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AGENTS' ANNUAL REPORTS AND

STATISTICS

YEAR ENDING DEC. 31,

1910

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170

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AGENTS' ANNUAL REPORTS

AND STATISTICS

FOR YEAR ENDING DECEMBER 31, 1910

INDEX

1.	Master Mechanic's Annual Report - O. D. McClure. . .	1.
2.	Solicitor's Annual Report - Wm. P. Belden.	2.
3.	Haskins & Sells - Certified Public Accountants . . .	3.
4.	Chemical Department - Annual Rept.	4.
5.	Superior Charcoal Iron Company, Statement of Operations	5.

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170

THE CLEVELAND-CLIFFS IRON CO.

—
CLEVELAND IRON MINING CO.
IRON CLIFFS CO.
—

M. M. DUNCAN, AGENT

ISHPEMING, MICH. 17th March, 1911.

RECEIVED
MAR 20 1911
A. K. ----- Ans.-----

Mr. Wm. G. Mather, President,

Cleveland, Ohio.

Dear Sir:

I enclose herewith the Master Mechanic's Report for the year 1910.
This was overlooked in sending you the Annual Report, yesterday.

Yours truly,



Agent.

Encl.

MASTER MECHANIC'S REPORT

FOR

THE YEAR 1910.

RECEIVED

MAR 20 1911

Ack. _____ Ans. _____

I N D E X

	Page
Cliffs Shaft Mine-----	1
Salisbury Mine-----	2
Lake Mine-----	3
Hard Ore Engine House No. 3---	3
Hard Ore Engine House No. 4---	3
Maas Mine-----	3
Negaunee Mine-----	4
Lucy Mine-----	5
South Jackson Crusher-----	5
North Jackson Mine-----	5
Ogden Mine-----	6
Imperial Mine-----	6
Ashland Mine-----	6
Crosby Mine-----	7
Austin Mine-----	7
Stephenson Mine-----	7
Princeton #1 & 2 Mines-----	8
Smith Mine-----	8
Northwestern Mine-----	9
Kidder Mine-----	9
Princeton Pumping Station-----	9
Princeton Central Power Plant-	9
Hard Ore Shops-----	10
Iron River-----	10
North Lake #1 Mine-----	10
North Lake #2 Mine-----	11
Steam-electric installation---	11 & 12
Au Train Hydro-electric Plant-	14, 15 & 16
Carp River-----	16
General-----	17
Comparative Tables-----	18, 19, 20, 21 & 22
Proposed Arrangement of Pump Compartments-----	23

Mr. M. M. Duncan, Agent,
Ishpeming, Mich.

Dear Sir:-

Following is the Master Mechanic's report of the mechanical equipment of the various mines for the 12 months ending December 31st, 1910, together with a summary of Engineer's Logs:

- - -

CLIFFS SHAFT MINE

This mine has operated single shift during the year. In october an accident to the compressor caused a delay of one day. This compressor is furnishing air for the mines in the North Lake district and is running at capacity during several hours of each day. It will be necessary during the present year to install an electric driven compressor in the North Lake district as the air demand is increasing rapidly.

The installation of the new crusher equipment is nearly complete and will be operated in a short time. This improvement includes a steel crusher building with steel trestles to "A" and "B" Shafts. Skips will be used and ore trammed from both shafts to crusher building which is located over railroad tracks.

Provision is made to screen the ore if crushing is not desired. If crushing is necessary the ore can pass through a #8 gyratory crusher and then to stock pile or railroad cars. If this is too coarse, ore can be passed from the #8 crusher through trommels, the over size going to either of two #5 crushers. In this way a very even and fine product can be delivered.

The crushers, screens and tram system are electrically driven.

A 2200 volt transmission line is being built from the Brownstone Substation, of sufficient capacity to operate the entire mine electrically when desired.

In changing over from cage and cars to skips, counter-weights are being installed, which will very much improve the economic and general hoisting conditions. This will also facilitate the application of electricity to this hoist when this is necessary.

SALISBURY MINE

No changes or accidents of considerable consequence have occurred at this mine during the year.

It is imperative that this mine be partially re-equipped during the present year. The insurance company has recommended that new boilers be installed, and their reasons for this are entirely valid.

The old Cornish pump is almost beyond repair, as is also the compressor and hoist.

I recommend that this mine be re-equipped electrically at the earliest possible time. This would not necessarily be very expensive. The pumping could be done with one centrifugal pump as old workings which have been abandoned can be used for sump room and all the pumping can be done at noon hours and on Sundays at which time efficiency is not of prime importance. This would be a cheap and reliable installation.

A motor can be attached to each of the present drums for hoisting men and ore, and a small motor driven compressor installed, which would complete the equipment.

A detailed estimate of this will be made and submitted at an early date.

LAKE MINE

A motor was installed to drive the underground haulage generator, replacing the Ideal engine and condenser. The motor is direct connected to the generator, making a motor-generator set. Operating conditions are much improved underground by this improvement as the voltage is maintained much steadier than was possible with the engine.

A new 8" water column was installed, replacing the old one which had worn out by excessive pitting.

The electric cable in the shaft was replaced by a new one. The old cable was lead covered, but this manner of protecting wires proves to be a failure in our mines. We now use a fibre conduit, which seems to be far better construction and is cheaper. Unless unforeseen trouble arises this manner of insulating and protecting wires will be standard at all mines.

Two 2,000 gallons per minute motor driven centrifugal pumps have been purchased to replace the pump station at the east end of lake. The caving ground along the railroad tracks makes it impossible to maintain a steam line to the old station. Electric pumps will be more economical of power than the present steam pumps with long steam lines and excessive condensation.

HARD ORE ENGINE HOUSE NO. 3

HARD ORE ENGINE HOUSE NO. 4

Nothing of interest is to be reported on these power plants. This mine is said to be nearly exhausted, at which time both of these plants will be closed.

MAAS MINE

The gear and pinion on the cage hoist were replaced by

the Allis-Chalmers Co. as the old ones, which they furnished, failed. These new ones operate better than the old ones but are not entirely satisfactory. This is the third set they have furnished for this hoist.

The underground haulage generator was changed to a motor-generator set by connecting it to a motor as noted under same item at Lake Mine.

A new boiler was installed duplicating the original three. Space was provided for this on the original installation.

The mine was practically shut down Dec. 1st to repair the shaft. The compressor is being operated for the Negaunee Mine, the contractors and the pumping in the lower levels of the Maas. The steam turbine is carrying the electric load at all the mines.

Estimate is being made on electric pumps to be placed at bottom of this shaft as soon as concrete portion of shaft is completed as it is undesirable to install steam pump for this service. Order should be placed for these at once so that they may be installed as soon as concrete work is completed.

NEGAUNEE MINE

The underground haulage generator at this mine was also changed to motor-generator set and the Ideal engine discarded. No other change was made to old equipment.

The Engine House was completed for the new shaft equipment and is ready to receive machinery. Contract was made with the Westinghouse Co. for electric hoisting equipment for both cage and ore hoists. The Wellman-Seaver-Morgan Co. are furnishing the drums. These will undoubtedly be in readiness when needed.

Shaft house has been purchased and will be erected as soon as foundation can be prepared.

Electric pumps will be installed and both the present power houses closed.

LUCY MINE

This mine was unwatered in January and mining started in February. A Prescott sinker and a #10 Knowles are installed in the pump station. Either will do the pumping, with the other in reserve. The mine is making about 175 gallons of water per minute.

Several breaks occurred on the hoisting engine when work began. One of these caused so much delay that the hoist from the North Jackson was removed to this engine house and is now in service there.

The 50 H. P. boiler which was in service at this mine was removed and a 125 H. P. boiler from the Iron Belt equipment installed. This was necessary as the 50 H. P. boiler was not large enough to carry the pumping load while cleaning the other boiler.

A small power tram was installed to pull the coal from the dock to boiler room and results in considerable economy over handling by teams.

SOUTH JACKSON CRUSHER

This plant operated quite satisfactorily during the summer. A few broken teeth in hoist gear being the only accident. After close of season all repairs were thoroughly made.

NORTH JACKSON MINE

This mine was closed during the year. The hoist was removed to the Lucy as noted.

The Corliss tram engine was installed at the Stephenson Mine to operate the stocking system.

OGDEN MINE

Closed during entire year.

IMPERIAL MINE

A great many delays were caused owing to the weakness and general worn out condition of the hoist. It is entirely beyond thorough repair. The two old boilers which were condemned by the Boiler Insurance Company were replaced by two from the Iron Belt Mine. These boilers were thoroughly cleaned and repaired before being installed.

Considerable improvement is contemplated at this property and is covered in special report. The installation of the Webster Mine hoist to replace the Imperial hoist has been authorized but cannot be carried out until decision is reached on the general re-equipment. This includes crushing plant and increased compressor capacity.

