after successful bidders have paid purchase price in full and given security, and those of successful bidders may be declared forfeited to The City of New York by the Comptroller upon the failure of the successful bidder to further comply with the requirements of the terms and conditions of the sale as set forth hereinafter.

Successful bidders will be required to pay the purchase money and deposit the required security within twenty-four hours of the receipt of notification of the acceptance of their bids.

The Comptroller reserves the right to reject any and all bids and to waive any defects or informalities in any bid should it be deemed in the interest of The City of New York to do so.

All bids must state clearly (1) the number or description of the building or buildings bid for, (2) the amount of the bid, (3) the full name and address of the bidder.

All bids must be enclosed in properly sealed envelopes, marked "Proposals to be opened April 24, 1913," and must be delivered, or mailed in time for their delivery, prior to 11 a. m. of that date to the "Collector of City Revenue," Room K, No. 280 Broadway, New York City, from whom any further particulars regarding the buildings to be disposed of may be obtained.

THE BUILDINGS WILL BE SOLD FOR IMMEDIATE REMOVAL ONLY, SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS ISSUE OF THE "CITY RECORD."

WM. A. PRENDERGAST, Comptroller.
City of New York, Department of Finance, Comptroller's Office, April 4, 1913. \$7,23

CORPORATION SALE OF BUILDINGS AND APPURTENANCES THERETO ON CITY REAL ESTATE BY SEALED BIDS.

AT THE REQUEST OF THE PRESIDENT OF THE BOROUGH OF BROOKLYN, public notice is hereby given that the Commissioners of the Sinking Fund, by virtue of the powers vested in them by law, will offer for sale by sealed bids certain encroachments standing upon property owned by The City of New York, acquired by it for street opening purposes in the

Borough of Brooklyn.

Being the buildings, parts of buildings, etc., standing within the lines of W. 19th st., from Mermaid ave., to Surf ave., and W. 20th st., from Neptune ave. to Surf ave., in the Borough of Brooklyn, all of which are more particularly described on a certain map on file in the office of the Collector of City Revenue, Department of Finance, Room K, No. 280 Broadway, New York City, from whom any further particulars regarding the buildings to be disposed of may be obtained.

THE BUILDINGS WILL BE SOLD FOR IMMEDIATE REMOVAL ONLY, SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS ISSUE OF THE "CITY RECORD."

WM. A. PRENDERGAST, Comptroller.
City of New York, Department of Finance, Comptroller's Office, April 4, 1913. \$2,24

CORPORATION SALE OF BUILDINGS AND APPURTENANCES THERETO ON CITY REAL ESTATE BY SEALED BIDS.

AT THE REQUEST OF THE PRESIDENT OF THE BOROUGH OF RICHMOND, public notice

is hereby given that the Commissioners of the Sinking Fund, by virtue of the powers vested in them by law, will offer for sale by sealed bids certain encroachments standing upon property owned by The City of New York, acquired by it for street opening purposes, in the

Borough of Richmond.
Being the buildings, parts of buildings, etc., standing within the lines of Knox st., from Richmond terrace to Market st., and Market st., from Broadway to Burger ave., in the 1st Ward of the Borough of Richmond, which are more particularly described on a certain map on file in the office of the Collector of City Revenue, Department of Finance, Room K, No. 280 Broadway, Borough of Manhattan.

Pursuant to a resolution of the Commissioners of the Sinking Fund, adopted at a meeting held April 2, 1913, the sale by sealed bids at the upset or minimum prices named in the description of each parcel of the above described buildings and appurtenances thereto will be held by direction of the Comptroller on

WEDNESDAY, APRIL 23, 1913.

at 11 a. m., in lots and parcels and in manner and form and at upset prices as follows:

Parcel No. 4. Part of summer house on east side of Knox st., about 90 feet south of Richmond terrace. Cut 4 feet on north and south sides. Upset price, \$5.

Parcel No. 45. Part of two-story frame house with one-story extension, No. 309 Franklin st. Cut 31.45 feet on front by 12.9 feet on rear extension. Upset price, \$25.

Parcel No. 46. Part of two and one-half-story frame house, No. 311 Franklin st. Cut 15.5 feet on front by 12.8 feet on rear end. Upset price, \$30.

Parcel No. 50. Two and one-half-story frame house and chicken house, No. 308 Franklin st. Upset price, \$30.

Parcel No. 54. Part of one and one-half-story frame house, No. 32 Union st. Cut 9.9 feet on east side by 2.8 feet on south extension. Upset price, \$50.

Parcel No. 56. Part of one and one-half-story frame house with one-story extension and outhouse, No. 717 Henderson ave. Cut 2.11 feet on west side by 10.56 feet on north end. Upset price, \$30.

Parcel No. 57. Part of frame barn northeast of Parcel No. 56. Cut 13.41 feet on south side by 16 feet on north side. Upset price, \$5.

Parcel No. 79. Part of two-story frame house and one-story frame shed on southeast corner of Broadway and Market st. Cut house 9.74 feet on west front by 7.05 feet on east extension. Cut shed 6.5 feet on west side by 6 feet on east side. Upset price, \$50.

Parcels Nos. 96 and 97. Part of porch of two and one-half-story frame house on south side of Market st., about 110 feet west of Burger ave. Cut 1.36 feet on west side by 1.1 feet on east side. Also part of one-story frame storefront. Cut 5.29 feet on west side by 4.78 feet on east side. Upset price, \$5.

Sealed bids (blank forms of which may be obtained upon application) will be received by the Comptroller at the office of the Collector of City Revenue, Room K, No. 280 Broadway, Borough of Manhattan, until 11 a. m., on the 23rd day of April, 1913, and then publicly opened for the sale for removal of the above described buildings and appurtenances thereto, and the award will be made to the highest bidder within twenty-four hours, or as soon as possible thereafter.

Each parcel must be bid for separately and will be sold in its entirety, as described in above advertisement.

Each and every bid must be accompanied by a deposit of cash or certified check in a sum equal to 25 per cent. of the amount of the bid, except that a minimum deposit of \$50 will be required with all bids, and that a deposit of \$500 will be sufficient to entitle bidders to bid on any or all of the buildings.

Deposits of unsuccessful bidders will be returned within twenty-four hours after successful bidders have paid purchase price in full and given security, and those of successful bidders may be declared forfeited to The City of New York by the Comptroller upon the failure of the successful bidder to further comply with the terms and conditions of the sale as set forth hereinafter.

Successful bidders will be required to pay the purchase money and deposit the required security within twenty-four hours of the receipt of notification of the acceptance of their bids.

The Comptroller reserves the right to reject any and all bids and to waive any defects or informalities in any bid should it be deemed in the interest of The City of New York to do so.

All bids must state clearly (1) the number or description of the building or buildings bid for, (2) the amount of the bid, (3) the full name and address of the bidder.

All bids must be enclosed in properly sealed envelopes, marked "Proposals to be opened April 23, 1913," and must be delivered, or mailed in time for their delivery, prior to 11 a. m. of that date to the "Collector of City Revenue," Room K, No. 280 Broadway, New York City, from whom any further particulars regarding the buildings to be disposed of may be obtained.

THE BUILDINGS WILL BE SOLD FOR IMMEDIATE REMOVAL ONLY, SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS ISSUE OF THE "CITY RECORD."

WM. A. PRENDERGAST, Comptroller.
City of New York, Department of Finance, Comptroller's Office, April 4, 1913. \$7,23

CORPORATION SALE OF BUILDINGS AND APPURTENANCES THERETO ON CITY REAL ESTATE BY SEALED BIDS.

AT THE REQUEST OF THE PRESIDENT OF THE BOROUGH OF RICHMOND, public notice is hereby given that the Commissioners of the Sinking Fund, by virtue of the powers vested in them by law, will offer for sale by sealed bids certain encroachments standing upon property owned by The City of New York, acquired by it for street opening purposes in the

Borough of Richmond.

Being the buildings, parts of buildings, etc., standing within the lines of W. 19th st., from Mermaid ave., to Surf ave., and W. 20th st., from Neptune ave. to Surf ave., in the Borough of Richmond, all of which are more particularly described on a certain map on file in the office of the Collector of City Revenue, Department of Finance, Room K, No. 280 Broadway, New York City, from whom any further particulars regarding the buildings to be disposed of may be obtained.

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City of New York, Department of Finance, Comptroller's Office, April 4, 1913. \$2,24

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Being the buildings, parts of buildings, etc., standing within the lines of Knox st., from Richmond terrace to Market st., and Market st., from Broadway to Burger ave., in the 1st Ward of the Borough of Richmond, which are more particularly described on a certain map on file in the office of the Collector of City Revenue, Department of Finance, Room K, No. 280 Broadway, Borough of Manhattan.

Pursuant to a resolution of the Commissioners of the Sinking Fund, adopted at a meeting held April 2, 1913, the sale by sealed bids at the upset or minimum prices named in the description of each parcel, of the above described buildings and appurtenances thereto, and the award will be made to the highest bidder within twenty-four hours, or as soon as possible thereafter.

Each parcel must be bid for separately and will be sold in its entirety, as described in above advertisement.

Each and every bid must be accompanied by a deposit of cash or certified check in a sum equal to 25 per cent. of the amount of the bid, except that a minimum deposit of \$50 will be required with all bids, and that a deposit of \$500 will be sufficient to entitle bidders to bid on any or all of the buildings.

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Successful bidders will be required to pay the purchase money and deposit the required security within twenty-four hours of the receipt of notification of the acceptance of their bids.

The Comptroller reserves the right to reject any and all bids and to waive any defects or informalities in any bid should it be deemed in the interest of The City of New York to do so.

All bids must state clearly (1) the number or description of the building or buildings bid for, (2) the amount of the bid, (3) the full name and address of the bidder.

All bids must be enclosed in properly sealed envelopes, marked "Proposals to be opened April 2, 1913," and must be delivered, or mailed in time for their delivery, prior to 11 a. m. of that date to the "Collector of City Revenue," Room K, No. 280 Broadway, New York City, from whom any further particulars regarding the buildings to be disposed of may be obtained.

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WM. A. PRENDERGAST, Comptroller.
City of New York, Department of Finance, Comptroller's Office, April 4, 1913. \$2,24

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Borough of Richmond.

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THE BUILDINGS WILL BE SOLD FOR IMMEDIATE REMOVAL ONLY, SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS ISSUE OF THE "CITY RECORD."

WM. A. PRENDERGAST, Comptroller.
City of New York, Department of Finance, Comptroller's Office, April 4, 1913. \$2,24

BOROUGH OF THE BRONX.

Proposals.

OFFICE OF THE PRESIDENT OF THE BOROUGH OF THE BRONX, MUNICIPAL BUILDING, CROTONA PARK, 177TH ST. AND 3D AVE.
SEALED BIDS OR ESTIMATES WILL BE received by the President of the Borough of the Bronx at the above office until 10:30 a. m. on

WEDNESDAY, APRIL 16, 1913.
No. 1. FOR REGULATING, GRADING, SETTING CURBSTONE, FLAGGING SIDEWALKS, LAYING CROSSWALKS, BUILDING APPROACHES WHERE NECESSARY IN TAYLOR AVENUE, FROM GLEASON AVENUE TO WESTCHESTER AVENUE, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

600 cubic yards of excavation of all kinds.
1,200 cubic yards of filling.
1,430 linear feet of new curb.
200 square feet of old flagging.
5,530 square feet of cement flagging.
112 square feet of new bridgestone.
50 cubic yards of dry rubble masonry.

The time allowed for the completion of the work will be thirty (30) working days.

The amount of security required will be One Thousand Two Hundred Dollars (\$1,200).

No. 2. FOR REGULATING, GRADING AND REGRADING, SETTING AND RESETTING CURBSTONE, FLAGGING AND REFLAGGING SIDEWALKS, LAYING AND REPAIRING CROSSWALKS, BUILDING APPROACHES AND ERECTING FENCES WHERE NECESSARY IN EAST 188TH STREET, FROM JEROME AVENUE TO CRESTON AVENUE, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

50 cubic yards of excavation of all kinds.
1,950 cubic yards of filling.
30 linear feet of new curb.
580 linear feet of old curb.
180 square feet of new flagging.
2,280 square feet of old flagging.
20 square feet of new bridgestone.
135 square feet of old bridgestone.
150 cubic yards of dry rubble masonry.
310 linear feet of guard rail.

The time allowed for the completion of the work will be thirty (30) working days.

The amount of security required will be Seven Hundred and Fifty Dollars (\$750).

No. 3. FOR REGULATING, GRADING, SETTING CURBSTONE, FLAGGING SIDEWALKS, LAYING CROSSWALKS, BUILDING APPROACHES AND ERECTING FENCES WHERE NECESSARY IN WEST 172D STREET, BETWEEN JEROME AVENUE AND INWOOD AVENUE, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

1,300 cubic yards of earth excavation.
800 cubic yards of rock excavation.
500 cubic yards of filling.
670 linear feet of new curb.
2,850 square feet of concrete sidewalk.

The time allowed for the completion of the work will be thirty (30) working days.

The amount of security required will be One Thousand Four Hundred Dollars (\$1,400).

No. 4. FOR REGULATING, GRADING, SETTING CURBSTONE, FLAGGING SIDEWALKS, LAYING CROSSWALKS, BUILDING APPROACHES AND ERECTING FENCES WHERE NECESSARY IN GLEBE AVENUE, FROM ZEREGA AVENUE TO OVERING STREET, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

1,050 cubic yards of earth excavation.
10 cubic yards of rock excavation.
870 cubic yards of filling.
2,460 linear feet of new curb.
9,600 square feet of concrete sidewalk.
900 square feet of new bridgestone.
25 linear feet of vitrified pipe, 12 inches in diameter.

The time allowed for the completion of the work will be forty (40) working days.

The amount of security required will be Two Thousand Dollars (\$2,000).

No. 5. FOR REGULATING, GRADING, SETTING CURBSTONE, FLAGGING SIDEWALKS, LAYING CROSSWALKS, BUILDING APPROACHES AND ERECTING FENCES WHERE NECESSARY IN WEST 179TH STREET, BETWEEN OSBORNE PLACE AND AQUEDUCT AVENUE, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

6,300 cubic yards of earth excavation.
6,200 cubic yards of rock excavation.
2,800 cubic yards of filling.
2,300 linear feet of new curb.
9,250 square feet of concrete sidewalk.
120 square feet of new bridgestone.
100 cubic yards of dry rubble masonry.
50 linear feet of vitrified pipe, 12 inches in diameter.

