

THE UNITED STATES OF AMERICA, PETITIONER,

VS.

LEHIGH VALLEY RAILROAD COMPANY, ET AL., DEFENDANTS.

FINAL DECREE.

A decree of this court having been entered in the above cause on February 8, 1915, dismissing the Government's petition, and the said cause having been appealed to the Supreme Court of the United States, and that court having reversed the decree of this court, a mandate from the Supreme Court containing directions as to the decree to be entered was filed herein on February 24, 1921.

On February 24, 1921, this court entered an interlocutory decree on mandate containing adjudications that the defendants have been and are violating the Federal Antitrust Law and the Commodities Clause of the Interstate Commerce Act, canceling and annulling the illegal contract between the Lehigh Valley Coal Company and the Lehigh Valley Coal Sales Company, providing injunctive relief pending the entry of a final decree, and ordering: "That within sixty days from the entry of this decree the defendants shall submit to this court a plan for the dissolution of the unlawful combination effected through the intercorporate relations subsisting between the Lehigh Valley Railroad Company, Lehigh Valley Coal Company, Coxe Brothers & Company, Inc., Delaware, Susquehanna & Schuylkill Railroad Company, and Lehigh Valley Coal Sales Company, with such provision for the disposition of all shares of stock, bonds, or other evidences of indebtedness, and of all property of any character, of any one of said companies owned or in any manner controlled by any other of them, as may be necessary to establish their entire independence of and from each other."

Thereafter the time within which to present said plan was extended by this court until October 7, 1921, on which date a plan was filed herein pursuant to said interlocutory decree, together with the Government's objections

IN THE DISTRICT COURT OF THE UNITED STATES
SOUTHERN DISTRICT OF NEW YORK.

In Equity No. 11—129.

thereto. Hearing on said plan and objections was held in abeyance pending the outcome of the appeal to the Supreme Court in the case of UNITED STATES V. READING COMPANY ET AL., in the Eastern District of Pennsylvania, which was decided May 29, 1922.

On February 7, 1923, defendants filed their proposed amended plan of dissolution as follows:

1. The Lehigh Valley Coal Company will create a new mortgage bond issue in the amount of \$40,000,000, maturing at the end of fifty years, carrying 5% interest and protected by adequate Sinking Fund arrangements. This mortgage until January 1, 1933, will be a second mortgage on a small part of the Coal Company's properties, and thereafter will be a first mortgage on all its properties. \$15,000,000 of said bonds will be sold at once and the proceeds paid over to the Lehigh Valley Railroad Company in satisfaction of all indebtedness on account of advances for capital expenditures and otherwise in the past. Said proceeds will be devoted by the Lehigh Valley Railroad Company to the improvement of the railroad properties pledged under its General Consolidated mortgage of 1903, the income from said fund, however, in the meantime to be received by the Railroad Company and used for general purposes.

The remaining \$25,000,000 of bonds provided for by the new Lehigh Valley Coal Company mortgage will be reserved for the purpose of retiring the present outstanding bonds of the Lehigh Valley Coal Company when due—that is, on January 1, 1933—to the extent not provided for by the then existing fund. The Lehigh Valley Coal Company bonds now outstanding amount to \$11,514,000 par value, and it is estimated that the Sinking Fund, which now amounts to \$2,871,000 par value of securities therein, will by January 1, 1933, with accumulations and additions thereto, have a value of at least \$5,000,000, so that the bonds then to be paid off from new funds will not amount to more than \$6,500,000 par value. This will leave approximately \$18,500,000 of the new mortgage bonds of the Coal Company available for improvements

or other capital expenditures by the Coal Company as occasion may demand.

2. The stock of the Lehigh Valley Coal Company is pledged with the Girard Trust Company, of Philadelphia, as trustee under the Railroad Company's General Consolidated Mortgage of September 30, 1903, which mortgage matures in 2003. The Lehigh Valley Railroad Company will sell for \$1,212,160 all of its right, title, and interest in the equity of redemption which it owns in said stock, also voting rights and dividends payable thereon, to a new trustee which will issue certificates for 1,212,160 shares of interest therein carrying voting rights and dividends, thus making certificates on the basis of one share of interest in Lehigh Valley Coal Company stock for each share of Lehigh Valley Railroad Company stock, both common and preferred. The shareholders of the Railroad Company will be given the right by the said new trustee to subscribe to said shares of interest at the rate of \$1.00 per share. Shares of interest not subscribed for on or before September 30, 1923, will be sold by the new trustee to the Lehigh Valley Coal Company at the rate of \$1.00 per share.

Shareholders of the Railroad Company who subscribe and buy shares of interest as aforesaid will be obliged to dispose of their shares of interest on or before December 31, 1927, unless in the meantime they shall have disposed of their Railroad Company stock. Neither the Lehigh Valley Railroad Company nor any corporation controlled by it, nor any person acting in its interest, shall acquire by purchase or otherwise any of said shares of interest.