ASHLAND MINE

The Ashland Mine equipment operated unusually well considering its age and general overworked condition. The hoist is perhaps the weakest point. It is very much overloaded and as the mine develops deeper its work is necessarily much increased.

The lower development of this mine, and the fact that the ore is nearly all coming from the lower levels, increases the fuel consumption materially. The boiler plant is working well up to capacity all the time. If ore is discovered in appreciable quantities the boiler plant will have to be improved and a new hoist installed.

GROSBY MINE

The entire equipment of this mine was moved and re-installed on the opposite side of the railroad tracks and shaft house. The general arrangement of plant was much improved when changed. An additional boiler was added. It was taken from the Northwestern Mine at Princeton and was a duplicate of those already at the Crosby. This change and improvement was completed in March and plant has operated without trouble of note since then.

AUSTIN MINE

The hoist was changed from steam to electricity in September and has been operated electrically since that time. It is driven by a 150 H. P. Westinghouse motor. A pair of gears drive from motor to pinion shaft, the connecting rods being disconnected. By this method the motor can be easily disconnected and the rods attached for steam operating if necessary.

STEPHENSON MINE

The triple pump used at the Iron Belt Mine was installed in the underground pump station. This pump duplicates the one already in service at this mine.

The Allis-Chalmers Co. furnished a new gear for the cage hoist on account of the original one working imperfectly. The new one is much better.

A three drum plant was installed for tramping. It is our standard type operated by Corliss engine. The engine was taken from the North Jackson Mine.

Electric underground haulage was installed on the 3rd and 4th levels.

A serious break occurred ⁷ on the shaft house. One of the

engine braces was insufficiently riveted and gave way at the upper deck which carries the head sheaves, allowing this corner of the deck to drop down about two feet. It was extremely fortunate that nothing more serious occurred. It was clearly a defect in design, and this was acknowledged by the builders, who sent men at once to repair and strengthen this point. This shaft house was furnished by the Wisconsin Bridge & Iron Co. and is much lighter in every way than the ones which we have had built during the year from our own design.

PRINCETON #1 & #2 MINES

Princeton #1 is operating electrically. A 75 H. P. Westinghouse motor drives the hoist and a 55 H. P. Alberger centrifugal pump does the mine pumping for both #1 and #2. The boiler plant has been shut down since June. The boilers may be used at some other mine when needed.

At Princeton #2 the old steam hoist is now operated by a Westinghouse motor of 150 H. P. An electric motor was installed to operate the top tram, but as it only had sufficient power to run it at 1000 ft. per minute, it was thought to be too slow. A new motor has been purchased which will operate the tram at 1500 ft. per minute. This tram is now running by steam. The excessive length of stocking trestle makes tramping difficult at this point.

SMITH MINE

The new engine house, steel shaft house and steel pulley stands were completed during the summer. The 400 H. P. hoist purchased from the Wellman-Seaver-Morgan Co. was installed. The motor driving this hoist was furnished by the General Electric Co. This will be put in service when electric pumping is started which will be early in 1911. Considerable trouble has been encountered

with water which has increased as development progressed.

An electric driven centrifugal pump is being installed. A motor driven plunger pump is delivered and will be installed when the shaft is completed and pump house built.

NORTHWESTERN MINE

Foundation for shaft house was completed and work commenced on the erection of steel shaft house. No other work was done at this place.

KIDDER MINE

No work done during the year.

PRINCETON PUMPING STATION

There was no interruption of service during the year and no changes to equipment. The station was wired and is now electrically lighted.

PRINCETON CENTRAL POWER PLANT

At the Central Power Plant the 1000 K. W. turbo-generator was successfully started May 1st. Substation and transmission line to Ishpeming was in operation soon after and distribution lines to the various mines were completed during the summer.

The installation of an additional 260 H. P. boiler was nearly completed.

The 100 K. W. motor-generator set which furnishes current for underground haulage at the Stephenson and Princeton was started and has operated without interruption.

The compressor has operated continuously. 9

HARD ORE SHOPS

No change to equipment has been made during the year. Work has been commenced on the installation of safety appliances in order to prevent as far as possible any chance of accident to men.

IRON RIVER

No mechanical work has been done in this district during the year.

NORTH LAKE #1 MINE

The cage hoist is installed at this mine. It has a 10 ft. drum which is 7 ft. long and will wind 1950 ft. of rope. There is a hand brake on one end and a steam brake on the other, each independent of the other. The steam brake is actuated by compressed air. This hoist is driven through double reduction gears by a 400 H. P. Westinghouse motor. It is a variable speed induction motor operating with 2200 volt current at a speed of 350 R. P. M. An overwinding device on the indicator throws on the air brake at a predetermined point. This hoist is very safe and easy to handle and has given entire satisfaction.

The pumping is done with compressed air.

The Machine Shop is taking care of all ordinary work in this district. The machine tools are those from the Iron Belt Mine. In the Blacksmith Shop there is installed an air hammer and a drill sharpening machine.

A steel shaft house was completed and in readiness when the hoist installation was completed. This was built from our own design by the Worden-Allen Co. Steel pulley stands are also used, which are far superior to wooden stands and cost very little more.

These are set in concrete, are self supporting, and quite rigid.

A transformer house is being built in this district. Current will then be delivered at 30,000 volts and be transformed to 2200 for distribution locally. This station is of ample capacity for several mines in addition to the ones already started in this district.

An electric driven centrifugal pump is installed for water service to #1 and #2 mines and the location.

A 50 H. P. boiler is installed for heating all buildings.

NORTH LAKE #2 MINE

Both the ore and man hoists are installed and are in successful operation. They are both duplicates of the hoist described at North Lake #1, excepting that the motors are made by the General Electric Co. The cage hoist is counterbalanced, which makes operating conditions very smooth and control easy and safe. The ore hoist is operating the skips in balance.

Top tramming is done by our standard method, except that the drums are operated by a 25 H. P. motor instead of a steam engine.

An electric driven centrifugal pump is in service underground. A large sump is provided so that the pump only operates about 25% of the time. There should be a relay provided for this pump at once.

A small boiler does the surface heating.

A steel shaft house and steel pulley stands were completed during the summer. Except the dumping arrangements this shaft house is a duplicate of the one at North Lake #1.

BARNES MINE

Development work at this mine was started with a small puffer and portable boiler.

Later a motor driven compressor was installed which furnishes air for drilling and to operate a steam hoist. An electric hoist will be installed during the coming year.

The compressor is a tandem two stage machine driven by a 175 H. P. motor. Both motor and compressor were furnished by the Allis-Chalmers Co. The motor is of the induction type and is belt connected. The compressor cylinders are 20" x 12" in diameter, with 30" stroke, operating at 100 R. P. M. This machine was started May 15th and has operated without interruption since that time.

Pumping has not been necessary as no water has been encountered in development.

Our standard steel shaft house was erected except that only one bin was built.

One of our own drill sharpeners is installed in the Blasksmith Shop.

A 30 H. P. boiler is installed to heat all buildings.

STEAM-ELECTRIC INSTALLATION

The steam-electric installation, including the generating station at the Maas and Central Power Plant at Princeton, trans-

mission line, and substations at both generating plants and the Brownstone, was successfully started up in May and has been in service continually since then.

Aside from minor difficulties, which are always present at every new installation, no serious troubles have been encountered.

The following motors are installed and operating as needed:

Maas Mine			
Turbine Auxiliaries - Circulating Pump	40	H.P.	
" " - Injection "	25		
Shop	15		
Underground Haulage	215		
Exciter Set	<u>33</u>		
			328 H.P.
Princeton Central Power Plant			
Turbine Auxiliaries - Circulating Pump	40		
" " - Injection "	25		
Exciter Set	33		
Underground Haulage	215		
Shop	<u>25</u>		
			338
Negaunee Mine			
Underground Haulage			215
Lake Mine			
Underground Haulage			215
Hare Ore Mine			
Machine Shop	25		
Carpenter "	<u>25</u>		
			50
Cliffs Shaft Mine			
Shop			25
North Lake Mine #1			
Hoist	400		
Shop	25		
Water Supply	<u>40</u>		
			465
North Lake Mine #2			
Ore Hoist	400		
Man "	400		
Top Tram	25		
Mine Pump	<u>50</u>		
			875
Barnes Mine			
Compressor			175
Princeton Mine #1			
Hoist			75
Princeton Mine #2			
Hoist	150		
Top Tram	<u>25</u>		
			<u>175</u>
	fwd.		2936 H.P.

Austin Mine
Hoist
Top Tram

brt. fwd. 2936 H.P.