150 linear feet of guard rail.

The time allowed for the completion of the work will be one hundred and fifty (150) working days.

The amount of security required will be Seven Thousand Dollars (\$7,000).

No. 6. FOR REPAVING WITH REDRESSED GRANITE BLOCKS ON A CONCRETE FOUNDATION THE ROADWAY OF TREMONT AVENUE, FROM WEBSTER AVENUE TO EASTERLY SIDE OF THIRD AVENUE, AND SETTING CURB WHERE NECESSARY, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

6,385 square yards of completed redressed granite block pavement on a concrete foundation, laid with cement grout joints, and keeping the same in repair for one year from date of acceptance.

1,160 cubic yards of Class B concrete.
2,200 linear feet of new granite curbstone, furnished and set.

1,700 square feet of new granite bridgestone for crosswalks, furnished and laid.

The time allowed for the completion of the work will be seventy-five (75) consecutive working days.

The amount of security required will be Eight Thousand Dollars (\$8,000).

No. 7. FOR REPAVING WITH REDRESSED GRANITE BLOCKS ON A CONCRETE FOUNDATION THE ROADWAYS OF EAST 150TH STREET, FROM THIRD AVENUE TO MELROSE AVENUE; EAST 151ST STREET, FROM THIRD AVENUE TO MELROSE AVENUE; EAST 155TH STREET, FROM THIRD AVENUE TO ELTON AVENUE; ELTON AVENUE, FROM THIRD AVENUE TO EAST 155TH STREET, AND SETTING CURB WHERE NECESSARY, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

3,000 square yards of completed redressed granite block pavement, on a concrete foundation, laid with cement grout joints, and keeping

the same in repair for one year from date of acceptance.

625 cubic yards of Class "B" concrete.
1,300 linear feet of new bluestone curbstone, furnished and set.

1,290 square feet of new granite bridgestone for crosswalks, furnished and laid.

800 linear feet of new granite curbstone, furnished and set.

The time allowed for the completion of the work will be fifty (50) consecutive working days.

The amount of security required will be Four Thousand Five Hundred Dollars (\$4,500).

No. 8. FOR REPAVING WITH REDRESSED GRANITE BLOCKS ON A CONCRETE FOUNDATION THE ROADWAY OF BROOK AVENUE, FROM EAST 156TH STREET TO THIRD AVENUE, AND SETTING CURB WHERE NECESSARY, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

600 cubic yards of excavation of all kinds.
1,200 cubic yards of filling.
1,430 linear feet of new curb.
200 square feet of old flagging.
5,530 square feet of cement flagging.
112 square feet of new bridgestone.
50 cubic yards of dry rubble masonry.

The time allowed for the completion of the work will be thirty (30) working days.

The amount of security required will be One Thousand Two Hundred Dollars (\$1,200).

No. 9. FOR REPAVING WITH SHEET ASPHALT AND ASPHALT BLOCKS ON EXISTING CONCRETE FOUNDATION THE ROADWAY OF FOX STREET, FROM 165TH STREET NORTHERLY TO INTERVALE AVENUE, AND SETTING CURB WHERE NECESSARY, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

5,290 square yards of completed redressed granite block pavement, on a concrete foundation, laid with cement grout joints, and keeping the same in repair for one year from date of acceptance.

1,230 cubic yards of Class B concrete.
1,860 linear feet of new granite curbstone, furnished and set.

1,170 square feet of new granite bridgestone for crosswalks, furnished and laid.

265 square feet of old bluestone bridgestone, rejoined and relaid.

The time allowed for the completion of the work will be ninety (90) consecutive working days.

The amount of security required will be Eight Thousand Dollars (\$8,000).

No. 10. FOR REPAVING WITH SHEET ASPHALT AND ASPHALT BLOCKS ON EXISTING CONCRETE FOUNDATION THE ROADWAY OF CAULDWELL AVENUE, FROM WESTCHESTER AVENUE TO EAST 161ST STREET, AND SETTING CURB WHERE NECESSARY, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

400 linear feet of old curbstone, rejoined, re-cut on top and reset.

The time allowed for the completion of the work will be forty (40) consecutive working days.

The amount of security required will be Four Thousand Three Hundred Dollars (\$4,300).

No. 11. FOR REPAVING WITH SHEET ASPHALT AND ASPHALT BLOCKS ON EXISTING CONCRETE FOUNDATION THE ROADWAY OF CAULDWELL AVENUE, FROM WESTCHESTER AVENUE TO EAST 161ST STREET, AND SETTING CURB WHERE NECESSARY, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

400 linear feet of old curbstone, rejoined, re-cut on top and reset.

The time allowed for the completion of the work will be forty (40) consecutive working days.

The amount of security required will be Five Thousand Dollars (\$5,000).

No. 12. FOR REPAVING WITH SHEET ASPHALT AND ASPHALT BLOCKS ON A CONCRETE FOUNDATION THE ROADWAY OF WEST 231ST STREET, FROM CORLEAR AVENUE TO BAILEY AVENUE, AND SETTING CURB WHERE NECESSARY, TOGETHER WITH ALL WORK INCIDENTAL THERETO (PERMANENT PAVEMENT).

The Engineer's estimate of the work is as follows:

3,145 square yards of completed redressed granite block pavement, on a concrete foundation, laid with cement grout joints, and keeping the same in repair for five years from date of acceptance.

3,915 square yards of completed asphalt block pavement (3-inch blocks), and keeping the same in repair for five years from date of acceptance.

1,390 cubic yards of Class B concrete, including mortar bed if required.

250 linear feet of new curbstone, furnished and set.

2,660 linear feet of old curbstone, rejoined, re-cut on top and reset.

The time allowed for the completion of the work will be fifty (50) consecutive working days.

The amount of security required will be Eight Thousand Dollars (\$8,000).

No. 13. FOR REPAVING WITH BITUMINOUS CONCRETE ON A CEMENT CONCRETE FOUNDATION, THE ROADWAY OF OGDEN AVENUE, FROM WEST 169TH STREET TO AQUEDUCT AVENUE, ADJUSTING CURB WHERE NECESSARY, TOGETHER WITH ALL WORK INCIDENTAL THERETO (PRELIMINARY PAVEMENT).

The Engineer's estimate of the work is as follows:

3,650 square yards of completed bituminous concrete pavement, and keeping the same in repair for five years from date of acceptance.

680 square yards of completed bituminous concrete pavement, not to be kept in repair.

490 cubic yards of Class B concrete.

1,000 linear feet of curbstone, adjusted.

The time allowed for the completion of the work will be forty (40) consecutive working days.

The amount of security required will be Three Thousand Three Hundred Dollars (\$3,300).

No. 14. FOR CONSTRUCTING A SEWER AND APPURTENANCES IN WEST 254TH STREET, BETWEEN BROADWAY AND FIELDSTON ROAD, TOGETHER WITH ALL THE WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

1,455 square yards of completed asphalt block pavement (3-inch blocks), and keeping the same in repair for five years from date of acceptance.

240 square yards of completed asphalt block pavement (3-inch blocks), not to be kept in repair.

115 cubic yards of Class B concrete, including mortar bed.

150 linear feet of new curb.

The time allowed for the completion of the work will be fifty (50) consecutive working days.

The amount of security required will be One Thousand Six Hundred Dollars (\$1,600).

No. 15. FOR CONSTRUCTING A SEWER AND APPURTENANCES IN WEST 254TH STREET, BETWEEN BROADWAY AND FIELDSTON ROAD, TOGETHER WITH ALL THE WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

515 linear feet of pipe sewer, 30-inch.

260 linear feet of pipe sewer, 18-inch.

15 linear feet of pipe sewer, 15-inch.

270 linear feet of pipe sewer, 12-inch.

125 spurs for house connections over and above the cost per linear foot of sewer.

10 manholes, complete.

190 cubic yards of rock excavation.

40 cubic yards of Class "A" concrete.

60 cubic yards of Class "B" concrete.

75 cubic yards of dry rubble masonry.

2,000 pounds of steel bars.

5,000 feet (B. M.) of timber.

100 linear feet of pipe drain, 12-inch to 24-inch.

The time allowed for the completion of the work will be one hundred and fifty (150) consecutive working days.

The amount of security required will be Three Thousand Two Hundred Dollars (\$3,200).

Blank forms can be obtained upon application therefor; the plans and specifications may be seen and other information obtained at said office.

CYRUS C. MILLER, President.

515 linear feet of pipe drain, 12-inch to 24-inch.

The time allowed for the completion of the work will be one hundred and fifty (150) consecutive working days.

The amount of security required will be Three Thousand Two Hundred Dollars (\$3,200).

Blank forms can be obtained upon application therefor; the plans and specifications may be seen and other information obtained at said office.

CYRUS C. MILLER, President.

515 linear feet of pipe drain, 12-inch to 24-inch.

The time allowed for the completion of the work will be one hundred and fifty (150) consecutive working days.

The amount of security required will be Three Thousand Two Hundred Dollars (\$3,200).

Blank forms can be obtained upon application therefor; the plans and specifications may be seen and other information obtained at said office.

CYRUS C. MILLER, President.

515 linear feet of pipe drain, 12-inch to 24-inch.

50 cubic yards of concrete, for cradle, etc., in place.

1 cubic yard of brick masonry.

65 cubic yards of additional filling.

100 square feet of additional reinforcing metal, equal and similar to No. 10 expanded metal, furnished and placed.

25 linear feet of new five-inch by sixteen-inch (5x16) curb, furnished and set in concrete.

30 linear feet of house sewers (not intersected), extended and connected.

40 cubic yards of broken stone ballast, furnished and placed.

480 square yards of macadam pavement, re-stored.

The time for the completion of the work and the full performance of the contract is thirty-eight (38) days.

The amount of security required is Fifteen Hundred Dollars (\$1,500).

NO. 2. FOR FURNISHING ALL THE LABOR AND MATERIALS REQUIRED TO CONSTRUCT COMBINED SEWERS, WITH THE NECESSARY APPURTENANCES, IN PINE PLACE FROM VANDERBILT AVE. TO A POINT ABOUT 175 FEET NORTHERLY FROM COURSEN PLACE, AND OTHER STREETS, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the quantity and quality of the materials, and the nature and extent, as near as possible, of the work required, is as follows:

261 linear feet of salt glazed vitrified pipe sewer of twelve (12) inches interior diameter, all complete, as per section on plan of the work.

300 linear feet of salt glazed vitrified pipe sewer of ten (10) inches interior diameter, all complete, as per section on plan of the work.

465 linear feet of salt glazed vitrified pipe sewer of eight (8) inches interior diameter, all complete, as per section on plan of the work.

1 reinforced concrete receiving basin with one and one-quarter (1 1/4) inch galvanized wrought iron bars and iron traps, all complete, as shown on plans on file in the office of the Commissioner of Public Works, and connected with the sewer.

5 manholes, complete, as per section on plan of the work.

1,000 board measure feet of foundation timber and planking, in place and secured.

1,000 board measure feet of sheeting, retained.

12 cubic yards of concrete, for cradle, etc., in place.

1 cubic yard of brick masonry.

30 cubic yards of additional filling.

5 cubic yards of additional filling.

25 linear feet of new five-inch by sixteen-inch (5x16) curb, furnished and set in concrete.

15 cubic yards of broken stone ballast, furnished and placed.

130 square yards of macadam pavement, re-stored.

10 square yards of block pavement on sand foundation, restored.

The time for the completion of the work and the full performance of the contract is twenty-eight (28) days.

The amount of security required is Eleven Hundred Dollars (\$1,100).

NO. 3. FOR FURNISHING ALL THE LABOR AND MATERIALS REQUIRED TO CONSTRUCT A TEMPORARY COMBINED SEWER, WITH THE NECESSARY APPURTENANCES, IN RHINE AVE., BETWEEN DE KALB ST. AND ITS NORTHERLY END, AND OTHER STREETS, TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the quantity and quality of the materials and the nature and extent, as near as possible, of the work required, is as follows:

40 linear feet of salt glazed vitrified pipe sewer of ten (10) inches interior diameter, all complete, as per section on plan of the work.

1,015 linear feet of salt glazed vitrified pipe sewer of eight (8) inches interior diameter, all complete, as per section on plan of the work.

2 reinforced concrete receiving basins with one and one-quarter (1 1/4) inch galvanized wrought iron bars and iron traps, all complete, as shown on plans on file in the office of the Commissioner of Public Works, and connected with the sewer.

5 manholes, complete, as per section on plan of the work.

1 flush tank with siphon, equal and similar to 6-inch Miller siphon, set complete, as per section on plan of the work.

1,000 board measure feet of foundation timber and planking, in place and secured.

1,000 board measure feet of sheeting, retained.

10 cubic yards of concrete, for cradle, etc., in place.

1 cubic yard of brick masonry.

30 cubic yards of additional filling.

5 cubic yards of additional filling.

100 square feet of additional reinforcing metal, equal and similar to No. 10 expanded metal, furnished and placed.

50 linear feet of new 5-inch x 16-inch curb, furnished and set in concrete.

20 linear feet of house sewers (not intersected), extended and connected.

20 cubic yards of broken stone ballast, furnished and placed.

280 square yards of macadam pavement, re-stored.

5 square yards of block pavement on sand foundation, restored.

The time for the completion of the work and the full performance of the contract is thirty-(30) days.

The amount of security required is One Thousand Dollars (\$1,000).

NO. 4. FOR FURNISHING ALL THE LABOR AND MATERIALS REQUIRED FOR CONSTRUCTING A TEMPORARY SANITARY SEWER AND APPURTENANCES, IN PROSPECT ST., FROM BAY ST. TO VAN DUZEN ST., TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the quantity and quality of the materials, and the nature and extent, as near as possible, of the work required, is as follows:

477 linear feet of salt glazed vitrified pipe sewer of eight (8) inches interior diameter, all complete, as per section on plan of the work.

268 linear feet of salt glazed vitrified pipe sewer of six (6) inch interior diameter, all complete, as per section on plan of the work.

3 manholes, complete, as per section on plan of the work.

500 board measure feet of foundation timber and planking, in place and secured.

1,000 board measure feet of sheeting, retained.

