1856

Player starting capital

3 players: $500, 4: $375, 5: $300, 6: $250

Private companies

Flos Tramway ($20/$5)

- No other attributes.

Waterloo & Saugeen Railway Co. ($40/$10)

- Free station marker and/or green #59 tile in Kitchener hex
- Both actions are in place of the public company's normal tile and/or station marker placement
- Not required to trace legal train route to place tile/station marker
- Either action closes this private company at end of OR turn

The Canada Company ($50/$10)

- May place track tile in hex occupied by this private company
- This track lay is in addition to public company's normal track lay.
- Not required to trace legal train route to place tile/station marker
- This action does not close the private company.

Great Lakes Shipping Company ($70/$15)

- At any time during its OR, the owning public company may place port token in any one city adjacent to Lake Erie, Lake Huron, or Georgian Bay. These cities are marked with anchor symbol.
- The port token raises value of city by $20 for owning company only
- Once placed, the port token may not be moved.
- Port token removed when the first type 6 train is purchased.
- Placement of port token closes the Great Lakes Shipping Company.

Niagara Falls Suspension Bridge Company ($100/$20)

- $10 bonus when running to Buffalo
- Other public companies may purchase right to use this bonus by paying $50 to owning company
- This right may not be purchased if this private company is owned by player.
- The right may be purchased from bank for $50 after private company closes. Companies that have gained this right never lose it.
- CGR gains this right if any of its forming companies had this right.

St. Clair Frontier Tunnel Company ($100/$20)

- $10 Port Huron bonus when running to Sarnia
- Other public companies may purchase right to use this bonus by paying $50 to owning company
- This right may not be purchased if this private company is owned by player
- The right may be purchased from bank for $50 after the private company closes. Companies that have gained this right never lose it
- CGR gains this right if any of its forming companies had this right

Game Phases

Before type 3 train sold

- Only yellow track tiles may be played.
- Each public company may own up to **four trains**.
- Public companies **may not purchase private** companies.
- There is **one OR** between each stock round.
- Use the top value for running to red off-board locations.
- Use first certificate limit table.

Type 3 train sold

- Yellow and **green** track tiles may be played.
- Each public company may own up to four trains.
- **Public companies may now purchase private companies.**
- There are **two ORs** between stock rounds, following the next stock round.
- Use the top value for running to red off-board locations.
- Use first certificate limit table.

Type 4 train sold

- Yellow and green track tiles may be played.
- Each public company may own up to **three trains**.
- Public companies may purchase private companies.
- There are two ORs between stock rounds.
- **All type 2 trains are scrapped as obsolete.**
- Use the top value for running to red off-board locations.
- Use first certificate limit table.

Type 5 train sold

- Yellow, green and **brown** track tiles may be played.
- Each public company may own up to **two trains**.
- **All private companies are closed.**
- There are **three ORs** between stock rounds, following the next stock round.
- Use the value next to the 5 for running to red off-board locations.
- Use first certificate limit table.

Type 6 train sold

- All government loans must be repaid.
- The Canadian Government Railways starts, if at all.
- Yellow, green, brown and **gray** track tiles may be played.
- **Small cities may be upgraded/downgraded.**
- Each public company may own up to two trains; the **CGR may own up to three trains**.
- Diesel trains are available for purchase.
- The Great Lakes Shipping Co.'s port token is removed.
- **All type 3 trains are scrapped as obsolete.**
- There are three ORs between stock rounds.
- Use the value next to the 5 for running to red off-board locations.
- Use the second certificate limit table.

Diesel sold

- All track types are available.
- Small cities may be upgraded / downgraded.
- Each public company may own up to two trains, the CGR may own up to three trains.
- **All type 4 trains are scrapped as obsolete.**
- There are three ORs between stock rounds.
- Use the bottom value for running to red off-board locations.

Stock market

Section	Description
Closed	• Tokens, station markers, and share certificates removed without compensation to the owners. • Trains placed on the open market • Money in the company treasury is returned to the bank. • Companies closed in this fashion may not be restarted. • CGRailways cannot be closed nor enter this section
Brown	Certificates of companies whose share value tokens are in this area: • do not count towards a player's certificate limit • may be held in excess of the normal **60% share limits**.
Yellow	Certificates of companies whose share value tokens are in this area: • do not count toward a player's certificate limit.