3. All certificates for shares of interest as above stated shall, at the time of sale, be registered by the Lehigh Valley Coal Company in appropriate form, in the names of the purchasers or their nominees, upon information furnished by the Trustee, and thereafter transfer may be made only on the books of the Coal Company.

Until the registered holder or owner files an affidavit that he is not the owner of any Lehigh Valley Railroad Company stock, he shall not be entitled to receive any divi-

dends in respect of his shares of interest. Dividends declared by the Coal Company will be declared in respect of all shares of interest pro-rata, but payment will be withheld by the Coal Company on any shares in respect of which an affidavit of non-ownership of railroad stock has not been filed, and dividends so withheld will be accumulated without interest and paid to the holder or transferee when such affidavit is filed.

After original registration, the Coal Company will not transfer any certificate of interest until the proposed transferee files an affidavit to the effect that he is not the owner of any Lehigh Valley Railroad Company stock, and this provision will remain operative until December 31, 1927. The Lehigh Valley Railroad Company will also adopt a by-law effective until December 31, 1927, providing that transfers of shares of its capital stock may be made in the names only of persons who shall make affidavit that they are not owners, registered or actual, of any of the aforesaid shares of interest in the Lehigh Valley Coal Company stock and do not hold proxies to vote any of said shares of interest therein.

4. The Girard Trust Company, as trustee under the aforesaid General Consolidated Mortgage, holds the legal title to all of the Coal Company stock and gives the Railroad Company a proxy to vote the same, the giving of this proxy being dependent upon there being no existing default under the said mortgage. After the sale of the Railroad Company's equity in the Lehigh Valley Coal Company's stock, as stated above, the trustee holding said equity will exercise its voting power for the benefit of and at the direction of the owners of the shares of interest, that is to say, the registered owners of the coal certificates as shown by the transfer book of the Coal Company will exercise their voting power exclusively through their trustee.

5. Upon the maturity or termination of the General Consolidated Mortgage, the stock of the Lehigh Valley Coal Company will be available for distribution to the then owners of said certificates of interest and will be

distributed to them accordingly, each certificate of interest entitling the holder to a pro rata share of the Coal Company's stock.

6. The stock of Coxe Brothers & Company, Inc., will remain in pledge under the Collateral Trust Agreement of November, 1905, until the maturity of that agreement on February 1, 1926, except that the voting power in the meantime will be assigned to a trustee to be appointed by the District Court. At the maturity of the aforesaid Collateral Trust Agreement, the stock will be sold by the Lehigh Valley Railroad Company.

7. The stock of the Delaware, Susquehanna & Schuylkill Railroad Company will remain in pledge under the aforesaid Collateral Trust Agreement also until the maturity of the said agreement on February 1, 1926, the voting power in the meantime to be assigned to a trustee to be appointed by the District Court. In the meantime, application will be made to the Interstate Commerce Commission for authority to merge and consolidate this company with the Lehigh Valley Railroad Company, in accordance with the provisions of the Interstate Commerce Act, which permits authority to be granted notwithstanding the status of the petitioners under the Federal antitrust laws.

8. The Lehigh Valley Coal Sales Company will negotiate and enter into a lawful sales contract with the mining companies (Lehigh Valley Coal Company and Coxe Brothers & Company, Inc.)

On March 3, 1923, the Government filed the following suggestions in reference to said amended plan:

FIRST: As regards the provisions for the segregation of the Lehigh Valley Railroad Company and the Lehigh Valley Coal Company (paragraphs 1 to 5 inclusive), petitioner respectfully suggests for the consideration and determination of the Court the question whether it would be a sufficient compliance with the mandate of the Supreme Court to approve the distribution of certificates of beneficial interest in the stock of the Coal Company pend-

ing maturity of the Railroad Company's General Consolidated Mortgage, as proposed, or whether the Court should direct the Girard Trust Company, trustee under the General Consolidated Mortgage, to release the Coal Company stock from the lien of said mortgage, upon terms and conditions which will compensate the bondholders for the rights to be relinquished, in order that the actual shares of the Coal Company may be finally disposed of at this time.

Petitioner further suggests that during the period between the original registration of each certificate of interest and the filing of the prescribed affidavit by the holder of the certificate to the effect that he is no longer a stockholder, directly or indirectly, in the Lehigh Valley Railroad Company, the voting right in respect of that certificate shall be vested exclusively in the trustee, and that no certificate holder shall exercise any voting rights in respect of the Coal Company's stock until he has filed the required certificate.