1 cubic yard of concrete, for cradle, etc., in place.

1 cubic yard of brick masonry.

20 cubic yards of additional excavation.

5 cubic yards of additional filling.

9 square yards of block pavement on concrete foundation, restored.

382 square yards of macadam pavement, re-stored.

144 linear feet of house sewers (not intersected), extended and connected.

10 cubic yards of broken stone ballast, furnished and placed.

The time for the completion of the work and the full performance of the contract is eighteen (18) days.

The amount of security required is Six Hundred and Twenty Dollars (\$620).

The contracts must be bid for separately and the bids will be compared and the contract awarded at a lump or aggregate sum for each contract.

Bidders are requested to make their bids or estimates upon the blank form prepared by the President, a copy of which, with the proper envelope in which to enclose the bid, can be obtained upon application therefor at the office of the Engineer. The plans and the contract, including the specifications, in the form approved by the Corporation Counsel, may be seen and other information obtained at the office of the Engineer of the Borough of Richmond, Borough Hall, St. George, S. I.

GEORGE CROMWELL, President.
The City of New York, April 4, 1913.

10,22
See General Instructions to Bidders on the last page, last column, of the "City Record."

OFFICE OF THE PRESIDENT OF THE BOROUGH OF RICHMOND, BOROUGH HALL, ST. GEORGE, NEW BRIGHTON, NEW YORK CITY.

SEALED BIDS OR ESTIMATES WILL BE received by the President of the Borough of Richmond, at the above office, until 12 o'clock m., on

TUESDAY, APRIL 15, 1913.

Borough of Richmond.

NO. 1. FOR FURNISHING ALL THE LABOR AND MATERIALS REQUIRED FOR FURNISHING AND DELIVERING EIGHTY-FIVE (85) TONS OF EGG COAL AT SUCH POINTS AND IN SUCH QUANTITIES FROM TIME TO TIME, AS THE SUPERINTENDENT OF HIGHWAYS MAY DIRECT, WITHIN THE PORTION OF THE BOROUGH OF RICHMOND KNOWN AS COAL DELIVERY DISTRICT NO. 1.

The time for the completion of the work and the full performance of the contract is August 1, 1913.

The amount of security required is 30 per cent. of total amount for which contract is awarded.

NO. 2. FOR FURNISHING ALL THE LABOR AND MATERIALS REQUIRED FOR FURNISHING AND DELIVERING EIGHTY (80) TONS OF EGG COAL AT SUCH POINTS AND IN SUCH QUANTITIES, FROM TIME TO TIME, AS THE SUPERINTENDENT OF HIGHWAYS MAY DIRECT WITHIN THE PORTION OF THE BOROUGH OF RICHMOND KNOWN AS COAL DELIVERY DISTRICT NO. 2.

The time for the completion of the work and the full performance of the contract is August 1, 1913.

The amount of security required is 30 per cent. of total amount for which contract is awarded.

NO. 3. FOR FURNISHING ALL THE LABOR AND MATERIALS REQUIRED FOR FURNISHING AND DELIVERING EIGHTY-FIVE (85) TONS OF EGG COAL AT SUCH POINTS AND IN SUCH QUANTITIES, FROM TIME TO TIME, AS THE SUPERINTENDENT OF HIGHWAYS MAY DIRECT WITHIN THE PORTION OF THE BOROUGH OF RICHMOND KNOWN AS COAL DELIVERY DISTRICT NO. 3.

The time for the completion of the work and the full performance of the contract is August 1, 1913.

The amount of security required is 30 per cent. of total amount for which contract is awarded.

The contracts must be bid for separately, and the bids will be compared and the contract awarded at a lump or aggregate sum for each contract.

Bidders are requested to make their bids or estimates upon the blank form prepared by the President, a copy of which, with the proper envelope in which to enclose the bid, together with a copy of the contract, including the specifications, in the form approved by the Corporation Counsel, can be obtained upon application therefor at the office of the said President. Other information may be obtained at the office of the Commissioner of Public Works of the Borough of Richmond, Borough Hall, New Brighton, Borough of Richmond.

GEORGE CROMWELL, President.

The City of New York, March 26th, 1913.

13,15
See General Instructions to Bidders on the last page, last column, of the "City Record."

The contracts must be bid for separately and the bids will be compared, and the contract awarded at a lump or aggregate sum for each contract.

Bidders are requested to make their bids or estimates upon the blank form prepared by the President, a copy of which, with the proper envelope in which to enclose the bid, can be obtained upon application therefor at the office of the Engineer. The plans and the contract, including the specifications, in the form approved by the Corporation Counsel, may be seen and other information obtained at the office of the Engineer of the Borough of Richmond, Borough Hall, St. George, Staten Island.

GEORGE CROMWELL, President.

The City of New York, April 1, 1913. a3,15

27 See General Instructions to Bidders on the last page, last column, of the "City Record."

OFFICE OF THE PRESIDENT OF THE BOROUGH OF RICHMOND, BOROUGH HALL, ST. GEORGE, NEW BRIGHTON, NEW YORK CITY.

SEALED BIDS OR ESTIMATES WILL BE received by the President of the Borough of Richmond at the above office until 12 o'clock m., on

TUESDAY, APRIL 15, 1913.

Borough of Richmond.

NO. 1. FOR FURNISHING AND DELIVERING BROKEN STONE AT STABLE A, SWAN ST., TOMPKINSVILLE, S. I.

The Engineer's estimate of the quantity and quality of the material required is as follows:

2,000 tons three-quarter-inch broken stone.

The time for the completion of the work and the full performance of the contract is by or before December 31, 1913.

The amount of security shall be 30 per cent. of the total amount for which the contract is awarded.

NO. 2. FOR FURNISHING AND DELIVERING BROKEN STONE AT STABLE B, COLUMBIA ST., WEST NEW BRIGHTON, S. I.

The Engineer's estimate of the quantity and quality of the material required is as follows:

2,000 tons three-quarter-inch broken stone.

The time for the completion of the work and the full performance of the contract is by or before December 31, 1913.

The amount of security shall be 30 per cent. of the total amount for which the contract is awarded.

The contracts must be bid for separately and the bids will be compared, and the contract awarded at a lump or aggregate sum for each contract.

Bidders are requested to make their bids or estimates upon the blank form prepared by the President, a copy of which, with the proper envelope in which to enclose the bid, together with a copy of the contract, including the specifications, in the form approved by the Corporation Counsel, can be obtained upon application therefor at the office of the said President. Other information may be obtained at the office of the Commissioner of Public Works of the Borough of Richmond, Borough Hall, New Brighton, Borough of Richmond.

GEORGE CROMWELL, President.

The City of New York, March 26th, 1913.

13,15
See General Instructions to Bidders on the last page, last column, of the "City Record."

BOROUGH OF QUEENS.

Proposals.

OFFICE OF THE PRESIDENT OF THE BOROUGH OF QUEENS, THIRD FLOOR OF THE BOROUGH HALL, 57TH ST. AND JACKSON AVE., LONG ISLAND CITY, BOROUGH OF QUEENS, CITY OF NEW YORK.

SEALED BIDS OR ESTIMATES WILL BE received by the President of the Borough of Queens at the above office until 11 o'clock a. m. on

WEDNESDAY, APRIL 23, 1913.

NO. 1. FOR FURNISHING AND DELIVERING TO THE BUREAU OF HIGHWAYS, AS DIRECTED, ON SHELL ROAD, FROM NATIONAL AVE. TO SUMMIT AVE., 2D WARD, OF THE BOROUGH OF QUEENS, 5,700 LINEAR FEET OF 8-INCH VITRIFIED PIPE, 480 LINEAR FEET OF 12-INCH CAST IRON PIPE.

The time allowed for doing and completing the above work will be ten (10) working days.

The amount of security for the performance of the contract shall be thirty (30) per cent of the total amount for which the contract is awarded.

NO. 2. FOR PAVING WITH (A PERMANENT PAVEMENT) ASPHALT BLOCKS ON A CONCRETE FOUNDATION IN ELM ST., FROM CRESCENT ST. TO 2D AVE., 1ST WARD.

The time allowed for doing and completing the above work will be thirty (30) working days.

The amount of security required will be Three Thousand Dollars (\$3,000).

The Engineer's estimate of the quantities is as follows:

800 linear feet of old curb reset (not to be bid for).

500 cubic yards of concrete.</p

The time allowed for doing and completing the above work will be seventy (70) working days.

The amount of security required will be Three Thousand Five Hundred Dollars (\$3,500).

The Engineer's estimate of the quantities is as follows:

3,500 cubic yards of earth excavation.

100 cubic yards of rock excavation.

100 linear feet of old cement curb reset.

4,600 linear feet of cement curb with steel nosing and one (1) years maintenance.

22,000 square feet of cement sidewalk and one (1) years maintenance.

950 square feet of new crosswalks.

50 square yards of stone pavement relaid.

100 linear feet of 12-inch cast iron pipe, in place.

100 linear feet of 12-inch vitrified pipe, in place.

NO. 14. FOR REGULATING, GRADING, CURBING AND LAYING SIDEWALKS AND CROSSWALKS, TOGETHER WITH ALL WORK INCIDENTAL THERETO IN HILL ST., FROM CLERMONT AVE. TO RUST ST., 2D WARD.

The time allowed for doing and completing the above work will be one hundred and fifty (150) working days.

The amount of security required will be Seven Thousand Dollars (\$7,000).

The Engineer's estimate of the quantities is as follows:

23,000 cubic yards of earth excavation.

100 cubic yards of rock excavation.

100 linear feet of old curb reset.

5,000 linear feet of cement curb with steel nosing and one (1) years maintenance.

24,000 square feet of cement sidewalk and one (1) years maintenance.

1,000 square feet of new crosswalks.

50 square yards of stone pavement relaid.

100 linear feet of 12-inch cast iron pipe, in place.

100 linear feet of 12-inch vitrified pipe, in place.

NO. 15. FOR REGULATING, GRADING, CURBING AND LAYING CEMENT SIDEWALKS (WHERE NOT ALREADY LAID TO GRADE AND IN GOOD CONDITION), TOGETHER WITH ALL WORK INCIDENTAL THERETO, IN ANDREWS (HELEN) ST., FROM METROPOLITAN AVE. TO ZIEDLER ST., 2D WARD.

The time allowed for doing and completing the above work will be thirty (30) working days.

The amount of security required will be Seven Hundred Dollars (\$700).

The Engineer's estimate of the quantities is as follows:

1,400 cubic yards of earth excavation.

50 cubic yards of rock excavation.

600 linear feet of cement curb with steel nosing and one (1) years maintenance.

2,800 square feet of cement sidewalk and one (1) years maintenance.

100 square yards of wood block pavement laid (not to be bid for).

NO. 16. FOR REGULATING, GRADING, CURBING AND LAYING SIDEWALKS (WHERE NOT ALREADY LAID TO GRADE AND IN GOOD CONDITION), TOGETHER WITH ALL WORK INCIDENTAL THERETO, IN RIKER AVE., FROM WOODSIDE AVE. TO KELLY AVE., 2D WARD.

The time allowed for doing and completing the above work will be seventy-five (75) working days.

The amount of security required will be Four Thousand Dollars (\$4,000).

The Engineer's estimate of the quantities is as follows:

9,600 cubic yards of earth excavation.

10 cubic yards of rock excavation.

1,000 cubic yards of embankment (in excess of excavation).

4,200 linear feet of new bluestone curb.

10 cubic yards of concrete.

400 square yards of new stone gutters, furnished and laid.

3,700 square feet of new flagstone sidewalk.

14,950 square feet of cement sidewalk and one (1) year maintenance.

150 cubic yards of gravel, placed in crosswalks.

400 square yards of stone pavement relaid.

100 linear feet of 12-inch vitrified sewer pipe, in place.

1,000 feet, board measure, spruce timber in drains, in place.

NO. 17. FOR REGULATING AND REPAVING WITH IMPROVED GRANITE BLOCKS ON A CONCRETE FOUNDATION, TOGETHER WITH ALL WORK INCIDENTAL THERETO, IN FULTON AVE. AND MAIN ST., FROM BOULEVARD TO VAN ALST AVE., 1ST WARD.

The time allowed for doing and completing the above work will be sixty (60) working days.

The amount of security required will be Twelve Thousand Dollars (\$12,000).

The Engineer's estimate of the quantities is as follows:

2,800 linear feet of new bluestone curb set in concrete.

1,500 linear feet of old curb redressed and reset in concrete.

6,000 square feet of new flagstone sidewalk.

18,000 square feet of old flagstone sidewalk retrimmed and relaid.

6,000 square feet of cement sidewalk and one (1) year maintenance.

850 cubic yards of concrete.

5,100 square yards of improved granite block pavement (laid outside of the railroad franchise area, including sand bed and bituminous grouted joints and one (1) year maintenance).

1,000 square yards of improved granite block pavement (laid within the railroad franchise area, including sand bed and bituminous grouted joints and no maintenance).

200 square yards of asphalt block pavement (laid outside of the railroad franchise area, including mortar bed and sand filled joints and no maintenance).

50 square yards of stone block pavement (laid outside of the railroad franchise area, including sand bed and sand joints and no maintenance).

200 cubic yards of concrete within the railroad area.

5,100 square yards of old stone block pavement, purchased and removed by the Contractor.

NO. 18. FOR REGULATING AND REPAVING WITH WOOD BLOCKS ON A CONCRETE FOUNDATION, TOGETHER WITH ALL WORK INCIDENTAL THERETO, IN STEINWAY AVE., FROM WASHINGTON AVE. TO FLUSHING AVE., 1ST WARD.

The time allowed for doing and completing the above work will be one hundred (100) working days.

The amount of security required will be Thirty Thousand Dollars (\$30,000).

The Engineer's estimate of the quantities is as follows:

1,500 linear feet of new bluestone curb set in concrete.

12,000 linear feet of old curb redressed and reset in concrete.

10,000 square feet of old flagstone sidewalk retrimmed and relaid.

20,000 square feet of cement sidewalk and one (1) year maintenance.

3,800 cubic yards of concrete outside of the railroad area.

700 cubic yards of concrete within the railroad area.

16,800 square yards of wood block pavement (laid outside of the railroad franchise area, including mortar bed, sand joints and five (5) years maintenance).