	Up, end of stock round, all shares are in the hands of players)	
Left, OR, operating company pays no dividend or a zero dividend.	**Stock marker movement**	**Right**, OR, operating company pays a non-zero dividend
	Down one level for each full 10% sold.	

Certificate Limits

Before purchase of first type 6 train

Players	3	4	5	6
Certificates	20	16	13	11

After purchase of first type 6 train

Companies	Players			
	3	4	5	6
11	28	22	18	15
10	25	20	16	14
9	22	18	15	12
8	20	16	13	11
7	18	14	11	10
6	15	12	10	8
5	13	10	8	7
4	10	8	7	6

Selling shares

- A certificate cannot be sold during the stock turn it was purchased. However, other certificates from the same company can be sold in the same stock turn.
- **There may never be more than 50% of the shares of any company on the open market.**
- A player may not sell the president's certificate unless another player holds at least two shares of that company

Buying shares

Purchase **one** share certificate from either the initial offering or the open market or a private company from another player.

- President's certificate is always the first purchased.
- Once a player has sold a share of a company, that player may not buy another share in that company in that stock round.
- A player may never make a purchase that would violate share or certificate limits.

Starting a Company

Before type 5 trains available for sale

- Monies paid for the first five shares bought from the initial offering as they are sold.
- Monies paid for shares sold beyond the first five are held in the bank (in escrow) until the company reaches its destination city. When a tile is laid that allows the company to reach its destination city, regardless of the company that placed that tile, the company immediately receives all held payments for shares sold from the initial offering. At this point, all further payments for initial offering shares are paid directly to the company treasury as they are bought. A company is considered to have reached its destination when it can trace a legal train route from its starting city to its destination city. For purposes of this rule only, ignore other companies' station markers when tracing a route.

During type 5 trains available for sale

- Monies for any and all shares sold from the initial offering as those shares are sold. The destination city no longer affects a company's starting treasury.

During type 6 or Diesel trains available for sale

- 10 times the share par value as soon as six shares have been sold from the initial offering. The company will receive no further monies from subsequent share sales.

Initial Shares Needed to Operate

In order for a company to operate for the first time, it must have sold from the initial offering a number of **shares equal to or greater than the number of the current train type available** for purchase from the bank when it becomes the company's turn to operate.

Operating Round

The private companies operate first, followed by the public companies.

Receive Government Loan (anytime)

- Before type 6 train sold; repaid when type 6 train sold
- Only one loan per OR.
- Loan limit: One loan for each share held by players
- If a loan is secured after the Pay Interest on Outstanding Government Loans segment of OR, company receives $90.

Purchase Private Companies (anytime)

- During phases phase two or three
- Price paid **to owning player** must be least half, but no more than double, listed cost

1. Lay or replace track (optional)

- When a tile is replaced, all track segments on the replaced tile must be represented in the same orientations on the replacing tile
- **Yellow** tiles may only be placed on light green map hexes without yellow borders, or downgrade single small cities after sale of type 6 train.
- **Green** tiles replace yellow tiles or are placed on yellow or yellow-edged map hexes.
- **Brown** tiles may only replace green tiles.
- **Gray** tiles may only replace brown tiles.
- Legal train route, any length, required

2. Place station markers (optional)

Legal train route, any length, required

3. Operate Trains & Calculate Total Income/Earnings

4. Pay Interest on Outstanding Government Loans

Pay $10 interest per loan to bank from:

1. Treasury
2. Total income/earnings
3. President
4. Forced stock sales

5. Declare Dividends or Withhold Earnings

6. Adjust the company's share value token on the stock market

7. Purchase Train(s) (optional)

- Trains purchased from the bank, the open market, or the CGR are always purchased at the price printed on train card.
- Trains purchased from companies other than the CGR may be bought at any price (with a $1 minimum) that is mutually agreed to by the president(s) of the two companies involved. A company may buy another company's last train.
- When a train is purchased from another company, the entire transaction must be done during the purchasing company's turn.
- A company that does not have a legal train route need not own a train. However, an operating company with a legal train route must own a train and is forced to purchase one during this phase if it does not possess one.
- If company must buy train and does not have enough money to do so, president must make up the difference. When he is forced to contribute to the purchase of a train, these rules govern transaction:
  - Only one train may be purchased.
  - The train must be purchased from the open market or the bank and may not be purchased from another company.
  - The train purchased must be the cheapest available from the open market and the bank.
  - The president must contribute only enough money for this single purchase and use all the cash available in the company treasury.
  - If the president does not have enough money to make up the difference, the president must sell personal stock
- Company may not discard or scrap train to make space for new train.
- If, however, buying a train initiates phase change, <u>causing company to possess too many trains</u>, excess trains are discarded into open market without compensation
- If Diesels are available for sale and a company has a type 4, type 5, or type 6 train, it may <u>trade this train for Diesel at reduced price of $750</u>, even if the company is at its train limit. The traded-in train is placed on the open market.

8. Redeem Government Loans (optional)

- If company has more loan stamps than there are shares in the hands of players, it must redeem excess.
- If company cannot repay loans from its treasury, the president must pay. If president does not have enough money, he must sell personal stock

Forced Stock Sales

Four situations require the president of a company to sell stock to make a purchase or payment:

1. Pay a company's loan interest
2. Redeem a company's government loans because players hold too few shares
3. Buy a train for a company
4. Purchase the second share of the CGR president's certificate

The following rules apply to all forced stock sales.

- Sales may not cause a change in the presidency of the company, although they may cause changes of presidency in other companies
- President decides what to sell, in what order to sell it, and how to sell the shares
- All shares sold from a given company must be sold in a single block
- All normal rules regarding stock market and share and certificate limits must be followed
- The president may only sell enough shares to make the forced purchase or payment
- If president cannot raise enough money through stock sales, that player is bankrupt and the game ends immediately.

Canadian Government Railways

1. Loan Repayment

The loan repayments begin with the player who is president of the company that purchased the first type 6 train and continue clockwise around the table to all other players. For each company of which the player is president, the player repays as many loans as possible from the company's treasury. The loans are repaid in $100 increments. If outstanding loans remain after the treasury is depleted, the player may repay the remainder, supplementing the cash remaining in the treasury with personal cash. The player may not sell shares to raise money to repay the loans. If the player is president of more than one company, the player chooses the order in which those companies repay their loans.

2. Non-Formation

If all companies are able to repay their loans, the CGR does not form. The OR resumes with the next company in share price order.

3. Formation of the CGR

If any company cannot repay all of its loans, the CGR will form. All companies that were unable to repay all of their loans will be absorbed into the CGR as described below.

3a. Share Exchange

- Shares of companies being absorbed by the CGR are exchanged for shares of the CGR; the exchange rate is two absorbed company shares for one CGR share. The share exchange begins with the president of the company that purchased the first type 6 train, then proceeds clockwise through all other players. All of a player's shares are exchanged together, in pairs, even if they are from different companies. Extra single shares are placed in the open market without compensation to the owning player.
- Once all players have exchanged their shares, shares in the open market are exchanged, in pairs, for CGR shares at the rate of two for one. After the open market exchange, all shares in the absorbed companies, including any single share left in the open market, are removed from play.
- If more than ten CGR shares are needed to support this exchange, the second set of ten shares are issued. If the CGR shares run out before all shares have been converted, excess unconverted shares are removed from the game without compensation to the owning players. If the second CGR issue is not needed for the exchange, remove it from the game.
- Any leftover CGR shares from the current offering (either 1st set or both sets) being distributed are placed in the initial offerings section of the stock market.

3b. Determining The CGR President

- The president's certificate is given to the first player to have two CGR shares. After the share exchange is complete, the president's certificate is then moved to the player with the most CGR shares. If there is a tie, it goes to the first of the tied players, beginning with the player holding the certificate and moving to the left.
- If no player holds more than one CGR share, the president is the first player who received a CGR share. That player is given the president's certificate, but must purchase a second CGR share during the player's first turn in the next stock round. Until that purchase is made, the player does not receive dividends on the unpurchased portion of the president's certificate. When this second share is purchased, the player receives nothing in return, as the player already has the president's certificate. If the player does not have enough money to buy the share, the player must sell personal stock.
- The player is relieved of this burden if another player buys a second share prior to the player's first stock turn.