Finally, petitioner respectfully suggests that, if available, the trustee to be appointed to exercise the voting power of the Coal Company stock pending the qualification of the certificate holders should be a person qualified by experience in the mining and selling of anthracite coal to operate the Coal Company independently of the Railroad Company until the working out of the dissolution processes.

SECOND: As regards the proposal to trustee the voting power of the stock of Coxe Brothers & Company, Inc., until the maturity of the Collateral Trust Agreement on February 1, 1926, when said stock will be sold, petitioner suggests (a) that provision should be made that said stock may only be sold to persons, firms or corporations who shall qualify by filing with the Court duly executed affidavits to the effect that they are not connected with, interested in, or acting for the Lehigh Valley Railroad Company, or the Lehigh Valley Coal Company, and (b) that, if available, the trustee to be appointed to exercise the voting power of said stock should be a person quali-

fied by experience in the mining and selling of anthracite coal to operate said Coxe Brothers & Company, Inc., independently of said Railroad Company and said Coal Company until the stock shall be turned over to the ultimate purchasers.

THIRD: As regards the proposal that the voting power of the stock of the Delaware, Susquehanna & Schuylkill Railroad Company shall be transferred to a trustee until the maturity of the Collateral Trust Agreement on February 1, 1926, and that in the meantime the Lehigh Valley Railroad Company will apply to the Interstate Commerce Commission for authority to merge said company under the provisions of the Transportation Act, 1920, petitioner informs the court that following the decisions of the Supreme Court herein, the defendant, Lehigh Valley Railroad Company, applied for a modification of the mandate which would permit it to merge the Delaware, Susquehanna & Schuylkill Railroad Company pursuant to said act, and that although said application was not opposed, it was nevertheless denied; wherefore petitioner respectfully suggests that said proposal is contrary to the Supreme Court.

FOURTH: As regards the proposal that the Lehigh Valley Coal Sales Company will negotiate and enter into a lawful contract with the mining companies (the Lehigh Valley Coal Company and Coxe Brothers & Company, Inc.), petitioner respectfully suggests that it is in the public interest and in keeping with the mandate of the Supreme Court that the mining companies and the sales company should deal with each other, if at all, under conditions of complete independence, and that, therefore, these companies should not now be permitted to enter into any contract with respect to the marketing of the coal produced by the mining companies which will be in any degree binding on said companies after the voting power of their stock has been transferred to trustees as hereinbefore provided.

Except for the matters hereinabove specifically suggested for the consideration and determination of the

Court, it is believed that the proposed amended plan is in accordance with the mandate of the Supreme Court and that when carried into execution will have the effect to dissolve the unlawful combination between the several defendants and to restore a condition in harmony with the law. The responsibility for carryinng out the order of the Supreme Court, however, is judicial as well as administrative, and for that reason petitioner respectfully asks that the plan be not treated as an agreed disposition of the case, but as a plan presented by both parties for the consideration of the Court, and that the Court consider the provisions as to which no question has been suggested as well as those as to which questions have been raised, to the end that the plan, either in its present form or with such modifications as the Court may order, will represent not merely the agreement of the parties but will carry with it the affirmative approval of the court.

And the cause having come on for hearing on said amended plan and suggestions, and having been fully argued by counsel, and the court having directed the form of decree to be entered herein, it is ordered, adjudged and decreed that:

1. The above-recited proposed amended plan be and it is hereby approved as supplemented by the provisions of this decree.

2. The defendants, the Lehigh Valley Railroad Company, Lehigh Valley Coal Company, Coxe Brothers & Company, Inc., Delaware, Susquehanna & Schuylkill Railroad Company, and the Lehigh Valley Coal Sales Company shall consummate the provisions of said amended plan as so supplemented.

3. The Lehigh Valley Railroad Company shall, subject to the lien of its General Consolidated Mortgage, sell, assign and transfer all of its right, title and interest in and to the stock of the Lehigh Valley Coal Company, including the present right to vote and receive dividends thereon, to a trustee to be hereafter appointed by order of this Court, and shall execute and deliver to the Girard