100 square yards of stone block pavement (re-laid outside of the railroad franchise area, including sand cushion, sand joints and no maintenance).

3,000 square yards of wood block pavement (laid within the railroad franchise area, including mortar bed, sand joints and no maintenance).

10,000 square yards of stone block pavement, purchased and removed by the contractor.

1 catch basin rebuilt.

NO. 19. FOR REGULATING AND REPAVING WITH IMPROVED GRANITE BLOCKS ON A CONCRETE FOUNDATION, TOGETHER WITH ALL WORK INCIDENTAL THERETO, IN BORDEN AVE., FROM FRONT ST. TO CREEK ST., 1ST WARD.

The time allowed for doing and completing the above work will be one hundred and twenty (120) working days.

The amount of security required will be Thirty Thousand Dollars (\$30,000).

The Engineer's estimate of the quantities is as follows:

6,600 linear feet of new bluestone curb set in concrete.

2,500 linear feet of old curb redressed and reset in concrete.

8,500 square feet of new flagstone sidewalk.

19,500 square feet of old flagstone sidewalk retrimmed and relaid.

7,000 square feet of cement sidewalk and one (1) year maintenance.

3,550 cubic yards of concrete outside of the railroad area.

16,000 square yards of improved granite block pavement (laid outside of the railroad franchise area, including sand bed and bituminous grouted joints and one (1) year maintenance).

100 square yards of sheet asphalt pavement (laid outside of the railroad franchise area, including binder course and one (1) year maintenance).

550 square yards of old stone block pavement (laid outside of the railroad franchise area, including sand bed and sand joints and no maintenance).

4 catch basins rebuilt.

Delivering 3,000 net tons of old stone paving blocks in cars of the Long Island Railroad at Long Island City.

2,100 square yards of improved granite block pavement (laid within the railroad franchise area, including sand bed and bituminous grouted joints and no maintenance).

450 cubic yards of concrete (within the railroad franchise area).

9,000 square yards of old stone block pavement, to be purchased and removed by the contractor.

NO. 20. FOR REGULATING AND REPAVING WITH WOOD BLOCKS ON A CONCRETE FOUNDATION, TOGETHER WITH ALL WORK INCIDENTAL THERETO, IN BROADWAY, FROM LAWRENCE ST. TO LEAVITT ST., 3D WARD.

The time allowed for doing and completing the above work will be forty-five (45) working days.

The amount of security required will be Fourteen Thousand Dollars (\$14,000).

The Engineer's estimate of the quantities is as follows:

2,500 linear feet of bluestone curb set in concrete.

1,500 linear feet of old curb redressed and reset in concrete.

1,000 square feet of old flagstone sidewalk retrimmed and relaid.

2,000 square feet of cement sidewalk and one (1) year maintenance.

2,200 cubic yards of concrete outside the railroad area.

9,500 square yards of wood block pavement (laid outside of the railroad franchise area, including sand bed, sand joints and five (5) years maintenance).

100 square yards of asphalt block pavement (laid outside the railroad franchise area, including mortar bed, sand joints and no maintenance).

600 square yards of wood block pavement (laid within the railroad franchise area, including mortar bed, sand joints and no maintenance).

150 cubic yards of concrete within the railroad area.

1 catch basin, rebuilt as directed.

NO. 21. FOR REGULATING AND REPAVING WITH PERMANENT SHEET ASPHALT ON A CONCRETE FOUNDATION, TOGETHER WITH ALL WORK INCIDENTAL THERETO, IN FLUSHING AVE., FROM VAN ALST AVE. TO N. HENRY ST., 1ST WARD.

The time allowed for doing and completing the above work will be sixty (60) working days.

The amount of security required will be Twelve Thousand Dollars (\$12,000).

The Engineer's estimate of the quantities is as follows:

2,000 linear feet of new bluestone curb set in concrete.

1,000 linear feet of old curb redressed and reset in concrete.

8,000 square feet of new flagstone sidewalk retrimmed and relaid.

2,000 square feet of cement sidewalk and one (1) year maintenance.

650 cubic yards of concrete outside of the railroad area.

3,900 square yards of sheet asphalt pavement (laid outside of the railroad franchise area, including binder course and five (5) years maintenance).

700 square yards of sheet asphalt pavement (laid within the railroad franchise area, including binder course and no maintenance).

125 cubic yards of concrete within the railroad area.

3,900 square yards of old stone block pavement, to be purchased and removed by the contractor.

NO. 22. FOR REGULATING AND REPAVING WITH SHEET ASPHALT ON A CONCRETE FOUNDATION, TOGETHER WITH ALL WORK INCIDENTAL THERETO, IN 9TH AVE., FROM BROADWAY TO JAMAICA AVE., 1ST WARD.

The time allowed for doing and completing the above work will be thirty (30) working days.

The amount of security required will be Two Thousand Seven Hundred Dollars (\$2,700).

The Engineer's estimate of the quantities is as follows:

500 linear feet of new bluestone curb set in concrete.

1,400 linear feet of old curb redressed and reset in concrete.

2,000 square feet of new flagstone sidewalk retrimmed and relaid.

7,000 square feet of old flagstone sidewalk retrimmed and relaid.

400 square feet of cement sidewalk and one (1) year maintenance.

200 cubic yards of concrete.

3,200 square yards of sheet asphalt pavement, including binder course and five (5) years maintenance.

700 square yards of granite pavement relaid.

50 square yards of granite pavement rel

1,700 linear feet cement curb (1 year maintenance).
7,400 square feet cement sidewalks (1 year maintenance).

Time allowed, thirty (30) working days.

Security required, Eight Hundred Dollars (\$800).

3. FOR REGULATING AND PAVING WITH PERMANENT ASPHALT PAVEMENT ON A 6-INCH CONCRETE FOUNDATION THE ROADWAY OF BELMONT AVE. FROM CHESTNUT ST. TO CRESCENT ST.

The Engineer's estimate is as follows:

3,150 square yards asphalt pavement (5 years maintenance).

525 cubic yards concrete.

150 linear feet bluestone heading stones set in concrete.

Time allowed, thirty (30) working days.

Security required, Two Thousand Three Hundred Dollars (\$2,300).

4. FOR REGULATING AND REPAVING WITH ASPHALT PAVEMENT THE ROADWAYS OF BERRY ST. FROM N. 14TH ST. TO N. 4TH ST. AND FROM GRAND ST. TO DIVISION AVE. AND LORIMER ST. FROM NOBLE ST. TO NASSAU AVE.

The Engineer's estimate is as follows:

3,050 square yards asphalt pavement outside railroad area (5 years maintenance).

25 square yards asphalt pavement within railroad area (no maintenance).

150 square yards old stone pavement to be relaid.

530 cubic yards concrete outside railroad area.

5 cubic yards concrete within railroad area.

800 linear feet new curbstone set in concrete.

500 linear feet old curbstone reset in concrete.

450 linear feet granite heading stones set in concrete.

30 linear feet bluestone heading stones set in concrete.

52 noiseless covers and heads for sewer manholes.

31,800 cubic feet asphalt wearing surface, delivered and laid, outside railroad area (no maintenance), measured in trucks as received on the work.

30 cubic feet asphalt wearing surface, delivered and laid, within railroad area (no maintenance), measured in trucks as received on the work.

50 linear feet old heading stones reset in concrete.

200 square yards present asphalt pavement to be removed.

200 square yards present concrete foundation to be removed.

300 cubic feet extra binder delivered and laid (measured in trucks as received on the work).

Time allowed, fifty (50) working days.

Security required, Ten Thousand Dollars (\$10,000).

5. FOR REGULATING AND REPAVING WITH PERMANENT GRADE 1 GRANITE PAVEMENT ON CONCRETE FOUNDATION THE ROADWAY OF BERRY ST. FROM N. 4TH ST. TO GRAND ST.

The Engineer's estimate is as follows:

3,090 square yards grade 1 granite pavement with joint filler of coal tar pitch and gravel outside railroad area (1 year maintenance).

37 square yards grade 1 granite pavement with joint filler of coal tar pitch and gravel within railroad area (no maintenance).

10 square yards old stone pavement to be relaid.

455 cubic yards concrete outside railroad area.

6 cubic yards concrete within railroad area.

980 linear feet new curbstone set in concrete.

530 linear feet old curbstone reset in concrete.

85 linear feet granite heading stones set in concrete.

2 new sewer manhole heads and covers.

1,635 square yards present asphalt pavement to be removed.

1,635 square yards present concrete foundation.

305 square feet old crosswalks relaid.

Time allowed, thirty-five (35) working days.

Security required, Four Thousand Seven Hundred Dollars (\$4,700).

6. FOR REGULATING AND PAVING WITH PRELIMINARY ASPHALT PAVEMENT ON A 4-INCH CONCRETE FOUNDATION THE ROADWAY OF BEVERLY ROAD, FROM E. 2D ST. TO GRAVESEND AVE.

The Engineer's estimate is as follows:

860 square yards asphalt pavement (5 years maintenance).

95 cubic yards concrete.

115 linear feet bluestone heading stones set in concrete.

170 cubic yards excavation to subgrade.

Time allowed, twenty-five (25) working days.

Security required, Six Hundred Dollars (\$600).

7. FOR REGULATING AND PAVING WITH PRELIMINARY ASPHALT PAVEMENT ON A 4-INCH CONCRETE FOUNDATION THE ROADWAY OF CHESTER AVE. FROM LOUISA ST. TO FORT HAMILTON PARK-WAY.

The Engineer's estimate is as follows:

5,670 square yards asphalt pavement (5 years maintenance).

630 cubic yards concrete.

370 linear feet bluestone heading stones set in concrete.

1,100 cubic yards excavation to subgrade.

Time allowed, thirty (30) working days.

Security required, Three Thousand Eight Hundred Dollars (\$3,800).

8. FOR REGULATING AND REPAVING WITH PERMANENT ASPHALT PAVEMENT ON A 6-INCH CONCRETE FOUNDATION THE ROADWAY OF CROPSEY AVE. FROM 14TH AVE. TO BAY PARKWAY.

The Engineer's estimate is as follows:

31,880 square yards asphalt pavement (5 years maintenance).

5,310 cubic yards concrete.

380 linear feet new curbstone set in concrete.

370 linear feet old curbstone reset in concrete.

1,060 linear feet bluestone heading stones set in concrete.

10,650 linear feet steel bound cement curb (1 year maintenance).

1 sewer basin rebuilt.

Time allowed, one hundred (100) working days.

Security required, Twenty-seven Thousand Dollars (\$27,000).

9. FOR REGULATING AND PAVING WITH PRELIMINARY ASPHALT PAVEMENT ON A 4-INCH CONCRETE FOUNDATION THE ROADWAY OF E. 31ST ST. FROM BEVERLY ROAD TO CANARSIE LANE.

The Engineer's estimate is as follows:

1,225 square yards asphalt pavement (5 years maintenance).

135 cubic yards concrete.

150 linear feet bluestone heading stones set in concrete.

240 cubic yards excavation to subgrade.

Time allowed, thirty (30) working days.

Security required, Nine Hundred Dollars (\$900).

10. FOR REGULATING AND PAVING WITH PRELIMINARY ASPHALT PAVEMENT ON A 4-INCH CONCRETE FOUNDATION THE ROADWAY OF E. 32D ST. FROM BEVERLY ROAD TO CANARSIE LANE.

The Engineer's estimate is as follows:

1,245 square yards asphalt pavement (5 years maintenance).

140 cubic yards concrete.

150 linear feet bluestone heading stones set in concrete.

240 cubic yards excavation to subgrade.

Time allowed, thirty (30) working days.

Security required, Nine Hundred Dollars (\$900).

11. FOR REGULATING, GRADING, CURBING AND LAYING SIDEWALKS ON E. 35TH ST. FROM CLARENDON ROAD TO AVENUE D.

The Engineer's estimate is as follows:

30 linear feet old curbstone reset in concrete.

1,520 cubic yards excavation.

100 cubic yards fill (not to be bid for).

1,600 linear feet cement curb (1 year maintenance).

7,910 square feet cement sidewalks (1 year maintenance).

Time allowed, thirty (30) working days.

Security required, One Thousand Dollars (\$1,000).

12. FOR REGULATING AND REPAVING WITH PERMANENT GRADE 1 GRANITE PAVEMENT ON A 6-INCH CONCRETE FOUNDATION THE ROADWAY OF HAMILTON AVE. FROM COURT ST. TO GO-WANUS CANAL.

The Engineer's estimate is as follows:

2,590 square yards grade 1 granite pavement, with joint filler of coal tar pitch and gravel outside railroad area (1 year maintenance).

380 square yards grade 1 granite pavement, with joint filler of coal tar pitch and gravel within railroad area (no maintenance).

50 square yards old stone pavement to be relaid.

430 cubic yards concrete outside railroad area.

100 cubic yards concrete within railroad area.

990 linear feet new curbstone set in concrete.

380 linear feet old curbstone reset in concrete.

2 new sewer manhole heads and covers.

1,750 square feet new bluestone flagstones.

1,750 square feet old flagstones relaid.

300 square feet cement sidewalks (1 year maintenance).

Time allowed, thirty-five (35) working days.

Security required, Four Thousand Seven Hundred Dollars (\$4,700).

13. FOR REGULATING AND REPAVING WITH PERMANENT ASPHALT PAVEMENT ON A 6-INCH CONCRETE FOUNDATION THE ROADWAY OF HANCOCK ST. FROM NOSTRAND AVE. TO SUMNER AVE.

The Engineer's estimate is as follows:

12,075 square yards asphalt pavement outside railroad area (5 years maintenance).

45 square yards asphalt pavement within railroad area (no maintenance).

2,010 cubic yards concrete outside railroad area.

10 cubic yards concrete within railroad area.

3,030 linear feet new curbstone set in concrete.

2,980 linear feet old curbstone reset in concrete.

42 noiseless covers and heads for sewer manholes.

12,075 square yards present asphalt pavement outside railroad area to be removed.

45 square yards present asphalt pavement within railroad area to be removed.

Time allowed, ten (10) working days.

Security required, Seven Hundred Dollars (\$700).

14. FOR REGULATING AND REPAVING WITH PERMANENT GRADE 1 GRANITE PAVEMENT ON A 6-INCH CONCRETE FOUNDATION THE ROADWAYS OF HAUS-MAN ST., MORGAN AVE. AND SUTTON ST. FROM NORMAN AVE. TO NASSAU AVE. AND NORMAN AVE. FROM SUTTON ST. TO A LINE 81 FEET EASTERLY.