3c. Token Exchange

The CGR has ten station markers. Up to ten station markers of the absorbed companies are exchanged for CGR tokens. All home station markers must be replaced first. Then the other station markers are replaced in whatever order the president chooses. Because the CGR cannot have two or more station markers on the same tile, the president of the CGR may choose which one to use, except that exchanging a company's home station marker must take precedence. All station markers that can be legally exchanged must be, even if the president would rather not do so. Further station markers may be placed during ORs at a cost of $100 each.

3d. Trains

- The CGR must **keep all permanent (type 5 or higher) trains up to its three train limit**. Discarded trains are placed in the open market and are available for purchase.
- If there are no trains left to the CGR or the president chooses to discard them, the CGR **may borrow a Diesel** from the trains available for sale. The borrowed Diesel is not moved to the CGR charter and may be purchased by another company. Since phase changes are triggered by train purchases, the CGR borrowing a Diesel will not trigger a phase change. The CGR must withhold earnings until it can pay for a permanent (a type 5, type 6 or Diesel) train. It must purchase a Diesel when it can first afford to do so. The president may choose, however, to buy a lesser permanent train instead, relieving the CGR of the requirement to purchase a Diesel.
- Until the CGR has a permanent train (a type 5, type 6 or Diesel), its token on the stock market is not adjusted from its starting position for any reason, including sales of shares. Once the CGR acquires its first permanent train, it may no longer borrow a Diesel. The CGR will only sell or buy trains at the printed cost on the train card. The CGR will only buy type 5, type 6, and Diesel trains.

3e. Treasury

The CGR acquires all money remaining in the treasuries of the companies that it absorbs. This is the only initial capital it receives. Subsequent sales of shares from the initial offering are paid directly to the bank, and not to the CGR treasury. In all other respects, the CGR treasury operates like any other public company's treasury.

3f. Stock Value

- The initial stock value of the CGR is $100 or the average of the share values of the absorbed companies, whichever is higher. To calculate the average value, average the values of the absorbed companies and round the result down to the nearest $5 increment. If there are three or more companies, ignore the lowest value company when computing the average.
- This share value is the value per 10% share, if only the first 10 shares were issued. If the second issue was distributed, the share value token represents the value per 5% share. Shares from the initial offering can be purchased at par value. Shares from the open market are purchased at the current market price, as indicated by the share value token.

3g. CGR Share Limits

If more than ten CGR shares are issued, each CGR share counts as only half a certificate. Players may hold up to twelve CGR shares and the open market may hold up to ten shares. The CGR may start with more than 50% of its shares in the open market. When players purchase CGR shares, they must purchase open market shares until the open market is reduced to the 50% limit.

4. New Certificate Limit

The change to phase 5 initiates the use of the second certificate limit table. If the change in limits puts a player out of compliance with these new limits, the player must sell the excess shares in the next stock round.

5. Operation

If any of the companies forming the CGR have already operated during this round, the CGR does not operate until the next OR. If none of them have operated, the CGR operates immediately during the current OR. Consequently, the CGR may operate out of turn the first time it operates. In subsequent ORs, the CGR operates in normal turn order.
Because of government involvement, there are several differences in the operation of the CGR compared to other public companies. Aside from the exceptions mentioned below, the CGR operates as a normal public company.

6. Trains

The CGR will only sell or buy trains at the printed cost on the train card. The CGR will only buy type 5, type 6, and Diesel trains.

7. Dividends

When the CGR has a permanent train, it may, at the discretion of the president, pay dividends. If only ten CGR shares were issued, the dividends are the normal 10% per share. If twenty CGR shares were issued, the dividend is only 5% per share. For single 5% shares, round dividend amounts up to the nearest dollar, if necessary. In this case, treat a pair of 5% shares as a full 10% share, using no rounding.

8. Off Market

The CGR's share value token may never move into the white Closing area of the Stock Market. It always stops one square short.