Trust Company, trustee under said General Consolidated Mortgage, and the Girard Trust Company shall honor (unless default shall be made and continued as provided under said mortgage) an irrevocable order directing it to execute and deliver to said trustee suitable powers of attorney or proxy to vote such stock and orders for the payment of dividends thereon. Sections 1 to 5, inclusive, of said amended plan are supplemented as follows: (a) Until the holders of eighty-five per cent of the certificates of beneficial interest in the stock of the Lehigh Valley Coal Company shall have qualified themselves for the full enjoyment of all the privileges and benefits conferred by the said certificates by the filing of affidavits, as hereinafter provided, said holders shall not exercise any voting rights in respect of such certificates, and the voting power on the stock of the Coal Company shall be exclusively vested in the Coal Company trustee or trustees, to be appointed. Pending the qualification of the holders of at least eighty-five per cent of said certificates, the Coal Company trustee shall be an individual preferably qualified by experience in the mining and selling of anthracite coal, who shall so exercise his powers as to prevent any unlawful community of interest between the Lehigh Valley Coal Company and the other corporate defendants. After the qualification of the holders of the required percentage of the certificates, the trustee may, if the court by later order shall so provide, be a corporation who shall exercise said voting power subject to the will of the certificate holders, as provided in Section 4 of the amended plan; or the court may appoint as trustees both an individual and a corporation, the former to continue in office pending qualification of the prescribed number of certificate holders, the latter to continue until the maturity of the General Consolidated Mortgage; or in the first instance the Court may, with the consent of the Attorney General, appoint a corporation as trustee to act throughout the existence of the trust, and subject to further order of this Court. Pending the appointment of a trustee or trustees as aforesaid, and the assignment to said trustee or trustees by the

Lehigh Valley Railroad Company of its right, title and interest in the stock of the Lehigh Valley Coal Company, the said Coal Company may continue to pay cash dividends properly declared thereon to the Lehigh Valley Railroad Company.

(b) The amended plan provides for the right of subscription for certificates of interest extended until September 30, 1923. This time having expired prior to the entry of the decree said time is hereby extended until April 15, 1924. The shareholders of the Railroad Company who subscribe and buy certificates of beneficial interest in the stock of the Lehigh Valley Coal Company shall dispose of their said shares of interest on or before December 31, 1927, unless in the meantime they shall have disposed of their railroad company stock. If any of the said shareholders shall not qualify on the date mentioned, their certificates shall be cancelled and the subscription price of \$1.00 per share shall be refunded to the holder, and the Coal Company may itself acquire the shares represented by said certificates, as well as the shares of beneficial interest not subscribed for, as provided in Section 2 of the amended plan, the date of subscription, as above stated, being extended until April 15, 1924.

(c) Neither the defendant, the Lehigh Valley Railroad Company, nor any corporation controlled by it, nor any person acting in its interest, shall acquire by purchase or otherwise any of the certificates of beneficial interest in the stock of the Coal Company. Such certificates of interest shall be delivered to subscribers therefor upon payment in full of the subscription price, and compliance in all respects with the terms prescribed in this decree and in the offer. All such certificates shall be registered by the Lehigh Valley Coal Company in proper form in the names of the purchasers or their nominees, upon information furnished by the trustee or trustees, and thereafter transfer may be made only on the books of the Coal Company. The certificates shall be substantially in the form hereto annexed, marked "Form A".

(d) Upon qualification by the filing of the required

affidavit, the holder of a certificate of beneficial interest will be entitled to receive his pro rata share of all accumulated and all future dividends on the stock of the Coal Company, and will thereafter be entitled to exercise, through the trustee, voting rights in respect to his proportionate interest in the stock of the Coal Company. The affidavit in the case of an individual applying for accumulated and future dividends and for the voting privilege shall be substantially in the form annexed hereto, marked "Form B."

If the applicant is a corporation or joint-stock company, the affidavit shall be executed by its president, vice-president, comptroller, or treasurer, or in the case of a corporation of a foreign country, by one of its managing officers, and shall be substantially in the form hereto annexed, marked "Form C."

If the applicant is a partnership, affidavit shall be executed by one of the partners and shall be substantially in the form annexed hereto, marked "Form D."

If the applicant is an executor, administrator, guardian, or testamentary or other trustee of an express trust, the affidavit shall be made by such executor, administrator, guardian, or trustee, as the case may be, or by one of such if the application is made on behalf of joint representatives, or, if such representative is a corporation or joint-stock company, by its president, vice-president, comptroller, treasurer, or, in the case of a corporation of a foreign country, by one of its managing officers, and shall be substantially in the form annexed hereto, marked "Form E".

(e) The number of certificate holders qualifying by the execution and filing of the required affidavits shall be reported semi-annually by the trustee, or trustees, to the Attorney General of the United States, and the trustee or trustees, or any of the defendants shall furnish him with any additional information which he may require, relating to the carrying out of this decree.

(f) During the period allowed for the qualification of certificate holders, i. e., until December 31, 1927, no present stockholder of the Railroad Company shall be a

purchaser of certificates of beneficial interest in the stock of the Coal Company if he is still a stockholder of the Railroad Company; and the Attorney General of the United States shall have access to the stock transfer books and records of the Lehigh Valley Railroad Company and the Coal Company for the purpose of enabling him to enforce compliance by such stockholders with this provision of this decree; but nothing herein contained shall extend to holdings as broker, pledgee, trustee, agent or otherwise in a representative capacity, provided there is no joint holding by the real parties in interest.

