

Scranton Railway Company

(Controlled by Municipal Service Company.)

THE Scranton Railway Company, chartered in Pennsylvania in 1896, operates about 77 miles of railway.

Capitalization at June 30, 1928:

CAPITAL STOCK:

Common Stock (\$50 Par)\$2,000,000.00

FUNDED DEBT:

First Consolidated 5s of 1932..... 1,100,000.00

First and Refunding 5s of 1947..... 4,095,000.00

Underlying Bonds 2,110,000.00

Income Account for year ended December 31, 1927:

Operating Revenues	\$2,082,511.87
Operating Expenses	1,510,836.00
Net Earnings from Operations	\$ 571,675.87
Non-Operating Revenues	9,533.76
	\$ 581,209.63
Interest Deductions	450,453.29
	\$ 130,756.34
Other Deductions	69,784.02
Surplus Net Earnings	\$ 60,972.32

For the twelve months ended June 30, 1928, earnings were as follows:

Gross Operating Revenues	\$2,034,298.69
Net Income—After charges for Taxes, Interest, and provision for Retirements.....	78,913.37

COMMON STOCK (\$50 par value)

Outstanding June 30, 1928 **\$2,000,000**

(Majority owned by Municipal Service Company.)

FIRST AND REFUNDING 5s OF 1947

Outstanding June 30, 1928 **\$4,095,000**

Title of Issue: First and Refunding Mortgage Five Percent Gold Bonds.

Date Issued: February 1, 1927. *Date Due:* February 1, 1947.

Amount Authorized: \$15,000,000. *Outstanding June 30, 1928:* \$4,095,000.

Redeemable: On any interest date at 102½ and accrued interest.

Security: A lien, subject to prior liens, upon all the Company's property.

Provisions of Issue: On condition that earnings are one and one-half times interest charges on all prior lien bonds and those outstanding and proposed to be issued, then additional bonds may be issued for the acquisition, purchase, redemption, or retirement of underlying bonds outstanding; in exchange, par for par, for mortgage indebtedness

existing thereon at time of acquisition, of any properties acquired by the Company; also for expenditures made by the Company in acquiring additional property bonds may be issued to the extent of 85% of the cost thereof.

Prior Liens: First Consolidated 5s of 1932, \$1,100,000; and underlying bonds aggregating \$2,110,000, which under terms of the mortgage cannot be extended but are to be paid as they mature.

TRUSTEE: Integrity Trust Company, Philadelphia, Pa. INTEREST PAYABLE: February and August 1 at offices of Trustee. DENOMINATION: Coupon \$1,000. REGISTRATION: May be registered as to principal. TAX PROVISION: Company pays principal and interest without deduction for taxes of United States or any state (other than succession or inheritance) which company may be required to pay or return or deduct.

FIRST CONSOLIDATED 5s OF 1932

Outstanding June 30, 1928 **\$1,100,000**

Title of Issue: First Consolidated Mortgage Five Percent Gold Bonds.

Date Issued: January 1, 1897. *Date Due:* November 1, 1932.

Amount Authorized: Mortgage closed. *Outstanding June 30, 1928:* \$1,100,000.

Redeemable: No provision.

Security: Consolidated Lien upon all property owned at the time of the mortgage, subject to underlying bonds.

Provisions of Issue: Mortgage closed.

Prior Liens: Underlying bonds, \$2,110,000.

TRUSTEE: New York Trust Company, New York, N. Y. INTEREST PAYABLE: January and July 1 at offices of Company or its agency in the city of Philadelphia. DENOMINATION: Coupon, \$1,000. REGISTRATION: May be registered as to principal. TAX PROVISION: Company pays principal and interest without deduction for any taxes which may be imposed under the laws of United States or Pennsylvania.