	150 H.P.
	<u>25</u>
Total	<u>175</u> 3111 H.P.

The average load on the generating plant is 550 H. P. from Monday morning till Saturday night. It is seldom that a peak of 900 H. P. shows at the generating station although at long intervals as high as 1200 is seen. There is a decided voltage drop when the 400 H. P. hoists come on the line but it does not affect the power service. It does affect the lighting service. There are two improvements being made which will correct this variation. First, the installations of the substation at the North Lake district which will insure plenty of power at this point without any line drop and throw these peaks back to the generator. Second, the installation of Tirrill regulators at the stations which will control the voltage and hold it reasonably steady. These improvements will soon be completed.

There have only been two breaks in the transmission line and both of these were caused by insulators being shot off. Several breaks have occurred in the guard wire. This is entirely unexpected as the guard wire is of steel and should be much stronger than the copper wire.

The whole installation has gone into operation with very little trouble of consequence and has proved reliable and efficient. The cost of current has been high due to the small load on the plant which means the turbines are running at poor efficiency and that labor cost is high per unit of power. The load will build up rapidly when we begin to do pumping electrically.

The system of hoisting with induction motors geared directly to the hoist is entirely satisfactory at mines where the speed of hoisting can be kept below 1000 ft. per minute and with loads of three tons or less. Both for economy and safety, all hoisting should be done in balance. For mines requiring an ore

load of five tons at speeds of more than 1000 ft. per minute we should install the Ilgner system of hoisting such as has been purchased for the Negaunee #3 Mine. This is without question the most reliable and efficient system of hoisting which has been devised.

The Negaunee #3 equipment will be installed during the early summer and will be in readiness when the shaft has been completed. The question of electric pumps for underground service is now being considered. It has been decided that motor driven plunger pumps will be used, with possibly some centrifugals for relay service. The higher efficiency of plunger pumps leads to this decision. The plunger pumps are more reliable and easier to repair. Their efficiency can be maintained, which is not true of centrifugal pumps. The lower cost and the smaller space needed by centrifugal pumps will make it advisable to use them in some cases as relays to plunger pumps. They will in this case operate so little of the time that their efficiency will be of little consequence.

AU TRAIN HYDRO-ELECTRIC PLANT

During the year the water power on the Au Train River in Alger County, Michigan, was developed, and it is now supplying power over a thirteen mile transmission line to the Munising Paper Company. The dam was built at the head of the upper falls about one half mile below the County Road. From the dam the water is conducted through a steel pipe line 1250 ft. long to the power house which is situated just below the lower falls. The total head developed is 93.5 ft.

Work on the dam was started in the early part of January. It is of the rock-filled timber crib type, the rock being obtained on the site, and is 16 ft. high by 164 ft. long. The spillway section has a length of 124 ft. The intake is located at the

north end of the dam and is of concrete. Steel racks or screens are provided at this place to keep brush and other debris from entering the water wheels. At the head of the pipe line there was installed a 66" pivot valve made by the Pelton Water Wheel Company. In addition to this means of shutting off the water stop logs were provided in the intake.

The grading for the pipe line was carried on simultaneously with the construction of the dam, the pipe itself being put together later by the Petroleum Iron Works. For a distance of 1100 ft. the line has a slope of 1 to 1000. It then drops down the hill to the power house on a 1 to 2 grade. The pipe is made of riveted steel plates, and is 66" in diameter. At the top of the hill above the power house a stand pipe, 10 ft. in diameter and 30 ft. high, has been provided to relieve the penstock in case of surges and to maintain good regulation under sudden changes of load.

The water wheels and generating equipment are located in a brick building, 32 ft. by 37'6" inside dimensions. The foundations for this power house are of concrete and rest on rock. After leaving the wheels the water is conducted through draft tubes to the tail race, which is a canal varying in width from six to ten ft., emptying into the river below the rapids.

In order to bring the material and equipment to the power house site it was necessary to construct about a mile of road and a bridge across the river. This bridge is 96 ft. long, and is of timber construction resting on concrete piers spaced 16 ft. apart. As a protection to the power house a low concrete retaining wall was built along the edge of the river. This varies in height from three to six ft. and is 200 ft. long.

Two generating units were installed, each consisting of a Pelton-Francis turbine of 800 H. P. rated capacity, 600 R. P. M., direct connected to a General Electric A. C. 3 phase generator

built for 13,200 volts, 40 cycles, 560 K. V. A. Each unit is provided with a Pelton oil pressure governor, a flywheel to insure good regulation, and a direct connected exciter of sufficient capacity to excite both generators if necessary.

As the alternators were wound for the voltage at which the transmission line operates, no step-up transformers were necessary. An automatic oil switch, electrolytic lightning arresters and the customary indicating and synchronizing instruments were installed on the switchboards.

The transmission line is a single circuit 3 phase line erected on 40 ft. Cedar poles along the Alger County Road. The wire is No. 2 hard drawn copper. A telephone line is carried on a cross arm below the power wires.

At the Paper Mill three 333 K. V. A. step-down transformers were installed, as well as the necessary indicating and synchronizing instruments to parallel the Paper Company's electrical equipment operating at 600 volts.

On the west side of the Au Train River, near the dam, a house and barn were built for the operator to occupy.

The plant first supplied power to the Paper Mill on Nov. 19th, 1910, and has been operating without a shut down since that time. The average daily output has been about 300 K. W., and the entire flow of the stream has been utilized.

A superintendent and two assistants operate and maintain the plant and line.

CARP RIVER

Nothing has been done on the Carp River during the
year. ¹⁶

GENERAL

I wish to repeat my recommendations of last years report. First, that large sumps be provided at all mines. Second, that pump compartment be closed off from the mine with bulkhead and auxiliary shaft be provided in all mines liable to sudden run of water or quicksand. A sketch with this report shows this proposed improvement.

Water enters the sump through a pipe line with gate to control the flow so that it cannot exceed the capacity of the pumps. Should a run of sand occur the valve in this pipe would be closed and an opening made in the auxiliary pipe line to supply the pump. The pump station could not be lost until water had raised to the connection between main and auxiliary shaft. This would require considerable time if the mine was developed to any considerable extent. The extra cost would be the cost of making a small upraise for auxiliary shaft.

I believe this is of especial interest in the Princeton District.

I recommend that the guides for all the cages be brought close enough together in the top of shaft houses so that if an overwind should occur the cage will wedge tight and stick in case the rope is broken, and thus prevent its falling back into the mine. I believe that in nearly every case of an overwind this retardation due to the close guides would stop the hoist and the rope would not break.

Very respectfully submitted,

J. W. McClure

Master Mechanic.

17

COMPARATIVE TABLES

YEAR	TONS COAL BURNED	TONS ORE & ROCK HOISTED	CU. FT. AIR USED	TONS HOISTED PER TON COAL	CUBIC FT. AIR PER TON HOISTED	GALLONS OF WATER PUMPED
CLIFFS SHAFT MINE						
1900	7,969	221,857	359,115,086	35.4	1,410	345,630,130
1901	8,412	283,088	447,136,140	32.5	1,580	353,314,205
1902	9,381	278,756	401,970,520	33.2	1,442	377,910,450
1903	8,150	268,568	322,753,874	34.1	1,200	374,292,985
1904	6,287	169,651	191,094,862	27.0	1,127	372,046,285
1905	7,421	204,645	271,587,404	27.6	1,355	353,087,800
1906	9,204	272,735	451,440,636	28.3	1,794	-----
1907	8,880	302,924	692,018,970	34.0	2,239	242,599,222
1908	7,991	228,886	541,729,740	28.5	2,367	240,000,000
1909	7,328	242,573	680,932,960	33.3	2,796	166,079,249
1910	8,895	252,793	904,379,312	28.4	3,577	156,948,550

SALISBURY MINE						
1900	3,513	177,258	193,430,796	50.5	1,090	65,724,195
1901	3,621	190,816	184,878,547	49.6	970	71,466,792
1902	3,800	175,782	191,100,362	46.1	1,090	71,962,803
1903	4,167	194,781	264,830,023	46.7	1,360	88,636,312
1904	3,540	159,878	216,911,720	45.2	1,358	77,897,201
1905	3,750	154,017	219,765,211	40.5	1,423	76,346,425
1906	3,909	152,034	219,345,241	39.7	1,461	77,100,543
1907	3,892	139,986	215,971,327	35.9	1,551	86,056,044
1908	3,606	116,724	218,591,828	32.3	1,895	66,957,839
1909	3,537	99,140	218,841,412	27.9	2,228	61,699,506
1910	3,308	113,574	162,828,098	34.3	1,433	63,430,079

COMPARATIVE TABLES (CONT'D)