(g) The Lehigh Valley Railroad Company will adopt a by-law effective until December 31, 1927, or such later date as may be provided by further order of the Court, providing that transfers of shares of its capital stock may be made in the names only of persons who shall make affidavit (similar in form to those herein prescribed for certificate holders applying for dividends and voting rights on their certificates) that they are not owners, registered or actual, of any of the certificates of interest in the stock of the Coal Company and do not hold proxies to vote any of said shares of interest; and the Attorney General of the United States shall have access to the stock transfer books and records of both the Railroad Company and the Coal Company to enforce compliance with this provision of this decree; but nothing herein contained shall extend to holdings as broker, pledgee, trustee, agent or otherwise in a representative capacity, provided there is no joint holding by the real parties in interest.

(h) Effective upon his or their becoming parties to this cause, the trustees to be appointed are hereby enjoined and restrained from exercising the voting power of the stock of the Coal Company so as to form such a combination or community of interest between said Coal Company and the Lehigh Valley Railroad Company, or between said Coal Company and any of the subsidiary companies of the Lehigh Valley Railroad Company, as has been adjudged unlawful in this case.

(i) The Lehigh Valley Railroad Company and all persons acting for or in its interest are hereby perpetually enjoined from acquiring, receiving, holding or voting, or in any manner acting as the owner of any of the shares of the capital stock of the Lehigh Valley Coal Company or of the certificates of beneficial interest in said stock, except that this provision is not intended to prevent the Lehigh Valley Railroad Company from holding temporarily any of said certificates of interest for and on behalf of any of its employees under its duly published Employees' Subscription Plan in respect of the acquisition of Lehigh Valley Railroad Company stock by employees; and the Lehigh Valley Coal Company, and all persons acting for or in its interest, are hereby perpetually enjoined from acquiring, receiving, holding or voting, or in any manner acting as the owner of any of the shares of the capital stock of the Lehigh Valley Railroad Company.

(j) The purpose of this decree is declared to be to bring about a complete separation of interest between Lehigh Valley Railroad Company and the several corporate defendants controlled by it, including a separate and distinct stock ownership, and all persons, firms and corporations having notice of this decree and attempting by fictitious assignments of stock or certificates of beneficial interest, or in any other manner, to evade the provisions of this decree, or to impair or destroy its effectiveness, shall be adjudged in contempt of this Court, and shall be subject to punishment therefor.

4. The provisions of Section 6 of the amended plan shall be consummated as follows:

(a) The Lehigh Valley Railroad Company shall transfer to a trustee, or trustees, to be appointed by this Court, hereinafter called the Coxe Brothers Trustee, subject to the lien of the Collateral Trust Agreement, dated November 1, 1905, its right, title and interest in the stock of Coxe Brothers & Company, Inc. Said trustee shall hold said right, title and interest in said shares of stock until

the maturity of said Collateral Trust Agreement on February 1, 1926.

(b) The Coxe Brothers Trustee shall be entitled, and it shall be his duty, to vote or cause to be voted all said shares of the Coxe Brothers & Company, Inc., unless otherwise hereafter directed by the court.

The Lehigh Valley Railroad Company shall from time to time direct the Girard Trust Company, trustee under said Collateral Trust Agreement, to execute and deliver to the said trustee, or his nominees, suitable powers of attorney or proxies to vote upon such shares of stock. The Lehigh Valley Railroad Company is hereby perpetually enjoined and restrained from hereafter voting or attempting to vote shares of stock of Coxe Brothers & Company, Inc.

(c) Pending the maturity of said Collateral Trust Agreement and the entry of an order by this court directing the sale of the stock of Coxe Brothers & Company, Inc., so as to bring about complete independence between that company and the Lehigh Valley Railroad Company and the Lehigh Valley Coal Company, as provided in the mandate of the Supreme Court, the Coxe Brothers trustee is hereby enjoined and restrained from exercising the voting power of the stock of Coxe Brothers & Company, Inc., in such way as to cause any dependence or intercorporate relations between that company and the Lehigh Valley Railroad Company, and from voting said stock so as to bring about a unity of interest or a suppression of competition between Coxe Brothers & Company, Inc., and the Lehigh Valley Coal Company.

(d) Pending the final disposition of the stock of Coxe Brothers & Company, Inc., the Lehigh Valley Railroad Company shall be entitled to receive all cash dividends on said stock. All dividends payable otherwise than in cash, which shall be declared by Coxe Brothers & Company, Inc. shall be received and held by the trustee upon the same terms and conditions as the right, title and interest of the Lehigh Valley Railroad Company in the shares of stock in Coxe Brothers & Company, Inc., originally transferred, until finally disposed of under terms

and conditions to be prescribed by order of this Court.