The Engineer's estimate is as follows:

6,990 square yards grade 1 granite pavement with joint filler of coal tar pitch and gravel (1 year maintenance).

30 square yards old stone pavement to be relaid.

1,165 cubic yards concrete.

3,530 linear feet new curbstone set in concrete.

535 linear feet old curbstone reset in concrete.

65 linear feet granite heading stones set in concrete.

1 new sewer manhole head and cover.

Time allowed, forty-five (45) working days.

Security required, Sixteen Thousand Dollars (\$16,000).

15. FOR REGULATING, GRADING, CURBING AND LAYING SIDEWALKS ON AVENUE I, FROM E. 19TH ST. TO 39TH ST.

The Engineer's estimate is as follows:

10 linear feet old curbstone reset in concrete.

390 cubic yards fill (not to be bid for).

530 linear feet cement curb (1 year maintenance).

2,640 square feet cement sidewalks (1 year maintenance).

Time allowed, twenty-five (25) working days.

Security required, Three Hundred Dollars (\$300).

16. FOR REGULATING AND REPAVING WITH PERMANENT ASPHALT PAVEMENT ON A 6-INCH CONCRETE FOUNDATION THE ROADWAYS OF JAY ST. FROM HIGH ST. TO CONCORD ST.

The Engineer's estimate is as follows:

865 square yards asphalt pavement outside railroad area (5 years maintenance).

260 square yards asphalt pavement within railroad area (no maintenance).

30 square yards old stone pavement (to be relaid).

145 cubic yards concrete outside railroad area.

45 cubic yards concrete within railroad area.

855 linear feet new curbstone set in concrete.

received by the President of Borough of Brooklyn at the above office until 11 o'clock a.m., on

WEDNESDAY, APRIL 16, 1913.

Borough of Brooklyn.

1. FOR REGULATING AND REPAVING WITH PERMANENT ASPHALT PAVEMENT ON A SIX-INCH CONCRETE FOUNDATION THE ROADWAY OF DEAN STREET, FROM NOSTRAND AVENUE TO NEW YORK AVENUE.

The Engineer's estimate is as follows:

2,730 square yards asphalt pavement (5 years maintenance).

455 cubic yards concrete.

420 linear feet new curbstone set in concrete.

860 linear feet old curbstone reset in concrete.

7 noiseless covers and heads for sewer manholes.

2730 square yards present asphalt pavement to be removed.

Time allowed, thirty (30) working days.

Security required, Twenty-seven Hundred Dollars (\$2,700).

2. FOR REGULATING AND REPAVING WITH PERMANENT ASPHALT PAVEMENT ON A SIX-INCH CONCRETE FOUNDATION THE ROADWAYS OF PARK PLACE, FROM 6TH AVENUE TO VANDERBILT AVENUE, AND STERLING PLACE, FROM 5TH AVENUE TO 6TH AVENUE.

The Engineer's estimate is as follows:

8,500 square yards asphalt pavement (5 years maintenance).

1,420 cubic yards concrete.

3,120 linear feet new curbstone set in concrete.

1,500 linear feet old curbstone reset in concrete.

18 noiseless covers and heads for sewer manholes.

8,500 square yards present asphalt pavement to be removed.

Time allowed, forty-five (45) working days.

Security required, Eight Thousand Five Hundred Dollars (\$8,500).

3. FOR REGULATING AND REPAVING WITH PERMANENT ASPHALT PAVEMENT ON A SIX-INCH CONCRETE FOUNDATION THE ROADWAYS OF ST. JOHN'S PLACE, FROM ALBANY AVENUE TO EAST NEW YORK AVENUE, AND EAST NEW YORK AVENUE FROM ST. JOHN'S PLACE TO ROCKAWAY AVENUE.

The Engineer's estimate is as follows:

23,545 square yards asphalt pavement outside railroad area (5 years maintenance).

3,400 square yards asphalt pavement within railroad area (no maintenance).

10 square yards old stone pavement (to be relaid).

3,925 cubic yards concrete outside railroad area.

565 cubic yards concrete within railroad area.

8,630 linear feet new curbstone set in concrete.

5,660 linear feet old curbstone reset in concrete.

110 linear feet bluestone heading stones set in concrete.

106 noiseless covers and heads for sewer manholes.

200 square feet new bluestone flagstones.

500 square feet old flagstones relaid.

5,000 square feet cement sidewalks (1 year maintenance).

Time allowed, one hundred (100) working days.

Security required, Twenty-four Thousand Five Hundred Dollars (\$24,500).

4. FOR REGULATING AND REPAVING WITH PERMANENT ASPHALT PAVEMENT ON A SIX-INCH CONCRETE FOUNDATION THE ROADWAY OF ST. MARK'S AVENUE, FROM FLATBUSH AVENUE TO VANDERBILT AVENUE AND FROM ROGERS AVENUE TO NOSTRAND AVENUE.

The Engineer's estimate is as follows:

9,450 square yards asphalt pavement outside railroad area (5 years maintenance).

25 square yards asphalt pavement within railroad area (no maintenance).

1,575 cubic yards concrete outside railroad area.

5 cubic yards concrete within railroad area.

1,680 linear feet new curbstone set in concrete.

2,880 linear feet old curbstone reset in concrete.

21 noiseless covers and heads for sewer manholes.

9,450 square yards present asphalt pavement outside railroad area to be removed.

25 square yards present asphalt pavement within railroad area to be removed.

Time allowed, forty-five (45) working days.

Security required, Nine Thousand Dollars (\$9,000).

5. FOR CONSTRUCTING CEMENT SIDEWALKS ON GRAVESEND AVENUE BETWEEN DITMAS AVENUE AND AVENUE F AND ON VARIOUS OTHER STREETS.

The Engineer's estimate is as follows:

24,290 square feet cement sidewalks (1 year maintenance).

Time allowed, forty (40) working days.

Security required, One Thousand Four Hundred Dollars (\$1,400).

6. FOR FENCING VACANT LOTS ON NORTHWEST CORNER OF MIDDAGH STREET AND WILLOW STREET AND ON NORTH SIDE OF MIDDAGH STREET BETWEEN WILLOW STREET AND COLUMBIA HEIGHTS, AND ON VARIOUS OTHER STREETS.

The Engineer's estimate is as follows:

965 linear feet open board fence six feet high.

Time allowed, twenty (20) working days.

Security required, Two Hundred Dollars (\$200).

The bidder will state the price of each item or article contained in the specifications or schedules herein contained or hereto annexed, per square yard, cubic yard or other unit of measure, by which the bids will be tested. The bids will be compared and the contract awarded at a lump or aggregate sum for each contract.

Blank forms and further information may be obtained and the plans and drawings may be seen at the office of the Bureau of Highways, the Borough of Brooklyn, No. 12 Municipal Building.

ALFRED E. STEERS, President.
Dated April 1, 1913. a4,16

¹² See General Instructions to Bidders on the last page, last column, of the "City Record."

CHANGE OF GRADE DAMAGE COMMISSION.

TWENTY-THIRD AND TWENTY-FOURTH WARDS.

PURSUANT TO THE PROVISIONS OF chapter 537 of the Laws of 1893 and the acts amendatory thereof and supplemental thereto, notice is hereby given that meetings of the Commissioners appointed under said acts will be held at the office of the Commission, Room 223, 280 Broadway (Stewart Building), Borough of Manhattan, New York City, on Mondays, Tuesdays and Thursdays of each week, at 2 o'clock p.m., until further notice.

Dated New York City, July 26, 1911.

WILLIAM D. DICKEY, CAMBRIDGE LIVINGSTON, DAVID ROBINSON, Commissioners.

LAMONT MCLoughlin, Clerk.

BOARD OF ESTIMATE AND APPORTIONMENT.

Hearings on Public Improvement Matters.

REMOVAL OF SIDEWALK ENROACHMENTS ON 6TH AVENUE BETWEEN 8TH STREET AND 13TH STREET, BOROUGH OF MANHATTAN.

NOTICE IS HEREBY GIVEN THAT AT THE meeting of the Board of Estimate and Apportionment held on April 3, 1913, the Board adjourned until April 24, 1913, the hearing on the proposed removal of sidewalk encroachments on 6th Avenue, between the northerly curb line of 8th Street and the southerly curb line of 13th Street of the Borough of Manhattan.

The hearing will be held in Room 16, City Hall, Borough of Manhattan, City of New York, on Thursday, April 24, 1913, at 10:30 o'clock a.m.

Dated April 5, 1913.
JOSEPH HAAG, Secretary, 277 Broadway; Telephone 2280 Worth. a5,24

MAINTENANCE OF NEWS STANDS BEING ELEVATED RAILROAD STAIRS, OR BEHIND SUBWAY ENTRANCES, BOROUGH OF MANHATTAN.

NOTICE IS HEREBY GIVEN THAT THE Board of Estimate and Apportionment will hold a public hearing in Room 16, City Hall, Borough of Manhattan, City of New York, on Thursday, April 24, 1913, at 10:30 o'clock a.m., on the proposed removal of encroachments on all streets and avenues running at right angles with or diagonally to subway entrances or exits or elevated railroad stairways, for a distance of fifty (50) feet from the street corner nearest such subway entrance or exit or elevated railroad stairway; provided, however, that news stands of types and sizes approved by the President of the Borough may be maintained under any elevated stairway, or behind any subway kiosk which is so located that a news stand in the rear thereof will not be in front of and within fifteen (15) feet of another subway entrance or exit structure, upon payment to the Mayor's Bureau of Licenses of the license fee for such news stands prescribed by the Code of Ordinances for news stands under the elevated railroad stairways.

Dated April 5, 1913.
JOSEPH HAAG, Secretary, 277 Broadway; Telephone 2280 Worth. a5,24

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Dated April 5, 1913.
JOSEPH HAAG, Secretary, 277 Broadway; Telephone 2280 Worth. a5,24

NOTICE IS HEREBY GIVEN THAT THE Board of Estimate and Apportionment will hold a public hearing in Room 16, City Hall, Borough of Manhattan, City of New York, on Thursday, April 24, 1913, at 10:30 o'clock a.m., on the proposed removal of encroachments on all streets and avenues running at right angles with or diagonally to subway entrances or exits or elevated railroad stairways, for a distance of fifty (50) feet from the street corner nearest such subway entrance or exit or elevated railroad stairway; provided, however, that news stands of types and sizes approved by the President of the Borough may be maintained under any elevated stairway, or behind any subway kiosk which is so located that a news stand in the rear thereof will not be in front of and within fifteen (15) feet of another subway entrance or exit structure, upon payment to the Mayor's Bureau of Licenses of the license fee for such news stands prescribed by the Code of Ordinances for news stands under the elevated railroad stairways.

Dated April 5, 1913.
JOSEPH HAAG, Secretary, 277 Broadway; Telephone 2280 Worth. a5,24

NOTICE IS HEREBY GIVEN THAT THE Board of Estimate and Apportionment will hold a public hearing in Room 16, City Hall, Borough of Manhattan, City of New York, on Thursday, April 24, 1913, at 10:30 o'clock a.m., on the proposed removal of encroachments on all streets and avenues running at right angles with or diagonally to subway entrances or exits or elevated railroad stairways, for a distance of fifty (50) feet from the street corner nearest such subway entrance or exit or elevated railroad stairway; provided, however, that news stands of types and sizes approved by the President of the Borough may be maintained under any elevated stairway, or behind any subway kiosk which is so located that a news stand in the rear thereof will not be in front of and within fifteen (15) feet of another subway entrance or exit structure, upon payment to the Mayor's Bureau of Licenses of the license fee for such news stands prescribed by the Code of Ordinances for news stands under the elevated railroad stairways.

Dated April 5, 1913.
JOSEPH HAAG, Secretary, 277 Broadway;

Section 2, Subdivision Twenty-third. Paragraph 1 is hereby amended by providing that the sum of five thousand five hundred dollars (\$5,500) shall be deposited with the Comptroller of the City in lieu and in place of the sum of three thousand dollars (\$3,000) named therein.

Sec. 2. This contract shall take effect on the date of the execution thereof by the Mayor.

Sec. 3. All the terms and conditions contained in the said contract dated October 21, 1910, shall remain unchanged, except as hereinabove modified.

Sec. 4. The Company promises, covenants and agrees on its part and behalf to conform to and abide by all the terms and conditions and requirements in this contract fixed and contained.

In witness whereof the party of the first part, by its Mayor, hereunto duly authorized by the Board of Estimate and Apportionment of said City, has caused the corporate name of said City to be hereunto signed, and the corporate seal of said City, to be hereunto affixed, and the party of the second part, by its officers hereunto duly authorized, has caused its corporate name to be hereunto signed and its corporate seal to be hereunto affixed the day and year first above written.

THE CITY OF NEW YORK.

By [CORPORATE SEAL] Mayor.

Attest: [Signature] City Clerk.

THE MERCHANTS' REFRIGERATING CO.

By [SEAL] President.

Attest: [Signature] Secretary.

(Here add acknowledgments.)

Resolved, That the results of the inquiry made by this Board as to the money value of the proposed franchise, and the adequacy of the compensation proposed to be paid therefor, and of the terms and conditions are as specified and fully set forth in the said contract dated October 21, 1910, as amended by the foregoing form of proposed contract for the consent to such modifications and alterations.

Resolved, That these preambles and resolutions, including the said resolution for the consent of the City of New York, to the modifications and alterations as applied for by the Merchants' Refrigerating Company and the said form of a proposed contract for the grant of such franchise or right containing said results of such inquiry, after the same shall be entered in the minutes of this Board, shall be published for at least twenty (20) days immediately prior to Thursday, April 24, 1913, in the City Record and at least twice during the ten (10) days immediately prior to Thursday, April 24, 1913 in two (2) daily newspapers, to be designated by the Mayor thereof, and published in The City of New York, at the expense of the Merchants' Refrigerating Company, together with the following notice, to wit:

Notice is hereby given that the Board of Estimate and Apportionment before authorizing any contract for the consent of the City to certain modifications and amendments in the terms and conditions of the said contract of October 21, 1910, such modifications and amendments, being fully set forth and described in the foregoing form of proposed contract, for the grant of such franchise or right, and before adopting any resolution authorizing such contract, will, at a meeting of said Board, to be held in Room 16, City Hall, Borough of Manhattan, City of New York, on Thursday, April 24, 1913, at 10:30 o'clock a. m., hold a public hearing thereon, at which citizens shall be entitled to appear and be heard. (The "Sun" and "Times" designated.)