YEAR	TONS COAL BURNED	TONS ORE & ROCK HOISTED	CU. FT. AIR USED	TONS HOISTED PER TON COAL	CUBIC FT. AIR PER TON HOISTED	GALLONS OF WATER PUMPED
LAKE MINE						
1900	8,218	510,132	376,482,932	62.0	740	-----
1901	9,117	472,730	393,632,563	51.7	840	62,998,188
1902	8,400	470,728	440,196,332	51.8	952	64,188,597
1903	8,502	468,277	441,329,198	50.0	993	70,848,359
1904	6,983	281,399	355,084,057	40.3	1,368	78,662,195
1905	10,346	505,321	885,737,363	48.8	1,753	77,492,105
1906	11,072	559,877	784,511,853	51.8	1,247	80,626,208
1907	10,934	549,449	773,662,287	50.7	1,410	90,105,988
1908	9,222	357,628	575,642,546	38.6	1,671	76,896,881
1909	9,640	381,060	826,433,227	39.4	2,245	81,268,184
1910	9,892	559,438	820,568,713	56.5	1,466	85,118,000

HARD ORE MINE						
1900	3,359	80,577	156,642,514	23.9	1,875	127,301,055
1901	3,537	83,321	198,187,706	23.5	2,375	123,434,439
1902	3,749	79,329	209,140,586	21.3	2,550	124,952,502
1903	3,778	75,458	202,735,698	18.8	2,660	139,284,403
1905	2,549	73,228	387,509,010	28.8	5,278	101,183,553
1906	3,007	81,019	360,850,200	26.3	4,508	115,163,803
1907	3,049	84,201	390,108,500	27.6	4,721	123,765,784
1908	3,202	89,699	407,810,000	27.7	4,584	131,586,740
1909	3,079	94,436	266,175,000	30.9	2,833	126,217,920
1910	3,052	100,820	302,510,000	33.0	3,000	132,000,000

COMPARATIVE TABLES (CONT'D)

YEAR	TONS COAL BURNED	TONS ORE & ROCK HOISTED	CU. FT. AIR USED	TONS HOISTED PER TON COAL	CUBIC FT. AIR PER TON HOISTED	GALLONS OF WATER PUMPED
ASHLAND MINE						
1901	5,226	162,268	222,438,648	31.0	1,385	101,108,902
1902	11,245	368,237	408,713,080	32.0	1,105	-----
1903	11,946	387,604	315,978,744	32.5	823	-----
1904	8,250	271,627	150,808,074	32.9	555	110,933,228
1905	8,967	343,558	376,921,120	35.3	1,095	145,617,467
1906	9,709	362,697	369,577,268	37.5	1,022	130,346,725
1907	9,850	319,454	388,265,722	32.3	1,220	74,273,525
1908	9,340	306,471	351,836,920	33.4	1,158	74,946,288
1909	12,759	269,710	354,314,233	21.2	1,261	156,165,136
1910	12,050	230,885	291,283,383	19.1	1,261	137,704,474
NEGAUNEE MINE						
1904	8,182	166,781	233,721,669	20.4	1,401	476,056,512
1905	7,386	245,422	211,667,755	33.2	861	345,967,009
1906	10,465	258,354	235,730,810	25.5	921	-----
1907	11,216	315,069	250,046,615	28.4	798	707,070,097
1908	10,294	300,007	210,799,982	29.3	696	638,488,540
1909	9,088	316,072	263,322,702	32.0	911	623,789,512
1910	7,913	364,111	361,923,373	46.0	993	610,209,058
AUSTIN MINE						
1905	1,867	61,878	51,808,300	33.8	837	-----
1906	-----	165,445	56,931,414	53.4	374	-----
1907	3,863	194,571	58,452,975	54.0	300	-----
1908	-----	204,769	-----	-----	-----	-----
1909	-----	186,064	181,915,343	-----	985	-----
1910	-----	69,500	33,411,030	-----	480	-----

COMPARATIVE TABLES (CONT'D)

YEAR	TONS COAL BURNED	TONS ORE & ROCK HOISTED	CU. FT. AIR USED	TONS HOISTED PER TON COAL	CUBIC FT. AIR PER TON HOISTED	GALLONS OF WATER PUMPED
MAAS MINE						
1905	4,066	-----	139,268,772	----	-----	311,792,458
1906	4,170	-----	260,733,698	----	-----	-----
1907	5,861	29,690	-----	8.6	-----	337,084,264
1908	6,671	83,075	-----	12.4	-----	242,151,139
1909	6,494	141,510	291,338,833	22.1	2,095	231,101,590
1910	8,219	196,052	541,169,843	23.8	2,760	209,688,862
STEPHENSON MINE						
1909	2,396	140,683	181,915,347	63.4	1,313	191,342,376
1910	2,867	217,096	294,935,118	75.7	1,358	383,590,401
PRINCETON #1 & #2 MINES						
1909	3,104	143,620	181,915,352	47.8	1,265	144,540,000
1910	2,582	126,047	226,054,113	48.8	1,793	138,556,000
SMITH MINE						
1909	2,022	-----	60,638,452	----	-----	-----
1910	5,116	-----	143,309,920	----	-----	-----
PRINCETON PUMPING STATION						
1909	598	-----	-----	----	-----	137,037,480
1910	545	-----	-----	----	-----	142,284,450
PRINCETON CENTRAL POWER PLANT (output)						
1909	4,630	-----	606,384,494	----	-----	-----
1910	6,101	-----	697,710,181	----	-----	-----

COMPARATIVE TABLES (CONT'D)

YEAR	TONS COAL BURNED	TONS ORE & ROCK HOISTED	CU. FT. AIR USED	TONS HOISTED PER TON COAL	CUBIC FT. AIR PER TON HOISTED	GALLONS OF WATER PUMPED
CROSBY MINE						
1909	1,735	119,410	-----	71.6	-----	-----
1910	2,157	204,588	-----	94.8	-----	-----
IMPERIAL MINE						
1909	2,592	82,135	-----	31.8	-----	-----
1910	3,665	137,527	-----	37.5	-----	-----
LUCY MINE						
1910	2,718	66,660	-----	24.5	-----	-----

Note:-

The Cliffs Shaft Mine furnishes air to North Lake #1 & #2.

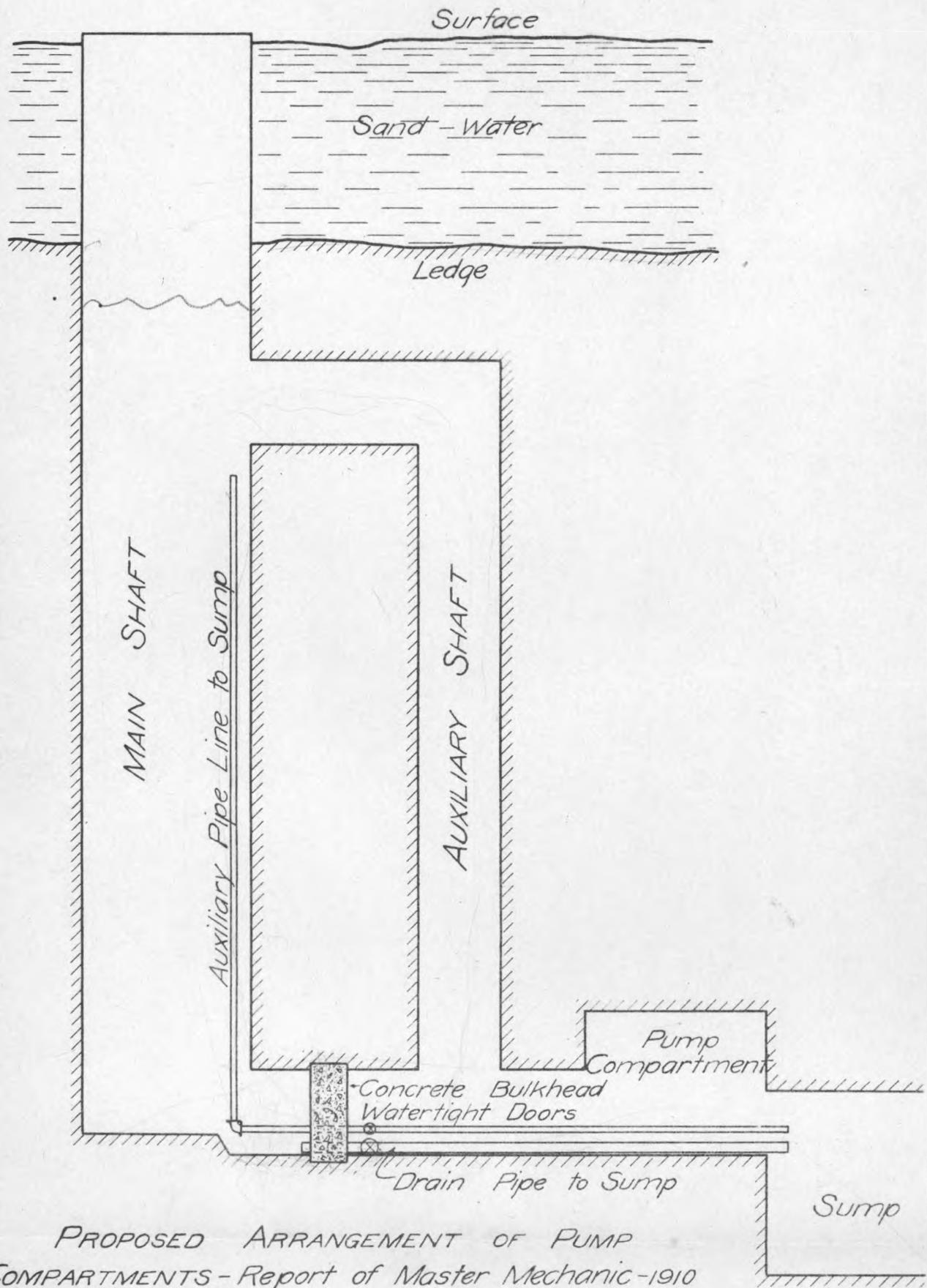
The Lake Mine furnishes air to the Hard Ore Mine.