5. The provisions of Section 7 of the amended plan shall be consummated as follows:

(a) The Lehigh Valley Railroad Company shall transfer to a trustee, or trustees, to be appointed by this Court, hereinafter called the Delaware, Susquehanna & Schuylkill Trustee, subject to the lien of the Collateral Trust Agreement, dated November 1, 1905, its right, title and interest in the stock of the Delaware, Susquehanna & Schuylkill Railroad Company. Said trustee shall hold said right, title and interest in said shares of stock until the maturity of said Collateral Trust Agreement on February 1, 1926.

(b) The Delaware, Susquehanna & Schuylkill Trustee shall be entitled, and it shall be his duty, to vote or cause to be voted, all said shares of the Delaware, Susquehanna & Schuylkill Railroad Company, unless otherwise hereafter directed by the Court.

The Lehigh Valley Railroad Company shall from time to time direct the Girard Trust Company, trustee under said Collateral Trust Agreement, to execute and deliver to the said trustee, or his nominees, suitable powers of attorney or proxies to vote upon such shares of stock. The Lehigh Valley Railroad Company is hereby perpetually enjoined and restrained from hereafter voting or attempting to vote any shares of the Delaware, Susquehanna & Schuylkill Railroad Company.

(c) Pending maturity of said Collateral Trust Agreement and the entry of an order by this Court directing the sale of the stock of the Delaware, Susquehanna & Schuylkill Railroad Company to persons, firms and corporations not connected with or interested in the Lehigh Valley Railroad Company, or in any of the corporate defendants in this suit, the Delaware, Susquehanna & Schuylkill Trustee is hereby enjoined and restrained from exercising voting power of the stock of the Delaware, Susquehanna & Schuylkill Railroad Company in such way as to cause any dependence or intercorporate relations between that company and the Lehigh Valley Railroad Company.

(d) It will not constitute a contempt of this decree for the Lehigh Valley Railroad Company to apply to the Interstate Commerce Commission for leave to retain the stock of and to lease the property of the Delaware, Susquehanna & Schuylkill Railroad Company or to merge and consolidate that company; provided that this provision shall not be construed as the expression by this Court of any opinion as to the propriety of granting said application.

6. The Lehigh Valley Coal Company and Coxe Brothers & Company, Inc., on the one hand, and the Lehigh Valley Coal Sales Company, on the other, their officers, directors, agents, servants and employees are hereby perpetually enjoined from further carrying out the contract dated March 1, 1912, cancelled and annulled by the decree on mandate entered by this court on February 24, 1921, and from entering into any like contract in the future the purpose and effect of which would be in any manner to hinder or restrain the Coal Sales Company from extending its business of buying and selling coal where and from and to whom it chooses with entire freedom and independence, or otherwise to violate the spirit and purpose of this decree.

7. The defendants, the Lehigh Valley Railroad Company, Lehigh Valley Coal Company, Coxe Brothers & Company, Inc., Delaware, Susquehanna & Schuylkill Railroad Company and the Lehigh Valley Coal Sales Company, shall proceed with due diligence to carry out the provisions of this decree. Within six months from the date of this decree, said defendants shall report in writing to the Court the progress made in carrying out the provisions hereof.

8. The Lehigh Valley Coal Company, Coxe Brothers & Company, Inc., Delaware, Susquehanna & Schuylkill Railroad Company and the Lehigh Valley Coal Sales Company are hereby permanently enjoined from issuing to the Lehigh Valley Railroad Company, and the Lehigh Valley Railroad Company is enjoined from receiving, any stock, bonds or other evidence of corporate indebtedness of any

of said companies, except such evidences of current indebtedness as may be lawful between shipper and carrier, and such other securities or evidences of indebtedness as the Lehigh Valley Railroad Company may hereafter be authorized to hold or receive by further order of this Court or other duly constituted authority.

9. All trustees appointed by or pursuant to the foregoing provisions of this decree shall be entitled to reasonable compensation, the amount thereof to be approved by the Court, for all services rendered by them as such trustees. Such compensation shall in each instance be paid by the Lehigh Valley Railroad Company.

The Coal Company Trustee, hereinbefore provided for, may at any time, or from time to time, appoint an agent or agents, and may delegate to any such agent or agents the performance of any administrative duties of such trustee.

Any individual or corporation appointed as trustee by or pursuant to this decree shall be subject to removal by the Court in its discretion, and, in the event of such removal, the Court shall appoint any other individual or corporation as successor.

10. Any trustee appointed pursuant to this decree, or any agent of any such trustee, shall be accountable for action hereunder only in proceedings in this cause; and any further order of this Court entered upon notice to such trustee, or agent, and to the Attorney General of the United States and the several corporate defendants, shall be full protection for any action taken pursuant thereto.