JOSEPH HAAG, Secretary.

Dated New York, March 13, 1913.

the total for each item, and the Police Commissioner will award the contract to the lowest bidder on each item for all the articles, materials or supplies specified and contained in the specifications and schedule.

Bidders are requested to make their bids or estimates upon the blank form prepared by the Commissioner, a copy of which, with the proper envelope in which to inclose the bid, together with a copy of the contract, including the specifications, in the form approved by the Corporation Counsel, can be obtained upon application thereto at the office of the Commissioner, and any further information can be obtained at the office of the Bureau of Repairs and Supplies, Headquarters of the Police Department, 240 Centre st., Borough of Manhattan.

R. WALDO, Police Commissioner.

The City of New York, April 5, 1913.

^{7/18} See General Instructions to Bidders on the last page, last column, of the "City Record."

Owners Wanted for Unclaimed Property.

POLICE DEPARTMENT, CITY OF NEW YORK, OWNERS WANTED BY THE PROPERTY Clerk of the Police Department of The City of New York, No. 240 Centre st., for the following property now in custody, without claimants: Boats, rope, iron, lead, male and female clothing, boots, shoes, wine, blankets, diamonds, canned goods, liquors, etc.; also small amount of money taken from prisoners and found by Patrolmen of this Department.

R. WALDO, Police Commissioner.

POLICE DEPARTMENT OF CITY OF NEW YORK, BOROUGH OF BROOKLYN, OWNERS WANTED BY THE PROPERTY Clerk of the Police Department of The City of New York—Office, No. 269 State st., Borough of Brooklyn—for the following property, now in custody, without claimants: Boats, rope, iron, lead, male and female clothing, boots, shoes, wine, blankets, diamonds, canned goods, liquors, etc.; also small amount of money taken from prisoners and found by Patrolmen of this Department.

SUPREME COURT — FIRST DEPARTMENT.

Application for Appointment of Commissioners.

FIRST DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of EAST ONE HUNDRED AND SIXTY-SIXTH STREET, from Brook avenue to the westerly right of way line of the New York and Harlem Railroad, in the Twenty-third Ward, Borough of The Bronx, City of New York.

PURSUANT TO THE STATUTES IN SUCH CASES MADE AND PROVIDED, NOTICE IS HEREBY GIVEN THAT AN APPLICATION WILL BE MADE TO THE SUPREME COURT OF THE STATE OF NEW YORK, FIRST DEPARTMENT, AT A SPECIAL TERM THEREOF, TO BE HELD IN PART III THEREOF, IN AND FOR THE COUNTY OF NEW YORK, IN THE COUNTY COURT HOUSE, IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, ON THE 24TH DAY OF APRIL, 1913, AT THE OPENING OF COURT ON THAT DAY, OR AS SOON THEREAFTER AS COUNSEL CAN BE HEARD, FOR THE APPOINTMENT OF COMMISSIONERS OF ESTIMATE AND ONE COMMISSIONER OF ASSESSMENT IN THE ABOVE ENTITLED MATTER.

THE NATURE AND EXTENT OF THE IMPROVEMENT HEREBY INTENDED IS THE ACQUISITION OF TITLE IN FEEL BY THE CITY OF NEW YORK, FOR THE USE OF THE PUBLIC, TO ALL THE LANDS AND PREMISES, TOGETHER WITH THE BUILDINGS THEREON AND THE APPURTENANCES THEREUNTO BELONGING, REQUIRED FOR THE OPENING AND EXTENDING OF EAST ONE HUNDRED AND SIXTY-SIXTH STREET, FROM BROOK AVENUE TO THE WESTERLY RIGHT OF WAY LINE OF THE NEW YORK AND HARLEM RAILROAD, IN THE TWENTY-THIRD WARD, BOROUGH OF THE BRONX, CITY OF NEW YORK, ON APRIL 29, 1909; IN THE OFFICE OF THE REGISTER OF THE COUNTY OF NEW YORK ON APRIL 27, 1909, AS MAP NO. 1326, AND IN THE OFFICE OF THE COUNSEL TO THE CORPORATION OF THE CITY OF NEW YORK ON APRIL 27, 1909, IN PIGEON HOLE 116.

LAND REQUIRED FOR VIRGINIA AVENUE IS LOCATED EAST OF THE BRONX RIVER.

THE BOARD OF ESTIMATE AND APPORTIONMENT ON THE 7TH DAY OF MARCH, 1912, DULY FIXED AND DETERMINED THE AREA OF ASSESSMENT FOR BENEFIT IN THIS PROCEEDING AS FOLLOWS:

BEGINNING AT A POINT ON A LINE MIDWAY BETWEEN LUDLOW AVENUE AND HOUGHTON AVENUE WHERE IT IS INTERSECTED BY THE PROLONGATION OF A LINE DISTANT 100 FEET WESTERLY FROM AND PARALLEL WITH THE WESTERLY LINE OF VIRGINIA AVENUE, THE SAID DISTANCE BEING MEASURED AT RIGHT ANGLES TO VIRGINIA AVENUE AND RUNNING THENCE NORTHERLY ALONG THE SAID LINE PARALLEL WITH VIRGINIA AVENUE AND ALONG THE PROLONGATIONS OF THE SAID LINE TO THE INTERSECTION WITH A LINE DISTANT 100 FEET NORTHERLY FROM AND PARALLEL WITH THE NORTHERLY LINE OF WESTCHESTER AVENUE, AS THIS STREET IS LAYED OUT BETWEEN WHITE PLAINS ROAD AND EAST ONE HUNDRED AND SEVENTY-SEVENTH STREET, THE SAID DISTANCE BEING MEASURED AT RIGHT ANGLES TO WESTCHESTER AVENUE; THENCE EASTWARDLY ALONG THE SAID LINE PARALLEL WITH WESTCHESTER AVENUE, THENCE SOUTHWARDLY ALONG THE SAID LINE MIDWAY BETWEEN GRAY STREET AND STORROW STREET, AS THESE STREETS ARE LAYED OUT ADJOINING THE PUBLIC PLACE AT WESTCHESTER AVENUE; THENCE SOUTHWARDLY ALONG THE SAID LINE MIDWAY BETWEEN GRAY STREET AND STORROW STREET AND ALONG THE PROLONGATION OF THE SAID LINE TO THE INTERSECTION WITH A LINE BISECTING THE ANGLE FORMED BY THE PROLONGATIONS OF THE EASTERLY LINE OF VIRGINIA AVENUE AND THE SOUTHWESTERLY LINE OF EAST ONE HUNDRED AND SEVENTY-SEVENTH STREET, AS THESE STREETS ARE LAYED OUT BETWEEN WATSON AVENUE AND HAVILAND AVENUE; THENCE SOUTHWARDLY ALONG THE SAID LINE MIDWAY BETWEEN LUDLOW AVENUE AND HOUGHTON AVENUE; THENCE WESTWARDLY ALONG THE SAID LINE MIDWAY BETWEEN LUDLOW AVENUE AND HOUGHTON AVENUE; THENCE TO THE POINT OR PLACE OF BEGINNING.

East One Hundred and Sixty-sixth street, from Brook avenue to the westerly right of way line of the New York and Harlem Railroad, is shown on a map or plan entitled "Map or Plan showing the Locating, laying out and the grades of East One Hundred and Sixty-sixth street, from Park Avenue east to Brook Avenue, for the purpose of constructing a foot bridge across the tracks of the N. Y. & H. R. R. in the Twenty-third Ward, Borough of The Bronx, City of New York. Prepared by the President of the Borough of The Bronx, under authority of chapter 466, Laws of 1901," which map was filed in the office of the President of the Borough of The Bronx on December 28, 1911; in the office of the Register of the County of New York on December 27, 1911, as Map No. 1579, and in the office of the Counsel to the Corporation of The City of New York on December 27, 1911, in pigeon hole 176.

Land required for East One Hundred and Sixty-sixth street is located in Block 2392 of Section 9 of the Land Map of The City of New York.

THE BOARD OF ESTIMATE AND APPORTIONMENT ON THE 30TH DAY OF OCTOBER, 1912, DULY FIXED AND DETERMINED THE AREA OF ASSESSMENT FOR BENEFIT IN THIS PROCEEDING AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF CLAY AVENUE, WHERE IT IS INTERSECTED BY THE PROLONGATION OF A LINE MIDWAY BETWEEN EAST ONE HUNDRED AND SIXTY-SIXTH STREET AND EAST ONE HUNDRED AND SIXTY-SEVENTH STREET, AS THESE STREETS ARE LAYED OUT BETWEEN CLAY AVENUE AND WEBSTER AVENUE, AND RUNNING THENCE EASTWARDLY ALONG THE SAID LINE MIDWAY BETWEEN EAST ONE HUNDRED AND SIXTY-SIXTH STREET AND EAST ONE HUNDRED AND SIXTY-SEVENTH STREET, AND ALONG THE PROLONGATIONS OF THE SAID LINE TO THE INTERSECTION WITH THE WESTERLY LINE OF THIRD AVENUE; THENCE SOUTHWARDLY ALONG THE WESTERLY LINE OF THIRD AVENUE; THENCE TO THE INTERSECTION WITH THE PROLONGATION OF A LINE MIDWAY BETWEEN EAST ONE HUNDRED AND SIXTY-SIXTH STREET AND EAST ONE HUNDRED AND SIXTY-SIXTH STREET AS THESE STREETS ARE LAYED OUT BETWEEN FINDLAY AVENUE AND TELLER AVENUE; THENCE WESTWARDLY ALONG THE SAID LINE MIDWAY BETWEEN EAST ONE HUNDRED AND SIXTY-FIFTH STREET AND EAST ONE HUNDRED AND SIXTY-SIXTH STREET, AND ALONG THE PROLONGATIONS OF THE SAID LINE TO THE INTERSECTION WITH THE LINE MIDWAY BETWEEN EAST ONE HUNDRED AND SIXTY-FIFTH STREET AND EAST ONE HUNDRED AND SIXTY-SIXTH STREET, AS THESE STREETS ARE LAYED OUT BETWEEN GRANT AVENUE AND MORRIS AVENUE; THENCE

WESTWARDLY ALONG THE SAID BISECTING LINE TO THE INTERSECTION WITH THE EASTERLY LINE OF GRAND BOULEVARD AND CONCOURSE; THENCE NORTHERLY ALONG THE EASTERLY LINE OF GRAND BOULEVARD AND CONCOURSE TO THE INTERSECTION WITH A LINE MIDWAY BETWEEN EAST ONE HUNDRED AND SIXTY-SIXTH STREET AND McCLELLAN STREET AS THESE STREETS ARE LAYED OUT ADJOINING CARROLL PLACE; THENCE EASTWARDLY ALONG THE SAID LINE MIDWAY BETWEEN EAST ONE HUNDRED AND SIXTY-SIXTH STREET AND McCLELLAN STREET AND ALONG THE PROLONGATION OF THE SAID LINE TO THE INTERSECTION WITH THE EASTERLY LINE OF TELLER AVENUE; THENCE EASTWARDLY IN A STRAIGHT LINE TO THE POINT OR PLACE OF BEGINNING.

DATED NEW YORK, APRIL 12, 1913.

ARCHIBALD R. WATSON, Corporation Counsel, Hall of Records, Borough of Manhattan, City of New York.

12,23

FIRST DEPARTMENT.

IN THE MATTER OF THE APPLICATION OF THE CITY OF NEW YORK, RELATIVE TO ACQUIRING TITLE, WHEREVER THE SAME HAS NOT BEEN HERETOFORE ACQUIRED FOR THE SAME PURPOSE IN FEE, TO THE LANDS, TENEMENTS AND HEREDITAMENTS REQUIRED FOR THE OPENING AND EXTENDING OF VIRGINIA AVENUE FROM THE PUBLIC PLACE AT WESTCHESTER AVENUE TO LUDLOW AVENUE, IN THE TWENTY-FOURTH WARD, BOROUGH OF THE BRONX, CITY OF NEW YORK.

PURSUANT TO THE STATUTES IN SUCH CASES MADE AND PROVIDED, NOTICE IS HEREBY GIVEN THAT AN APPLICATION WILL BE MADE TO THE SUPREME COURT OF THE STATE OF NEW YORK, FIRST DEPARTMENT, AT A SPECIAL TERM THEREOF, TO BE HELD IN PART III THEREOF, IN AND FOR THE COUNTY OF NEW YORK, IN THE COUNTY COURT HOUSE, IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, ON THE 24TH DAY OF APRIL, 1913, AT THE OPENING OF COURT ON THAT DAY, OR AS SOON THEREAFTER AS COUNSEL CAN BE HEARD, FOR THE APPOINTMENT OF COMMISSIONERS OF ESTIMATE AND ONE COMMISSIONER OF ASSESSMENT IN THE ABOVE ENTITLED MATTER.

THE NATURE AND EXTENT OF THE IMPROVEMENT HEREBY INTENDED IS THE ACQUISITION OF TITLE IN FEEL BY THE CITY OF NEW YORK, FOR THE USE OF THE PUBLIC, TO ALL THE LANDS AND PREMISES, TOGETHER WITH THE BUILDINGS THEREON AND THE APPURTENANCES THEREUNTO BELONGING, REQUIRED FOR THE OPENING AND EXTENDING OF VIRGINIA AVENUE, FROM THE PUBLIC PLACE AT WESTCHESTER AVENUE TO LUDLOW AVENUE, IN THE TWENTY-FOURTH WARD, BOROUGH OF THE BRONX, CITY OF NEW YORK, ON APRIL 29, 1909; IN THE OFFICE OF THE REGISTER OF THE COUNTY OF NEW YORK ON APRIL 27, 1909, AS MAP NO. 1326, AND IN THE OFFICE OF THE COUNSEL TO THE CORPORATION OF THE CITY OF NEW YORK ON APRIL 27, 1909, IN PIGEON HOLE 116.

LAND REQUIRED FOR VIRGINIA AVENUE IS LOCATED EAST OF THE BRONX RIVER.