The Maas Mine furnishes air to the Negaunee Mine.

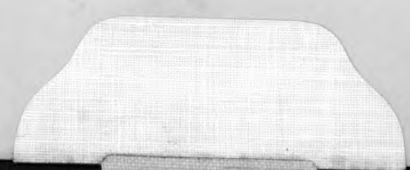
The Austin Mine operated only 7 months. Air furnished by Cent. Power Plant. Water drains to Stephenson.

The Princeton Central Power Plant furnishes air to the Austin, Stephenson, Princeton and Smith Mines.

The Princeton #1 & 2 and Austin Mine hoists operating electrically.



PROPOSED ARRANGEMENT OF PUMP COMPARTMENTS - Report of Master Mechanic - 1910



Annual Report of William P. Belden, Solicitor,
for the year 1910.

The following is a general summary of matters appearing in my monthly reports rendered during the year above mentioned.

I.

Cases Disposed of by Litigation or Settlement.

1. Negaunee Cemetery Condemnation Case.

Case settled January 17th by purchasing the entire forty of Mrs. McDonald for \$13,000.00. See January report.

2. Henry Elliott vs. Cleveland-Cliffs Iron Co.

Personal injury case from the Munising saw-mill brought in the Alger County Circuit Court. Settled for \$200.00. See February report.

3. George Bjelos vs. Cleveland-Cliffs Iron Co.

Personal injury case from the Crosby mine brought in the State Court at Duluth. Settled March 24th upon the payment of \$1200.00 and the Club money of \$240.00. See March report.

4. Carlquist vs. Negaunee Mine.

Settled in March 1910, by the payment of \$1200.00 and the Club money of \$247.00. See March report.

5. Pelto vs. Lake Superior & Ishpeming Railway Co.

Personal injury case from the ore dock at Marquette. Settled for \$450.00. See September report.

6. Killian vs. Munising Railway Co.

Personal injury case from Little Lake where plaintiff claimed to have been injured in a runaway caused as he claimed, by the team becoming frightened through the negligence of the Railway Co. The case was tried in the Circuit Court for Schoolcraft County at Manistique on October 1st, and resulted in a verdict of \$1000 which we paid. See October report.

7. Munising Railway Co. vs. Gauthier.

Condemnation proceedings in the Marquette Probate Court to secure a right of way to the new Section 35 mine in the Swanzy District. Jury awarded respondent \$70.00 which we paid. See November report.

8. Munising Leather Co., Munising Paper Co., Ltd., and The Cleveland-Cliffs Iron Co. vs. Weston Lumber Co.

Suit brought in the Circuit Court for the County of Schoolcraft to determine the rights of the parties in the hemlock bark and timber and in certain other timber on that portion of the Lac La Belle lands purchased by the Weston Lumber Co. in Schoolcraft County. This case was finally settled on the basis of making a joint estimate to determine the respective descriptions on which the complainants had the right to enter and cut the timber described by the contract. See November and December reports.

9. McKenny vs. Cleveland-Cliffs Iron Co., et al.

This suit was brought by McKenny to recover damages for an assault claimed to have been made upon him at Marquette October 6th

by Abbott, the chief engineer, and Malliette, the second engineer, and he sued the Company, Captain Mooney and Abbott and Malliette. The case was tried at Marquette December 9th and the court directed a verdict in favor of the Company and of Captain Mooney, from which no appeal was ever taken, thus disposing of the case as to the Company. Plaintiff also dismissed as to Malliette, but let the case stand against Abbott.

10. August Anderson, Admr., vs. Negaunee Mine.

Personal injury case for the death of Richard Anderson, son of the plaintiff. The case was settled upon the payment of \$450.00 and the Club money. See December report.

11. Cleveland-Cliffs Iron Co. vs. Steamer Ionia.

This case was referred to in my annual report for 1909 in the list of cases pending January 1st, 1910. The settlement referred to in that report was eventually carried out.

12. Upper Peninsula Land Co., Ltd., vs. F.A.Sansom.

This is a foreclosure case appearing as No. 19 in my list of pending cases in the annual report of 1909. A final decree was entered therein in favor of the complainant.

13. Upper Peninsula Land Co. vs. Frank L. Buell, et al.

This is a foreclosure case referred to as No. 20 in my list of pending cases in the annual report of 1909. A final decree has been entered therein.

14. John H. Gattis vs. Safani Teikari, principal defendant, and
The Cleveland-Cliffs Iron Co., garnishee defendant.

This was a garnishee case brought in the Alger County

Circuit Court and has now been disposed of.

15. John H. Gattis, vs. Frank Poijner, principal defendant and the Cleveland-Cliffs Iron Co., garnishee defendant.

This was a garnishee case brought in the Alger County Circuit Court and has now been disposed of.

II.

Cases Pending January 1st, 1911.

1. Hosking vs. Cleveland Iron Mining Co.

The Supreme Court granted the plaintiff a new trial in this case as stated in my October report, and it is therefore now awaiting trial.

2. Risku vs. Iron Cliffs Co.

The Supreme Court granted the plaintiff a new trial in this case as stated in my October report, and it is therefore now awaiting trial.

3. Gamble vs. Cleveland-Cliffs Iron Co.

No action whatever was taken in this case in 1910, our motion for a new trial having been held during all that time by Judge Swan and no decision having been rendered therein.

4. Arctic Iron Co. vs. Cleveland-Cliffs Iron Co.

Suit for an accounting brought in the United States Circuit Court. Some progress was made during the year in the proceedings for an accounting referred to in my annual report for 1909, but they were not concluded.

5. Jackson Iron Co. vs. Collins.

Ejectment case pending in the Marquette Circuit Court for possession of the premises occupied by Collins between Iron Street and the D.S.S. & A. Right of way. No action was taken during the year in this case on account of the proceedings in the case mentioned in the next paragraph.

6. Jackson Iron Co. vs. Collins, et al.

This is a suit in chancery brought by the Jackson Iron Co. against Collins and wife to enforce the judgment in favor of the plaintiff entered in the preceding case. The defendants filed demurrers to our bill of complaint and these demurrers were overruled by Judge Flannigan. See October report.

7. Carlson vs. Cleveland-Cliffs Iron Co.

This is a personal injury case from the Maas mine brought in the District Court of St. Louis County, Minnesota, to recover damages for the loss of an eye, sustained March 2, 1909, through the explosion of a missed blast. This case appears as No. 13 in my annual report for 1909. Nothing of importance was done in this case during the year.

8. Pioneer Iron Co. vs. Muck.

This case was No. 17 in my last annual report. Nothing of importance has been done therein since that time.

9. Lonstorf vs. Maas and the Cleveland-Cliffs Iron Co.

This was No. 18 in my last annual report and involves a controversy between Lonstorf and Maas in which our Company is not

financially interested. Both parties have appealed from the final decree made by Judge Denison and the case has been removed to the Circuit Court of Appeals whose decision will probably be final.

10. Susan Ford vs. Central Land & Timber Co.

Bill to compel redemption from tax titles as reported in my January report. No relief of any consequence is sought against our Company.

11. Cleveland-Cliffs Iron Co. vs. Mathew Maloney, John Cummiskey and Newton C. Spencer.

Ejectment suit in the Marquette Circuit Court to protect the title of the Company in the S.E. $\frac{1}{4}$ of the N.E. $\frac{1}{4}$ of Section 33-48-26, at Eagle Mills. See July report for particulars.

12. Henry McKenna vs. Steamer Andaste.

This is a libel proceeding brought in the United States Circuit Court involving a small amount of wages. See November report.

III.

The following is a summary of the written opinions and reports rendered during the year.