11. Any such trustee or any of the parties to this cause may make application to the Court at any time for such further orders and directions as may be necessary or proper in relation to the carrying out of the provisions of this decree or of the decree dated February 24, 1921, and for the enforcement of strict compliance therewith and the punishment of evasions thereof; and jurisdiction of this cause is retained for the purpose of giving full effect to this decree and the decree entered on Febru-

ary 24, 1921, and for the purpose of making such other and further orders and decrees, or taking such other action, if any, as may be necessary or appropriate to the carrying out and enforcement of said decree and the directions of the Supreme Court.

November 7, 1923.

Per curiam:

LEARNED HAND,
United States District Judge.
FORM "A."

No. _____ Shares.

CERTIFICATE OF INTEREST IN CAPITAL STOCK
OF LEHIGH VALLEY COAL COMPANY.

This is to certify that the undersigned (hereinafter designated as the Trustee) has received and now holds, pursuant to the terms and provisions of a Deed of Trust dated the _____ day of _____ 19____, all of the right, title and interest of the Lehigh Valley Railroad Company in and to all of the outstanding shares of the capital stock of the Lehigh Valley Coal Company, a corporation of the State of Pennsylvania. Said shares of stock of the Lehigh Valley Coal Company are of the par value of Fifty Dollars (\$50.00) and there are issued and outstanding one hundred eighty-nine thousand three hundred (189,300) shares, having an aggregate par value of Nine Million, Four Hundred Fifty-Six Thousand Dollars (\$9,456,000) and representing the full paid common capital stock of the company and the total amount of shares issued and outstanding. Said shares are pledged with the Girard Trust Company, of Philadelphia, Pennsylvania, under and pursuant to the terms and provisions of an Indenture of Mortgage made by the Lehigh Valley Railroad Company to said Girard Trust Company under date of September 30, 1903 and are held and will be continued to be held by said Girard Trust Company as part of the security pledged under that mortgage until the maturity or earlier termination thereof and according to the terms and provisions therein contained. This Certificate represents an interest in the equity of re-

demption in said shares of stock, which equity of redemption is now held by the undersigned as Trustee as first stated, and all other rights in said shares of stock, subject to the aforesaid Mortgage.

This Certificate is one of a series of certificates issued by the undersigned in accordance with the terms of a decree entered on the _____ day of November, 1923, by the District Court of the United States for the Southern District of New York in the suit of the United States of America against the Lehigh Valley Railroad Company and others, to which decree reference is hereby made for a statement of the terms and conditions upon which this Certificate is issued and of the rights of the holder hereof, and to which decree the holder of this Certificate assents by acceptance hereof.

Transfer of this Certificate may be made only on the books of the Lehigh Valley Coal Company, and provisions and conditions respecting the transfer hereof and the payment of dividends to the registered owner or holder hereof are contained in the decree to which reference has been made herein above.

Upon the maturity or earlier termination of the General Consolidated Mortgage of the Lehigh Valley Railroad Company, under which mortgage, as aforesaid, the stock of the Lehigh Valley Coal Company is pledged as part of the security, and upon the fulfillment of all terms and conditions respecting the transfer and delivery of the stock so pledged upon the terms stated in said mortgage in relation to the maturity or earlier termination thereof, the registered owner or holder of this Certificate is entitled to a proportionate part of the capital stock of the Lehigh Valley Coal Company upon the basis of the division of the capital stock of the Lehigh Valley Coal Company into one million two hundred twelve thousand one hundred sixty (1,212,160) shares, of which this Certificate shall call for the number of shares stated in the caption hereof.

This Certificate is not valid until countersigned by the Register.

IN WITNESS WHEREOF, _____, as
Trustee, has caused this Certificate to be executed by one
of its vice presidents and its corporate seal to be here-
unto affixed and to be attested by one of its assistant
secretaries this _____ day of _____, 192_____.

_____, Trustee.

By

VICE PRESIDENT.

Attest:

Assistant Secretary.

Countersigned:

_____, Registrar.

By

FORM "B."

State of _____

County of _____, ss:

_____, being duly sworn, deposes and says:

That deponent is a bona fide owner in his (or her)
proper right of a certificate or certificates of interest
numbered _____ for _____ shares registered in the
name of _____ issued by _____ as
Trustee, under a decree entered on the _____ day of
November, 1923, by the District Court of the United
States for the Southern District of New York in the suit
of the United States of America against Lehigh Valley
Railroad Company and others, and makes this affidavit
for the purpose of procuring the voting and dividend
rights on certificates of beneficial interest representing
the capital stock of the Lehigh Valley Coal Company.
That deponent does not own in his (or her) own right any
shares of the capital stock of the Lehigh Valley Railroad
Company, Coxe Brothers & Company, Inc., or Delaware,
Susquehanna & Schuylkill Railroad Company, whether
registered in his (or her) own name on the books of said
companies or registered in the names of others for de-
ponent's use and benefit. That deponent, in making this

application, is not acting for or on behalf of any stock-
holder of the Lehigh Valley Railroad Company, or any
of the other companies named, or in concert, agreement,
or understanding with any other person, firm or corpora-
tion for the control of the Lehigh Valley Coal Company
in the interest of the Lehigh Valley Railroad Company,
or any of the other companies named, but in his (or her)
own behalf in good faith.

