

have been equal to at least twice the interest requirements for one year on all debentures then outstanding and upon those proposed to be issued. Additional debentures also may be issued to retire debentures previously issued, subject to the terms of the Indenture.

TRUSTEE: Equitable Trust Company of New York, N. Y. INTEREST PAYABLE: January and July 1 at offices of

the Trustee and at Continental National Bank and Trust Company of Chicago, Ill. DENOMINATION: Coupon, \$100, \$500 and \$1,000, interchangeable. REGISTRATION: \$1,000 debentures registerable as to principal only. TAX PROVISIONS: Company pays Normal Federal Income Tax up to 2%, and will refund to resident holders Pennsylvania, Connecticut, and California Personal Property Taxes not exceeding 4 mills per annum, Maryland Tax not exceeding 4½ mills per annum, and Massachusetts Income Tax not exceeding 6% per annum.

**BALANCE SHEET—National Electric Power Company—DECEMBER 31, 1927**

ASSETS				LIABILITIES	
FIXED CAPITAL, ETC.		\$6,881,792.96		CAPITAL STOCK:	
INVESTMENTS:				Preferred—7% Cumulative \$100 Par Value	\$ 5,060,000.00
In Subsidiary Companies	\$24,141,127.14			Common Class A No Par Value	6,786,365.00
Free	1,827,298.07	25,968,425.21		Common Class B No Par Value	4,482,014.00
					\$16,328,379.00
CURRENT ASSETS:				CAPITAL STOCK AND SURPLUS OF LEASED PROPERTY	3,342,370.41
Cash	\$ 127,821.52			FUNDED DEBT	8,662,500.00
Notes Receivable	208,200.00	338,656.76		CURRENT LIABILITIES:	
Accrued Interest	2,635.24			Accounts Payable	\$ 3,656.51
				Accrued Interest on Bonds and Notes Payable	173,250.00
DUE FROM SUBSIDIARY AND AFFILIATED COMPANIES		639,044.15		Accrued Taxes	4,176.83
DEFERRED CHARGES:					181,083.34
Prepaid Insurance, Taxes, etc.	\$ 5,370.42			DUE TO SUBSIDIARY AND AFFILIATED COMPANIES	300,190.00
Miscellaneous	4,692.72	10,063.14		CAPITAL SURPLUS	4,487,442.61
				EARNED SURPLUS	536,016.86
TOTAL ASSETS		\$33,837,982.22		TOTAL LIABILITIES	\$33,837,982.22

**Michigan Electric Power Company**

(Controlled by National Electric Power Company.)

**M**ICHIGAN Electric Power Company, organized in 1924 under the laws of Michigan, furnishes electric light and power service to 70 communities with an estimated population of more than 40,000, in Sanilac, Huron, Tuscola, Lapeer, and Genesee counties, Michigan.

Capitalization at June 30, 1928:

CAPITAL STOCK:	
Common Stock without par value (30,000 Shares)	\$ 130,100.00
7% Preferred Stock	900,850.00
6% Preferred Stock	85,000.00
FUNDED DEBT:	
First and Refunding 6s of 1944	\$1,165,000.00
Underlying:	
Central Power Co. 1st 7s of 1940	95,000.00
Great Lakes Power Co. 1st & Ref. 6s of 1943	320,000.00

Income Account for year ended December 31, 1927:

Gross Revenues	\$ 674,310.48
Non-Operating Income	1,001.73
Total Gross Income	\$ 675,312.21
Operating Expenses, Maintenance, Depreciation and Taxes	467,821.12
Net Earnings	\$ 207,491.09
Deductions from Net Earnings	168,667.92
Balance	\$ 38,823.17
For the twelve months ended June 30, 1928, earnings were as follows:	
Gross Operating Revenue	\$ 712,020.64
Net Income—After charges for Taxes, Interest and provision for Retirements	108,692.81

**COMMON STOCK (without par value)**

Outstanding June 30, 1928 **30,000 shares**

(Paid-in Value \$130,100. All owned by National Electric Power Company.)