THE BOARD OF ESTIMATE AND APPORTIONMENT ON THE 7TH DAY OF MARCH, 1912, DULY FIXED AND DETERMINED THE AREA OF ASSESSMENT FOR BENEFIT IN THIS PROCEEDING AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERN LINE OF LUDLOW AVENUE DISTANT 1,502.138 FEET WESTERLY FROM THE INTERSECTION OF SAID LINE WITH THE WESTERLY LINE OF OLMPSTEAD AVENUE; THENCE WESTERLY ALONG THE NORTHERN LINE OF LUDLOW AVENUE FOR 60.74 FEET; THENCE NORTHERLY DEFECTING 81 DEGREES 02 MINUTES 35 SECONDS TO THE RIGHT FOR 2,307.19 FEET TO THE SOUTHERLY LINE OF THE PUBLIC PLACE AT WESTCHESTER AVENUE; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF THE PUBLIC PLACE FOR 60.74 FEET; THENCE SOUTHERLY FOR 2,307.19 FEET TO THE POINT OF BEGINNING.

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BEGINNING AT A POINT IN THE NORTHERN LINE OF LUDLOW AVENUE DISTANT 1,502.138 FEET WESTERLY FROM THE INTERSECTION OF SAID LINE WITH THE WESTERLY LINE OF OLMPSTEAD AVENUE; THENCE WEST

tached thereto, and which maps or plans with the said memorandum accompanying the same and attached thereto, together with a certificate of the approval and adoption thereof by the Public Service Commission for the First District of the State of New York, signed by the members of said Public Service Commission approving and adopting the same were filed as follows:

One in the Department of Public Works, in the office of the President of the Borough of The Bronx, on the 12th day of March, 1913; one in the office of the Register of the County of New York on the 2d day of April, 1913, and a certified copy of one of said maps or plans with the memorandum accompanying the same attached thereto and a certificate of the said Public Service Commission for the First District of the State of New York described thereon in the office of the Public Service Commission for the First District of the State of New York, No. 154 Nassau street, Borough of Manhattan, City of New York, on the 11th day of March, 1913.

Dated New York, April 5, 1913.
ARCHIBALD R. WATSON, Corporation Counsel, Hall of Records, Borough of Manhattan, City of New York.

a7,12,14,19

FIRST JUDICIAL DISTRICT.

NOTICE IS HEREBY GIVEN THAT IT IS the intention of the Corporation Counsel of The City of New York to make application to the Supreme Court of the State of New York, at a Special Term, Part III thereof, to be held in and for the County of New York, at the County Court House in the Borough of Manhattan, City of New York, on the 21st day of April, 1913, at the opening of court on that day, or as soon thereafter as counsel can be heard thereon, for the appointment of three disinterested freeholders, residents of The City of New York, as Commissioners of Appraisal, to ascertain and appraise the compensation to be made to the owners of and all persons interested in the real property rights, franchises, easements or privileges sought to be taken or acquired by The City of New York, or which may be affected or damaged by this proceeding.

The City of New York by this proceeding seeks to acquire an estate in fee simple absolute, free from all liens and incumbrances, in and to all those certain lots, pieces or parcels of land shown upon the maps or plans hereinafter mentioned, together with the buildings and improvements thereon, situate, lying and being in the Borough of The Bronx, City and State of New York, as hereinafter more particularly bounded and described, for the construction, maintenance and operation in perpetuity, free of interference and right of interference of a portion of a Rapid Transit Railroad, in accordance with the routes and general plans of construction adopted by the Board of Rapid Transit Railroad Commissioners for The City of New York on the 12th day of May, 1903, and approved by the Board of Estimate and Apportionment of The City of New York on the 14th day of July, 1905, and by the Mayor of The City of New York on the 28th day of July, 1905, and consented to by the Appellate Division of the Supreme Court in and for the First Judicial Department, by an order entered on the 19th day of October, 1906, which said routes and general plans of construction were modified by the Public Service Commission for the First District by resolutions adopted on the 4th day of February, 1908, and the 29th day of April, 1908, respectively, such modifications being approved by the Board of Estimate and Apportionment of The City of New York on the 13th day of March, 1908, and the 8th day of May, 1908, respectively, and by the Mayor of The City of New York on the 18th day of March, 1908, and the 12th day of May, 1908, respectively, and consented to by the Appellate Division of the Supreme Court in and for the First Judicial Department, by an order entered on the 4th day of January, 1909, and were further modified by the Public Service Commission for the First District by resolutions adopted on the 21st day of May, 1909, such modification being approved by the Board of Estimate and Apportionment of The City of New York on the 4th day of June, 1909, and by the Mayor of The City of New York on the 8th day of June, 1909, and consented to by the Appellate Division of the Supreme Court in and for the First Judicial Department by an order entered on the 24th day of February, 1910. The said portion of said Rapid Transit Railroad is further described in the contract for the construction thereof, dated November 17, 1911, made by The City of New York, acting by the Public Service Commission for the First District, with Hagerty-Drummond Company, a domestic corporation, and thereafter assigned, with the consent of the Public Service Commission for the First District, to Rodgers & Hagerty, Incorporated, a domestic corporation.

There is to be acquired by The City of New York in this proceeding, an estate in fee simple absolute, free from all liens and incumbrances, for the purposes aforesaid in and to those certain lots, pieces and parcels of land, situate, lying and being in the Borough of The Bronx in the City and State of New York and bounded and described as follows:

Beginning at a point on the easterly side of Park avenue distant seventy-six and fifty-six one-hundredths (76.56) feet southerly from the corner formed by the intersection of the easterly side of Park avenue and the southerly side of East One Hundred and Thirty-eighth street; running thence southerly along the easterly side of Park avenue seventy-seven and ninety-five one-hundredths (77.95) feet; thence easterly parallel, or nearly so, with the southerly side of East One Hundred and Thirty-eighth street one hundred and twenty-nine and five one-hundredths (129.05) feet to a point on the westerly side of Canal street West, distant one hundred and forty-nine and five one-hundredths (149.05) feet southerly from the corner formed by the intersection of the westerly side of Canal street West and the southerly side of East One Hundred and Thirty-eighth street; thence northerly along the westerly side of Canal street West seventy-four and ninety-three one-hundredths (74.93) feet; thence westerly parallel, or nearly so, with the southerly side of East One Hundred and Thirty-eighth street one hundred and seven and seven one-hundredths (107.07) feet to the point or place of beginning.

A fuller statement setting forth the location and boundaries of the said lot, piece or parcel of land, and the estates, rights, franchises, easements or privileges sought to be taken or affected, and a brief statement as to said lot, piece or parcel of land and of the title, right, franchises, easements or privileges sought to be acquired or extinguished by The City of New York in this proceeding is printed upon each of three similar maps or plans adopted by the Public Service Commission for the First District of the State of New York on the 11th day of March, 1913, which said maps were filed, one with the Department of Public Works in the office of the President of the Borough of The Bronx, City of New York, on the 13th day of March, 1913, a copy of which was filed in the office of the Public Service Commission for the First District of the State of New York, at No. 154 Nassau street, Borough of Manhattan, City of New York, on the 11th day of March, 1913, and one in the office of the Register of the County of New York on the 2d day of April, 1913.

ARCHIBALD R. WATSON, Corporation Counsel, Hall of Records, Borough of Manhattan, New York City.

a7,12,14,19

Hearings on Qualifications.

FIRST DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of VAN CORTLANDT PARK SOUTH, from Broadway to Mosholu parkway, excluding the right of way of the New York and Putnam Railroad, in the Twenty-fourth Ward, Borough of The Bronx, City of New York.

JOEL J. SQUIR, Clerk.

Filing Supplemental and Amended Abstracts.

FIRST DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of SEAMAN AVENUE, from Academy street to Dyckman street, and of an UNNAMED STREET northeasterly from Dyckman street, from Seaman avenue to Broadway, in the Twelfth Ward, Borough of Manhattan, City of New York.

NOTICE IS HEREBY GIVEN TO ALL PERSONS interested in the above entitled proceeding, and to the owner or owners, occupant or occupants of all houses, lots and lands and unimproved lands affected thereby, and to all others whom it may concern, to wit:

First. That the undersigned, Commissioners of Estimate, have completed their supplemental and amended estimate of damage, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with them at their office, Nos. 90 and 92 West Broadway, in the Borough of Manhattan, in The City of New York, on or before the 28th day of April, 1913, and that the said Commissioners will hear parties so objecting, and for that purpose will be in attendance at their said office on the 30th day of April, 1913, at 3 o'clock p. m.

Second. That the undersigned, Commissioner of Assessment, has completed his supplemental and amended estimate of benefit, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with him at his office, Nos. 90 and 92 West Broadway, in the Borough of Manhattan, in The City of New York, on or before the 28th day of April, 1913, and that the said Commissioner will hear parties so objecting, and for that purpose will be in attendance at his said office on the 1st day of May, 1913, at 3 o'clock p. m.

Third. That the Commissioner of Assessment has assessed any or all such lands, tenements and hereditaments and premises as are within the area of assessment fixed and prescribed as the area of assessment for benefit by the Board of Estimate and Apportionment on the 18th day of June, 1909, and that the said area of assessment includes all those lands, tenements and hereditaments and premises situate and being in the Borough of Manhattan, in The City of New York, which, taken together, are bounded and described as follows, viz.:

Beginning at a point on a line distant 100 feet southwesterly from and parallel with the southwesterly line of Dyckman street, the said distance being measured at right angles to the line of Dyckman street, where it is intersected by a line distant 100 feet northwesterly from and parallel with the northwesterly line of F street, the said distance being measured at right angles to F street, and running thence northeasterly and parallel with F street and the prolongation thereof to the intersection with the prolongation of a line distant 100 feet easterly from and parallel with the easterly line of Academy street, the said distance being measured at right angles to Academy street; thence southwesterly along the said line parallel with Academy street and along the prolongation of the said line to a line bisecting the angle formed by the intersection of the prolongation of the southeasterly line of Seaman avenue and the northwesterly line of Broadway, as these streets are laid out between Academy street and Dyckman street; thence southwesterly along the said bisecting line to a point distant 100 feet northeasterly from the northeasterly line of the unnamed street, the said distance being measured at right angles to the unnamed street; thence southeasterly and parallel with the unnamed street and the prolongation thereof to a point distant 100 feet southeasterly from the southeasterly line of Broadway, the said distance being measured at right angles to Broadway; thence southwesterly and parallel with Broadway to the intersection with the prolongation of a line distant 100 feet southwesterly from and parallel with the southwesterly line of the unnamed street, the said distance being measured at right angles to the unnamed street; thence northwestwardly along the said line parallel with the unnamed street and the prolongation thereof to the intersection with the prolongation line hereinbefore described; thence southwesterly along the said bisecting line to a point distant 100 feet northeasterly from the northeasterly line of the unnamed street, the said distance being measured at right angles to the unnamed street; thence northwestwardly along the said line parallel with Dyckman street and passing through the point of beginning; thence northwesterly along the said line parallel with Dyckman street to the point or place of beginning.

Fourth. That the abstracts of said supplemental and amended estimate of damage and of said supplemental and amended assessment for benefit, together with the damage and benefit maps, and also all the affidavits, estimates, proofs and other documents used by the Commissioners of Estimate and by the Commissioner of Assessment in making the same, have been deposited in the Bureau of Street Openings in the Law Department of The City of New York, Nos. 90 and 92 West Broadway, in the Borough of Manhattan, in said City, there to remain until the 28th day of April, 1913.

Fifth. That, provided there be no objections filed to either of said supplemental and amended abstracts, the reports as to awards and as to assessments for benefit herein will be presented for confirmation to the Supreme Court of the State of New York, First Department, at a Special Term thereof, Part III, to be held in the County Court House, in the Borough of Manhattan, in The City of New York, on the 19th day of June, 1913, at the opening of Court on that day.

Sixth. In case, however, objections are filed to the foregoing supplemental and amended abstracts of estimate and assessment, or to either of them the motion to confirm the reports as to awards and as to assessments shall stand adjourned to the date to be hereafter specified in the notice provided in such case to be given in relation to filing the final reports, pursuant to sections 981 and 984 of the Greater New York Charter, as amended by chapter 658 of the Laws of 1906.

Dated Borough of Manhattan, New York, April 4, 1913.

ISHAM HENDERSON, Chairman; GEO. E. MORGAN, CHAS. D. DONOHUE, Commissioners of Estimate; ISHAM HENDERSON, Commissioner of Assessment.

JOEL J. SQUIR, Clerk.

a9,25

Hearings on Qualifications.

FIRST DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of VAN CORTLANDT PARK SOUTH, from Broadway to Mosholu parkway, excluding the right of way of the New York and Putnam Railroad, in the Twenty-fourth Ward, Borough of The Bronx, City of New York.

JOEL J. SQUIR, Clerk.

a11,22

NOTICE IS HEREBY GIVEN THAT BY AN ORDER of the Supreme Court of the State of New York, First Department, bearing date of the 3d day of April, 1913, and duly entered and filed in the office of the Clerk of the County of New York on the 4th day of April, 1913, Ernest R. Eckley, William Conover and E. Mortimer Boyle, Esquires, were appointed Commissioners of Estimate in the above entitled proceeding, and that in and by said order Ernest R. Eckley, Esquire, was appointed the Commis-

sioner of Assessment.

Notice is further given, pursuant to the statutes in such cases made and provided, the said Ernest R. Eckley, William Conover and E. Mortimer Boyle, Esquires, will attend at a Special Term, Part II, of the Supreme Court of the State of New York, First Department, to be held in the County Court House, in the Borough of Manhattan, in The City of New York, on the 21st day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as counsel can be heard thereon for the purpose of being examined, under oath, by the Corporation Counsel, or any other person having any interest in said proceeding, as to their qualifications to act as such Commissioners.

Dated Borough of Manhattan, April 8, 1913.
ARCHIBALD R. WATSON, Corporation Counsel, Attorney for The City of New York, Hall of Records, Borough of Manhattan, City of New York.

a8,18

Filing of Final Report.