Sworn to before me this _____ day of _____, 192_____.

FORM "C."

State of _____

County of _____, ss:

_____, being duly sworn, deposes and says:

That he is _____ of the _____ Company, a cor-
poration (or a joint stock company), hereinafter called
the "Applicant". That said applicant is the bona fide
owner in its own proper right of a certificate or certi-
ficates of interest numbered _____ for _____ shares,
registered in the name of _____ issued
by _____ as Trustee, under a decree en-
tered on the _____ day of November, 1923, by the
District Court of the United States for the Southern
District of New York, in the suit of the United States of
America against Lehigh Valley Railroad Company and
others, and that deponent makes this affidavit for the
purpose of procuring the voting and dividend rights on
certificates of beneficial interest representing the capital
stock of the Lehigh Valley Coal Company. That said ap-
plicant does not own in its own right any shares of the
capital stock of the Lehigh Valley Railroad Company,
Coxe Brothers & Company, Inc., or Delaware, Susqueh-
anna & Schuylkill Railroad Company, whether registered
in its own name on the books of said companies or regis-
tered in the names of others for said applicant's use and
benefit. That said applicant, in making this application,
is not acting for or on behalf of any stockholders of the
Lehigh Valley Railroad Company, or any of the other

Companies named, or in concert agreement, or understanding with any other person, firm or corporation for the control of the Lehigh Valley Coal Company in the interest of the Lehigh Valley Railroad Company, or any of the other companies named, but in its own behalf in good faith.

Sworn to before me this _____ day of _____, 192_____.

FORM "D."

State of _____

County of _____, ss:

_____, being duly sworn, deposes and says:

That he is a member of the partnership of _____, hereinafter called the "Applicants"; that said applicants are the bona fide owners in their own proper right of a certificate or certificates of interest numbered _____ for _____ shares, registered in the name of _____ issued by _____ as Trustee, under a decree entered on the _____ day of November, 1923, by the District Court of the United States for the Southern District of New York, in the suit of the United States of America against Lehigh Valley Railroad Company and others, and deponent makes this affidavit for the purpose of procuring the voting and dividend rights on certificates of beneficial interest representing the capital stock of the Lehigh Valley Coal Company. That said applicants do not own in their own right any shares of the capital stock of the Lehigh Valley Railroad Company, Coxe Brothers & Company, Inc., or Delaware, Susquehanna & Schuylkill Railroad Company, whether registered in the applicants' own name on the books of said companies or registered in the names of others for their use and benefit. That said applicants, in making this application, are not acting for or on behalf of any stockholder of the Lehigh Valley Railroad Company, or any of the other companies named, or in concert, agreement, or understanding with any other person, firm or corporation for the control of the Lehigh Valley Coal Company in the interest of the Lehigh Val-

ley Railroad Company, or any of the other companies named, but in their own behalf in good faith.

Sworn to before me this _____ day of _____, 192_____.

FORM "E."

State of _____

County of _____, ss:

_____, being duly sworn, deposes and says:
That he is _____ of _____; that the trust estate represented by deponent is the bona fide owner in its own proper right of a certificate or certificates of interest numbered _____ for _____ shares, registered in the name of _____, issued by _____

_____ as Trustee, under a decree entered on the _____ day of November, 1923, by the District Court of the United States for the Southern District of New York, in the suit of the United States of America against Lehigh Valley Railroad Company and others. That deponent makes this affidavit for the purpose of procuring the voting and dividend rights on certificates of beneficial interest representing the capital stock of the Lehigh Valley Coal Company. That said trust estate does not own any shares of the capital stock of the Lehigh Valley Railroad Company, Coxe Brothers & Company, Inc., or Delaware, Susquehanna & Schuylkill Railroad Company, whether registered in the name of said trust estate on the books of said companies or registered in the names of others for the use and benefit of said trust estate. That said trust estate in making this application is not acting for or on behalf of any stockholder of the Lehigh Valley Railroad Company, or any of the other companies named, or in concert, agreement, or understanding with any other person, firm or corporation for the control of the Lehigh Valley Coal Company in the interest of the Lehigh Valley Railroad Company, or any of the other companies named, but in its own behalf in good faith.

Sworn to before me this _____ day of _____, 192_____.