	M.D.	L.D.	F.D.	R.R.	Mr.M. Mr.M.	Mr.M.& Munising Bank	Gwinm Bank	U.P. I.Co.	Lbr. Dept.	Mr.An- drews.
Jan.	13	14	0	5	9	0	0	0	0	5
Feb.	15	13	2	2	4	0	0	0	1	1
Mar.	21	8	5	1	3	0	0	0	0	2
Apr.	9	13	0	7	8	0	0	0	2	3
May	9	11	1	7	6	0	0	4	2	4
June	16	10	2	4	3	0	0	2	3	1
July	12	5	1	2	4	4	0	0	4	1
Aug.	9	6	0	6	4	0	0	1	0	0
Sept.	12	7	1	3	12	0	1	0	3	1
Oct.	10	7	2	2	32	0	0	5	1	3
Nov.	15	10	1	7	20	0	0	0	0	0
Dec.	14	5	2	0	6	0	0	1	1	1
	155	109	17	46	111	4	1	13	17	22

Total, 495.

For the purpose of comparison, I call attention to the relative number of opinions and reports rendered in previous years.

1904,	248,	1907,	486,	1910,	495.
1905,	340,	1908,	515,		
1906,	420,	1909,	545,		

IV.

The list of deeds, agreements, leases, etc., prepared by this office is as follows:-

Jan.	13	July,	3
Feb.	3	Aug.	8
Mar.	8	Sept.	8
April,	8	Oct.	20
May,	13	Nov.	3
June,	9	Dec.	6
	<u>54</u>		<u>48</u>

Total, 102.

For the purpose of comparison, I call attention to the similar number of instruments drafted in previous years.

1904	72	1907	61	1910	102.
1905	65	1908	83		
1906	100	1909	109		

V.

Traveling.

During the year we made at the request of the different departments 30 trips to Marquette, 9 to Chicago, 1 to Menominee, 2 to Crystal Falls, 1 to New York, 3 to Sault Ste. Marie, 1 to Milwaukee, 1 to Cleveland, 1 to Escanaba, 1 to Rhineland, 1 to Boston, 1 to Cheboygan, 2 to Duluth, 2 to Munising, 2 to La Porte, 6 to Detroit, 1 to Calumet, and 2 to Lansing.

VI.

Expenses.

Expenses during the year 1910, including the amount of money which we expended in traveling and for the company's proportion of my office expenses and for other expenses paid through this office, was as follows:

January,	\$ 294.58	July,	\$ 148.80
February,	163.44	August,	180.14
March,	259.70	September,	343.60
April,	191.19	October,	346.77
May,	151.12	November,	288.12
June,	253.93	December,	275.66
	<u>1313.96</u>		<u>1583.09</u>

Total, \$2897.05

The items of these months appear in detail attached to each monthly report. For the purpose of comparison, you will see that my total expenditures for the same purposes during the previous years are as follows:--

1904	\$ 1156.11
1905	1755.64
1906	1856.37
1907	2967.03
1908	3439.65
1909	3440.36
1910	2897.05

VII.

Local Attorneys.

During the year 1910, we employed the following local attorneys: Mr. H. J. Grannis, at Duluth, Mr. H. M. Norris at Ironwood, and Mr. G. R. Empson at Gladstone.

We had no litigation, however, at any of these points but had a considerable number of business matters which required the attention of Mr. Grannis and of Mr. Norris.

VIII.

Counsel.

Mr. Horace Andrews of Hoyt, Dustin, Kelley, McKeehan & Andrews, performed a considerable amount of work in connection with the Weston Lumber Company case and in the negotiations relating to the sale of the Upper Peninsula Land Company's property and in connection with various other matters during the year.

IX.

Upper Peninsula Land Company Work.

I attended only one meeting of the Board of Managers of the Upper Peninsula Land Company during the year, but in December spent considerable time in Chicago in connection with the negotiations for the sale of the Company's property to the Upper Michigan Land Company, the Upper Michigan Timber Company and the State Bank of Chicago, and performed a large amount of work in connection with these matters.

My expenditures incurred in this behalf were as follows:-

May 2nd, Expenses attending Board meeting,	\$ 27.70
December, To expenses in connection with Hamilton contract,	<u>202.25</u>
Total,	\$229.95

These expenditures are not included in my Cleveland-Cliffs Iron Company monthly statements, nor are the trips mentioned included in the summary of traveling done in behalf of the Cleveland-Cliffs Iron Co.

For the purpose of comparison, I give below the total of similar

expenses for previous years:

1906,	\$ 545.65
1907,	281.17
1908,	395.25
1909,	80.65
1910,	229.95

X.

Office Help.

I have employed Mr. Fred H. Berg during the past year as heretofore. Also beginning July 1, 1910, I have employed Mr. Thomas Clancey of Ishpeming who graduated from the University of Michigan in June 1910, and has been admitted to the bar.

XI.

Important Work.

I will mention here in brief the more important work done during the year, all of which is covered in detail by the monthly reports.

1. Court Work.

The Supreme Court reversed two verdicts which had previously been directed in our favor, namely, in Hosking vs. Cleveland Iron Mining Company and in Risku vs. Iron Cliffs Company, and sent these cases back for a new trial. Otherwise our court work was successful, and while no important trials were had, many cases were settled or disposed of and the amount of pending litigation January 1st, 1911, was very much less than on January 1, 1910. This report showing 12 cases pending at that time as against 20 the year before.

2. D. S. S. & A. Change of Line.

These negotiations which were referred to in my last

annual report were continued during 1910. Reference is made to work in this connection in my reports for March, June, in which month a meeting was held at Chicago to revise the proposed contract between the parties, September, at which time the abstracts covering the entire right of way were submitted to Eldredge & Miller for consideration, and in October during which month conferences were held with Mr. Eldredge at Marquette and with Mr. Andrews and Mr. Eldredge at Chicago in respect to the final papers for delivery to the D.S.S. & A. Generally speaking, the negotiations with the D.S.S. & A. were brought approximately to a conclusion, except as to that portion which involved adjustments with the American Mining Company, in respect to which no conclusion was reached.

3. Chicago & Northwestern Matters.

We did not succeed in getting the joint shaft contracts actually signed in 1910, but as appears by my March report, the substance of the contracts was approved at a meeting between Mr. Duncan, Mr. Andrews, Judge Flannigan, Mr. Cleveland and myself at Chicago. Subsequently, as shown by my May report, Mr. Hyzer, General Counsel for the Company, raised a question as to the necessity for some further agreement permitting the C. & N.W. road to be assured by a written contract of the right to use the tracks serving our Stephenson, Austin and Smith mines. A contract was drawn but this developed into a long correspondence involving many complications and was not disposed of in 1910.

4. Weston Lumber Company.

The negotiations with the American Hide & Leather Company relating to the ownership of the hemlock bark and timber on the Lac La

Belle lands purchased by the Weston Lumber Company in Schoolcraft County and the subsequent suit against the Weston Lumber Company and the negotiations which led to its settlement occupied a great deal of time and called for a large amount of work during 1910. This included two trips to New York City to meet Mr. de Gersdorff, hearings before Judge Steere at the Soo and at Munising, the taking of a large amount of testimony at La Porte, Chicago and Cheboygan, and many conferences before the deal was closed.

5. Legislative and Economic Questions.

The tonnage tax bureau of education organized as stated in my last annual report, was called upon during 1910 to perform a large amount of work, and this occupied a great deal of my time. We gathered statistics in relation to the mining industry and with the assistance of Mr. James Russell of Marquette and Horace J. Stevens of Houghton, prepared a pamphlet setting forth facts, figures and arguments in opposition to such a tax and circulated this widely throughout the State. In the course of this work I made several trips to Marquette to meet Mr. Russell and also spent two days at Houghton and Calumet on the same work. I superintended the distribution of the pamphlets and carried on a large amount of correspondence on this general subject. We also gave a large amount of attention to the investigation of Workmen's Compensation laws and I discussed this subject in an address before the State Bar Association and took steps to insure the introduction of proper bills of that kind at the next session of the legislature.

6. Land Title Work.

We had the usual amount of work in the examination of


abstracts, preparation of options, leases and general work of that character.

7. Negaunee Cemeteries.

The removal of the Negaunee cemeteries and the preparation of contracts, agreements and general work in relation thereto formed one of the important subjects requiring our attention during the year.

8. Upper Peninsula Land Co. Sale.

The negotiations with Mr. Hamilton leading up to this sale and the preparation of the necessary contracts to carry it out, and the correspondence in relation thereto occupied a large part of the month of December. In fact, I spent nearly one-third of that month at Chicago, chiefly in connection with this work.



Solicitor.



3

HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

30 BROAD STREET
NEW YORK

LONDON, E. C.
30 COLEMAN STREET

CHICAGO
HARRIS TRUST BUILDING

ST. LOUIS
THIRD NATIONAL BANK BUILDING

CLEVELAND
WILLIAMSON BUILDING

PITTSBURGH
FARMERS BANK BUILDING

BALTIMORE
EQUITABLE BUILDING

CABLE ADDRESS "HASKSELLS"

CLEVELAND, May 2, 1911.