FIRST DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of the EASTERN BOULEVARD, from the property of the New York, New Haven and Hartford Railroad to Hurlins Point road, in the Twenty-third Ward, Borough of The Bronx, City of New York, as amended and corrected by resolution adopted by the Board of Estimate and Apportionment on the 20th day of April, 1911, and by an order of this Court bearing date the 29th day of December, 1911, and entered in the office of the Clerk of the County of New York on the 3d day of January, 1912, so as to omit from said proceeding that portion of the said Eastern boulevard between Truxton street and the property of the New York, New Haven and Hartford Railroad.

NOTICE IS HEREBY GIVEN THAT THE final reports of the Commissioners of Estimate in the above entitled matter will be presented for confirmation to the Supreme Court of the State of New York, First Department, at a Special Term thereof, Part III, to be held in the County Court House, in the Borough of Manhattan, in The City of New York, on the 14th day of April, 1913, at 10:30 o'clock in the forenoon of that day; and that the said final reports have been deposited in the office of the Clerk of the County of New York, there to remain for and during the space of five days, as required by law.

Dated Borough of Manhattan, New York, April 8, 1913.

CHARLES B. McLAUGHLIN, JOHN J. MACKIN, WILLIAM J. KELLY, Commissioners of Estimate; JOHN J. MACKIN, Commissioner of Assessment.

JOEL J. SQUIR, Clerk.

a8,12

Filing Bill of Costs.

FIRST DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of GRAND AVENUE, from Burnside avenue to Fordham road; of WEST ONE HUNDRED AND EIGHTIETH STREET, from Aqueduct Avenue East to Davidson avenue, and of AQUEDUCT AVENUE EAST, from West One Hundred and Eightieth street to West One Hundred and Eighty-fourth street, in the Twenty-fourth Ward, Borough of The Bronx, City of New York.

NOTICE IS HEREBY GIVEN THAT THE bill of costs, charges and expenses incurred by reason of the proceedings in the above-entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, First Department, at a Special Term thereof, Part I, to be held at the County Court House in the Borough of Manhattan in The City of New York, on the 25th day of April, 1913, at 10:30 o'clock in the forenoon of that day; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of New York, there to remain for and during the space of ten days, as required by law.

Dated Borough of Manhattan, New York, April 12, 1913.

ERNEST HALL, W. RUSSELL OSBORN, JAMES W. O'BRIEN, Commissioners of Estimate; ERNEST HALL, Commissioner of Assessment.

JOEL J. SQUIR, Clerk.

a12,23

FIRST DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of EAST ONE HUNDRED AND EIGHTIETH STREET, from Bronx River to West Farms road, in the Twenty-fourth Ward, Borough of The Bronx, City of New York.

NOTICE IS HEREBY GIVEN THAT THE supplemental and additional bill of costs, charges and expenses incurred by reason of the proceedings in the above-entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, First Department, at a Special Term thereof, Part I, to be held at the County Court House in the Borough of Manhattan, in The City of New York, on the 24th day of April, 1913, at 10:30 o'clock in the forenoon of that day; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of New York, there to remain for and during the space of ten days, as required by law.

Dated Borough of Manhattan, New York, April 11, 1913.

FRANK A. SPENCER, Jr., Commissioner of Assessment.

JOEL J. SQUIR, Clerk.

a11,22

FIRST DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of SUNSWICK STREET, from Harris avenue to Graham avenue, in the First Ward, Borough of Queens, City of New York.

NOTICE IS HEREBY GIVEN TO ALL PERSONS interested in the above-entitled proceeding, and to the owner or owners, occupant or occupants of all houses and lots and unimproved and unimproved lands affected thereby, and to all others whom it may concern, to wit:

First—That the undersigned, Commissioners of Estimate, have completed their supplemental and amended estimate of damage, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with them at their office, in the Municipal Building, Court House Square, Long Island City, in the Borough of Queens, in The City of New York, on or before the 28th day of April, 1913, and that the said Commissioners will hear parties so objecting, and for that purpose will be in attendance at their said office on the 30th day of April, 1913, at 2:30 o'clock p. m.

Second—That the undersigned, Commissioner of Assessment, has completed his supplemental and amended estimate of benefit, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with him at his office, in the Municipal Building, Court House Square, Long Island City, in the Borough of Queens, in The City of New York, on or before the 28th day of April, 1913,

to the line of Graham avenue; on the south-east by a line midway between Sunswick street and Ely avenue, and the prolongation of the said line, and on the southwest by a line distant 100 feet southwesterly from and parallel with the southwesterly line of Harris avenue, the said distance being measured at right angles to the line of Harris avenue.

Fourth—That the abstracts of said supplemental and amended estimate of damage and of said supplemental and amended assessment for benefit, together with the damage and benefit maps, and also all the affidavits, estimates, proofs and other documents used by the Commissioners of Estimate and by the Commissioners of Assessment in making the same, have been deposited in the Bureau of Street Openings in the Law Department of The City of New York, in the Municipal Building, Court House Square, in the Borough of Queens, in said City, there to remain until the 30th day of April, 1913.

Fifth—That, provided there be no objections filed to either of said supplemental and amended abstracts, the reports as to awards and as to assessments for benefit herein will be presented for confirmation to the Supreme Court of the State of New York, Second Department, at a Special Term thereof for the hearing of motions, to be held in the County Court House in the Borough of Brooklyn, in The City of New York, on the 20th day of June, 1913, at the opening of the Court on that day.

Sixth—In case, however, objections are filed to the foregoing supplemental and amended abstracts of estimate and assessment or to either of them the motion to confirm the reports as to awards and as to assessments shall stand adjourned to the date to be hereafter specified in the notice provided in such cases to be given in relation to filing the final reports, pursuant to sections 981 and 984 of the Greater New York Charter, as amended by chapter 658 of the Laws of 1906.

Dated Borough of Manhattan, New York, March 24, 1913.

WM. S. COGSWELL, Chairman; D. L. VAN NOSTRAND, Commissioners of Estimate; D. L. VAN NOSTRAND, Commissioner of Assess-ment.

WALTER C. SHEPPARD, Clerk. a7,23

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands and premises required for the opening and extending of WASHINGTON AVENUE (although not yet named by proper authority), from East River to Jackson avenue, in the First Ward, Borough of Queens, in the City of New York.

WE, THE UNDERSIGNED, COMMISSIONERS of Estimate and Assessment in the above-entitled matter, hereby give notice to all persons interested in this proceeding, and to the owner or owners, occupant or occupants of all houses and lots and improved and unimproved lands affected thereby, and to all others whom it may concern:

First—That we have completed our supplemental and amended estimate of assessment for benefit, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, and having objections thereto, do present their said objections in writing, duly verified, to us at our office, in the Municipal Building, Court House Square, Long Island City, Borough of Queens, in The City of New York, on or before the 14th day of April, 1913, and that we, the said Commissioners, will hear parties so objecting, and for that purpose will be in attendance at our said office on the 16th day of April, 1913, at 10 o'clock a. m.

Second—That the abstract of our said supplemental and amended estimate of assessment for benefit, together with our benefit maps, and also all the affidavits, estimates, proofs and other documents used by us in making the same, has been deposited in the Bureau of Street Openings in the Law Department of The City of New York, in the Municipal Building, Court House Square, Long Island City, in the Borough of Queens, in said City, there to remain until the 16th day of April, 1913.

Third—That the limits of our assessment for benefit include all those lands, tenements and hereditaments and premises, situate, lying and be-ing in the Borough of Queens, in The City of New York, which, taken together, are bounded and described as follows, viz.:

Beginning at a point formed by the intersection of the centre line of blocks between the Pierce avenue and Washington avenue and the northerly line of Jackson avenue, and running thence northwesterly along said centre line to its intersection with the bulkhead line of the East River; thence southwesterly along said bulkhead line to its intersection with the centre line of the blocks between Washington avenue and Webster avenue; thence southeasterly along said last mentioned centre line to its intersection with the northerly line of Jackson avenue; thence easterly along said northerly line of Jackson avenue to the point or place of beginning, as such area is shown upon our benefit maps deposited as aforesaid.

Fourth—That, provided there be no objections filed to said supplemental and amended abstract, our supplemental and amended final report herein will be presented for confirmation to the Supreme Court of the State of New York, Second Department, at a Special Term thereof, for the hearing of motions, to be held in the County Court House in the Borough of Brooklyn, in The City of New York, on the 27th day of June, 1913, at the opening of the Court on that day.

Fifth—In case, however, objections are filed to said abstract of estimate of assessment for benefit, the notice of motion to confirm our supplemental and amended final report herein will stand adjourned to the date to be hereafter specified, and of which notice will be given to all those who have theretofore appeared in this proceeding, as well as by publication in the City Record, pursuant to Sections 981 and 984 of the Greater New York Charter, as amended by chapter 658 of the Laws of 1906.

Dated Borough of Manhattan, New York, March 19, 1913.

CHARLES H. BAILEY, Chairman; HERMAN E. WINNE, Commissioners.

WALTER C. SHEPPARD, Clerk. a3,14.

Filing Bill of Costs.

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of Avenue I, from Ocean parkway to the easterly line of East Fifteenth street, and from the easterly property line of the lands of the Long Island Railroad Company within the lines of East Seventeenth street to East Thirteenth street, in the Thirty-first and Thirty-second Wards, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN THAT THE bill of costs, charges and expenses incurred by reason of the proceedings in the above entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House, in the Borough of Brooklyn, in The City of New York, on the 16th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 4, 1913.

ELMER G. SAMMIS; JOSEPH A. KEN-

NEDY, EDWARD W. C. CUNNINGHAM, Com-missars of Estimate; ELMER G. SAM-

MIS, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a4,15

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of

one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House, in the Borough of Brooklyn, in The City of New York, on the 16th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 4, 1913.

ROYAL W. FRANCE, F. MATTHEW SAAUZE, PATRICK HARTE, Commissioners of Estimate; ROYAL W. FRANCE, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a4,15

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of FENIMORE STREET, from Nostrand avenue to Kingston avenue, and from Albany avenue to Troy avenue; and RUTLAND ROAD, from Nostrand avenue to Canarsie avenue, in the Twenty-ninth Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN THAT THE bill of costs, charges and expenses incurred by reason of the proceedings in the above entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House, in the Borough of Brooklyn, in The City of New York, on the 16th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 4, 1913.

CHARLES S. ARONSTAM, FRANCIS A. McCLOSKEY, GEORGE HAROLD FOWELL, Commissioners of Estimate; CHARLES S. ARONSTAM, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a4,15

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of BARRETT STREET, from Sutter avenue to Blake avenue, in the Thirty-second Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN THAT THE bill of costs, charges and expenses incurred by reason of the proceedings in the above entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House, in the Borough of Brooklyn, in The City of New York, on the 16th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 4, 1913.

THOMAS H. TROY, GEORGE J. S. DOWLING, JACOB SIMONS, Commissioners of Estimate; THOMAS H. TROY, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a4,15

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of POWELL STREET, from Livonia avenue to Hegeman avenue, in the Twenty-sixth Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN THAT THE bill of costs, charges and expenses incurred by reason of the proceedings in the above entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House, in the Borough of Brooklyn, in The City of New York, on the 16th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 4, 1913.

WILLIAM J. MAHON, WILLIAM MCKINNIN, ALFRED SCHLICKERMAN, Com-missars of Estimate; WILLIAM J. MAHON, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a4,15

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of INGRAHAM STREET, from Stewart avenue to Flushing avenue, in the Eighteenth Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN THAT THE bill of costs, charges and expenses incurred by reason of the proceedings in the above entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House, in the Borough of Brooklyn, in The City of New York, on the 16th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 4, 1913.

ELMER G. SAMMIS; JOSEPH A. KEN-

NEDY, EDWARD W. C. CUNNINGHAM, Com-missars of Estimate; ELMER G. SAM-

MIS, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a4,15

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of

quired, to the lands, tenements and hereditaments required for the opening and extending of EIGHTY-FIRST STREET, from Third avenue to Fourth avenue, in the Thirtieth Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN that the bill of costs, charges and expenses incurred by reason of the proceedings in the above-entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House in the Borough of Brooklyn, in The City of New York, on the 14th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as Counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 2, 1913.

THOMAS H. TROY, FRANK E. JOHNSON, JR., RICHARDSON WEBSTER, Commissioners of Estimate; THOMAS H. TROY, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a2,12

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of CONSELYEA STREET, from Humboldt street to Maspeth avenue, in the Eighteenth Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN that the bill of costs, charges and expenses incurred by reason of the proceedings in the above-entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House in the Borough of Brooklyn, in The City of New York, on the 14th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as Counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 2, 1913.

MAX ARENS, GEO. E. BURR, JACOB A. WILLIAMS, Commissioners of Estimate; MAX ARENS, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a2,12

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands, tenements and hereditaments required for the opening and extending of NEWTON STREET, from Leonard street to Graham avenue, in the Seventeenth Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN that the bill of costs, charges and expenses incurred by reason of the proceedings in the above-entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the County Court House in the Borough of Brooklyn, in The City of New York, on the 14th day of April, 1913, at 10:30 o'clock in the forenoon of that day, or as soon thereafter as Counsel can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated Borough of Brooklyn, New York, April 2, 1913.

ERNEST P. SEELMAN, HENRY D. CIP-
PERLY, JACOB C. KLINCK, Commissioners of Estimate; ERNEST P. SEELMAN, Commissioner of Assessment.

EDWARD RIEGELMANN, Clerk. a2,12

SECOND DEPARTMENT.

In the matter of the application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of MONTAUK AVENUE, from Atlantic avenue to Pitkin avenue, excepting the land occupied by the tracks of the Long Island Railroad, in the Twenty-sixth Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN TO ALL PER-
SONS interested in the above entitled proceed-
ing, and to the owner or owners, occupant or
occupants of all houses and lots and improved
and unimproved lands affected thereby, and to
all others whom it may concern, to wit:

First. That the undersigned, Commissioners of Estimate, have completed their estimate of damage, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with them at their office, No. 166 Montague street, in the Borough of Brooklyn, in The City of New York, on or before the 28th day of April, 1913, and that the said Commissioners will hear parties so objecting, and for that purpose will be in attendance at their said office on the 29th day of April, 1913, at 10:30 o'clock a. m.

Second. That the undersigned, Commissioner of Assessment, has completed his estimate of benefit, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with him at his office, No. 166 Montague street, in the Borough of Brooklyn, in The City of New York, on or before the 28th day of April, 1913, and that the said Commissioner will hear parties so