Mr. Wm. G. Mather,
President, The Cleveland-Cliffs Iron Company,
Cleveland, Ohio.

RECEIVED

MAY 23 1911

Ack. Ans.

Dear Sir:

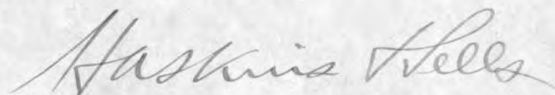
In accordance with your request, we have made an examination of the books and accounts of The Cleveland-Cliffs Iron Company for the year ended December 31, 1910, for the purpose of verifying Securities Owned, Notes Receivable, Cash Accounts, Paymaster's Accounts, and Capital Stock outstanding, and submit herewith seven pages of comments and the following described exhibits:

EXHIBIT

"A" - SECURITIES OWNED - DECEMBER 31, 1910.

"B" - NOTES RECEIVABLE - DECEMBER 31, 1910.

Yours truly,



Certified Public Accountants.

THE CLEVELAND-CLIFFS IRON COMPANY

COMMENTS ON THE EXAMINATION
FOR THE YEAR ENDED DECEMBER 31, 1910

SECURITIES OWNED

The securities owned at December 31, 1910, carried on the books of the Company at a valuation of \$5,665,591.79 are detailed in Exhibit "A". All securities, other than 14,055 shares of the capital stock of the Iron Cliffs Company, are deposited in safety vaults, and were verified by examination.

The 14,055 shares of the capital stock of the Iron Cliffs Company were on deposit with The Citizen Savings & Trust Company, Cleveland, as collateral to notes payable of the Company, whose possession thereof is evidenced by their certification to us under date of April 2, 1911.

NOTES RECEIVABLE

The notes held by the Company, December 31, 1910, amounting to \$1,165,222.05, are set forth in detail in Exhibit "B". The notes on hand were examined on March 18, 1911. Those out for collection at December 31, 1910, have since been collected, the receipt of the cash therefor having been checked against the cash records of the Company subsequent to December 31, 1910, and prior to March 18, 1911. The notes of the Dunbar Furnace Company aggregating \$375,555.74 are past due, and we are advised that the Company is in the hands of a receiver.

CASH IN HAND AND ON DEPOSIT

The cash in hand and on deposit December 31, 1910, as shown by the books of the Company, is represented by the following accounts:

GENERAL OFFICE - CLEVELAND,.....	\$217,994.43
MINE DEPARTMENT - ISHPEMING, MICHIGAN:	
General Office,.....	\$ 5,488.01
Petty Cash Funds,.....	4,000.00
Paymaster's Account,.....	<u>231.67</u>
Total Mine Department,.....	9,719.68
LAND DEPARTMENT - NEGAUNEE, MICHIGAN:	
General Office,.....	\$15,915.88
Petty Cash Funds,.....	<u>575.00</u>
Total Land Department,.....	<u>16,490.88</u>
Forward,.....	\$244,204.99

THE CLEVELAND-CLIFFS IRON COMPANY.
 COMMENTS ON THE EXAMINATION, ETC.

Forward,.....		\$244,204.99
LUMBER DEPARTMENT - MARQUETTE, MICHIGAN:		
General Office,.....	\$ 1,110.34	
Petty Cash Fund,.....	<u>300.00</u>	
Total Lumber Department,.....		1,410.34
FURNACE DEPARTMENT - GLADSTONE, MICHIGAN:		
General Office,.....		<u>3,810.34</u>
Total,.....		<u>\$249,425.67</u>

Cash in banks was verified by certifications obtained from the various depositaries, reconciled with the Company's records. All disbursements during the year were examined, and the receipts, as shown by the books of the Company, have been properly accounted for. Petty cash funds in the hands of the various cashiers, other than those attached to the Mine Department located at Ironwood, Michigan, Iron River, Michigan, and the Crosby Mine, aggregating \$1,250, and funds in the hands of employes attached to the Land Department in charge of the Hotel Williams, Grand Island Launch and Negaunee Green House, aggregating \$75, were counted by us. The composition of the various funds counted is shown hereunder:

MINE DEPARTMENT

R. H. MCCARTNEY, CASHIER, ISHPEMING - COUNTED FEBRUARY 20, 1911:		
Cash in Hand,.....	\$	110.10
Brass Checks Redeemed,.....		32.00
Checks:		
The Cleveland-Cliffs Iron Company, favor of		
R. H. McCartney,.....	\$	236.46
J. M. Fitzpatrick,.....	<u>2.00</u>	238.46
Advances on Account of Salary:		
C. G. Lindholm,.....	\$	10.00
S. J. Krogdell,.....		5.00
P. Nido,.....		20.00
C. G. Franson,.....		10.00
E. T. Sanders,.....		2.00
T. L. Christian,.....		40.00
J. M. Hayden,.....		25.00
C. J. Brahaney,.....		15.00
T. J. Richards,.....		35.00
W. H. Bray,.....	<u>30.00</u>	192.00
Advances to Employes on Mine Pay Roll,.....		213.82
Advances to Employes on Account of Traveling Expenses, ..		35.00
Cash Advanced C. J. Shaddick, Paymaster, for redemption of Brass Checks,.....		<u>20.00</u>
Forward,.....	\$	841.38

THE CLEVELAND-CLIFFS IRON COMPANY.
 COMMENTS ON THE EXAMINATION, ETC.

Forward,.....	\$	841.38
Sundry Expenses Paid as per Receipts on File,.....		32.62
Cash on Deposit with The Miners National Bank, \$ 804.05	\$	804.05
Less Checks Outstanding and Unpaid,.....		<u>653.65</u>
		150.40
Total,.....	\$	<u>\$1,024.40</u>
Amount due Plaintiff - Account Garnishee Frank Lee's Wages,.....		<u>24.40</u>
Amount of Fund,.....		<u>\$1,000.00</u>
S. F. MCKERCHER, CLERK - IMPERIAL MINE - COUNTED		
MARCH 1, 1911:		
Brass Checks Redeemed,.....	\$	2.00
Employes Due Bills Paid,.....		93.00
Cash in The Miners National Bank, Ishpeming,.. \$ 460.45	\$	460.45
Less Checks Outstanding and Unpaid,.....		<u>55.00</u>
		405.45
Total,.....	\$	<u>\$ 500.45</u>
Amount of Fund,.....		<u>500.00</u>
Excess,.....	\$	<u>.45</u>
E. A. DOTY, CLERK - MAAS MINE - COUNTED MARCH 1, 1911:		
Brass Checks Redeemed,.....	\$	2.00
Employes Due Bills Paid,.....		121.27
Cash on Deposit with First National Bank, Negaunee, Michigan,..... \$ 512.48	\$	512.48
Less Checks Outstanding and Unpaid,.....		<u>135.75</u>
		376.73
Amount of Fund,.....	\$	<u>\$ 500.00</u>
P. W. HIRWAS, CLERK - PRINCETON MINE - COUNTED MARCH 9, 1911:		
Cash in Hand,.....	\$	56.98
Brass Checks Redeemed,.....		2.00
Checks:		
The Cleveland-Cliffs Iron Company - Mine Department,..... \$ 423.32	\$	423.32
H. H. McMillan,.....		19.00
C. G. White,.....		2.00
W. Maddeford,.....		1.00
W. J. Trebilcock,.....		2.30
Weinstein & Saulson,.....		<u>2.17</u>
		449.79
Advances to Employes on Mine Pay Roll,.....		562.82
Sundry Expenses Paid as per Receipts on File,.....		<u>5.15</u>
Total,.....	\$	<u>\$1,076.74</u>
Less Cash on Deposit with The Gwinn State Savings Bank,..... \$ 799.54	\$	799.54
Deduct Checks Outstanding and Unpaid,.....		<u>1,098.98</u>
Bank Overdraft,..... \$ 299.44	\$	299.44
Collections for Electric Service Furnished T. J. Engman,..... 6.30		6.30
Collection - H. H. Field, Note #28,.....		<u>21.00</u>
Total,.....		<u>326.74</u>
Remainder - Amount of Fund,.....	\$	<u>\$ 750.00</u>

THE CLEVELAND-CLIFFS IRON COMPANY.
 COMMENTS ON THE EXAMINATION, ETC.

LAND DEPARTMENT

CHAS. STEELE, CASHIER - NEGAUNEE - COUNTED FEBRUARY 20, 1911:

Cash in Hand,.....	\$		93.32
Checks:			
C. V. R. Townsend,.....	\$	15.00	
H. S. Nightingale,.....		5.00	20.00
Sundry Expense Items, Paid per Receipts on File:			
Express and Freight Charges,.....	\$	36.78	
Traveling Expenses - W. A. Garner,.....		13.25	
Miscellaneous,.....		8.15	58.18
Advances Account of Employees:			
T. B. Wyman,.....	\$	50.00	
W. A. Garner,.....		10.53	
C. M. Steele,.....		1.05	
C. V. R. Townsend,.....		1.18	
E. Dobbs,.....		5.00	
E. W. Anderson,.....		5.20	
O. M. Coldren,.....		5.00	
Edward Carlson,.....		6.00	
N. B. Marketty,.....		2.00	
A. J. Erickson,.....		5.00	
E. E. Swanson,.....		12.00	102.96
Cash on Deposit with The First National Bank, Negaunee,.....	\$	243.50	
Less Outstanding Check,.....		16.15	227.35
Total,.....	\$		501.81
Amount of Fund,.....			500.00
Excess,.....	\$		1.81

LUMBER DEPARTMENT

C. W. ACKERMAN, ASSISTANT AUDITOR - MARQUETTE - COUNTED
 MARCH 3, 1911:

Cash in Hand,.....	\$		26.59
Advances Account of Pay Roll,.....			113.16
Sundry Expenses Paid per Receipts on File,.....			26.29
Cash in Bank,.....			203.80
Total,.....	\$		369.84
Less Unclaimed Wages Deposited in Bank to the Credit of Cashier's Account,.....			69.84
Amount of Fund,.....	\$		300.00

FURNACE DEPARTMENT

The cash account of the Furnace Department, Gladstone, Michigan, was verified by us on March 10, 1911. No separate account classified as a petty cash fund is handled by this department. The cash in hand

THE CLEVELAND-CLIFFS IRON COMPANY.
COMMENTS ON THE EXAMINATION, ETC.

and on deposit, March 10, 1911, \$1,888.72, was found to be in agreement with the records of the Company, and consisted of the following items:

Cash in Hand,.....		\$ 299.67
Checks:		
C. W. Davis,.....	\$ 16.63	
National Casualty Company,.....	.83	17.46
Club House Fund,.....		20.00
Cash on Deposit with The First National Bank, Negaunee,.....	\$1,655.54	
Less Outstanding Checks,.....	103.95	1,551.59
Balance, per Company's Cash Book,.....		<u>\$1,888.72</u>

PAYMASTER'S ACCOUNT

The cash to be accounted for by C. J. Shaddick, Paymaster, was verified February 21, 1911. The balance at this date was \$1,014.52, and consisted of due bills and checks in his possession. The amount on deposit in banks to his credit was reconciled, and, after allowing for outstanding and unrepresented checks, the amount in banks was found to be in agreement with the checks and due bills held by him.

We have also examined the reconciliation of the paymaster's account, as made by the Auditing Department of the Company, as of December 31, 1910, and the balance at that date, \$231.67, appears to be correct. All payrolls of the various operating departments for the year were examined, and the amounts credited to cash and charged to C. J. Shaddick, Paymaster, were in agreement therewith.

CAPITAL STOCK

The capital stock issued and outstanding December 31, 1910, consisted of 49,100 shares, par value \$100 each. The Stock Certificate Books were examined and found to be in agreement with the General Ledger.

GENERAL

During the year ended December 31, 1910, checks aggregating \$8,838.58 were drawn by the general office, Cleveland, on The National Commercial Bank representing advances on account of salaries and the transfer of funds between companies. Deposits of \$8,826.78 were made

THE CLEVELAND-CLIFFS IRON COMPANY.
COMMENTS ON THE EXAMINATION, ETC.

during the year to offset these withdrawals. These transactions are not reflected by the books of the Company, and the difference between the withdrawals and the deposits, \$11.80, was treated as cash in hand by the Company at December 31, 1910. Adjustment of this difference was made on the books of the Company during January, 1911, by depositing \$11.80 in bank.

The general office cash balance of the Mine Department, Ishpeming, was \$5,488.01 at December 31, 1910. This balance consisted of cash items in the hands of the cashier amounting to \$5,490.70, and an overdraft on The Miners National Bank of \$2.69. The cash items in hands of cashier December 31, 1910, were deposited in bank January 3, 1911.

It is the policy of the cashier of the Lumber Department, Marquette, to deposit in bank, to the credit of his petty cash account, wages unclaimed. The amount is not taken up as a charge to general cash on the books of the Company when the deposit is made nor is the amount charged to the cashier's fund. Eventually the balance in the cashier's fund representing unclaimed wages is transferred to the general cash account. On March 3, 1911, the amount in bank credited to the cashier's fund representing unclaimed wages, and not entered in the books of record, was \$69.84. This department also had cash in office amounting to \$144.44 representing unclaimed wages and not charged either to the general funds of the Company or the cashier's account. We suggest that these items be entered on the books of the Company, crediting unclaimed wages and charging general cash.

In the Land Department, Negaunee, we found cash and checks in the custody of the cashier, aggregating \$426.67, not charged to his petty fund or to the general cash account. These receipts are on account of sales of Negaunee Greenhouse products, house rents, and various accounts receivable, it being the policy to enter these as a memorandum account and take up in the general books the gross amount at various intervals during the month. We suggest that these items be recorded daily on the general cash book.

Included in Accounts Receivable, as shown by the books of the Land Department, is an amount of \$20,291.83 representing amounts due on ac-

THE CLEVELAND-CLIFFS IRON COMPANY.
COMMENTS ON THE EXAMINATION, ETC.

count of sales of Munising Saw Mill products. An analysis of this balance reveals cash amounting to \$849.30 in the hands of E. R. Carlson, Saw Mill Clerk, representing collections made by him. This cash was not counted by us.

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THE CLEVELAND-CLIFFS IRON COMPANY

SECURITIES OWNED - DECEMBER 31, 1910

DESCRIPTION	NUMBER OF SHARES OR BONDS	PAR VALUE	BOOK VALUE
STOCKS OWNED:			
Cleveland Iron Mining Company,.....	100,000	\$2,500,000.00	\$1,013,949.80
Iron Cliffs Company,.....	20,000	1,000,000.00	1,566,759.00
Jackson Iron Company,.....	12,000	300,000.00	1,112,044.00
Grand Island Steamship Company,....	250	25,000.00	1.00
Negaunee Mine,.....	10,000	250,000.00	10,000.00
Arctic Iron Company,.....	9,998	249,950.00	42,753.75
Lake Superior Iron Company,.....	21,000	525,000.00	10,000.00
The Regent Iron Company,.....	1,125	112,500.00	10,000.00
Upper Peninsula Land Company, Ltd.,	3,125	312,500.00	1.00
Munising Paper Company, Ltd.,.....	3,560	356,000.00	27,500.00
The Munising Company,.....	4,159	415,900.00	190,974.97
Lac La Belle Company,.....	100	1,000.00	1.00
Bay Mills Land & Lumber Company,...	1,625	162,500.00	162,500.00
The Lake Superior & Ishpeming Rail- way Company,.....	6,567	656,700.00	1,000.00
Marquette and Southeastern Railway Company,.....	10,000	1,000,000.00	12,500.00
Munising Railway Company,.....	8,280	828,000.00	1,348.00
The Gladstone Opera House Company,.	12	300.00	1.00
Northern Lumber Company,.....	1	100.00	100.00
Michigan Mineral Land Company,.....	2,500	25,000.00	95,000.00
Central Land & Timber Company,.....	Receipts	25,000.00	25,000.00
Total Stocks Owned,.....		<u>\$8,745,450.00</u>	<u>\$4,281,433.52</u>
BONDS OWNED:			
Upper Peninsula Land Company, Ltd.,	160	\$ 160,000.00	\$ 157,992.07
Gladstone Company,.....	22	11,000.00	3,565.20
Lake Shore Engine Works,.....	38	38,000.00	38,000.00
Marquette & Southeastern Railway Company,.....	985	985,000.00	985,000.00
Munising Paper Company, Ltd.,.....	191	191,000.00)	
	1	100.00)	191,100.00
Forsythe Township School District,.	13	6,500.00	6,500.00
Northwestern Publishing Company,...	4	2,000.00	2,000.00
Cleveland Central Armory - Debenture Certificate,.....	1	500.00	1.00
Total Bonds Owned,.....		<u>\$1,394,100.00</u>	<u>\$1,384,158.27</u>
TOTAL,.....		<u>\$9,139,550.00</u>	<u>\$5,665,591.79</u>

THE CLEVELAND-CLIFFS IRON COMPANY

NOTES RECEIVABLE - DECEMBER 31, 1910

DATE OF NOTE	MAKER	DUE	RATE OF INTEREST	AMOUNT
Jul. 1, 1901	- Munising Railway Co.,	Demand,	5% from 10/1/1900	\$ 376,728.35
Jun. 1, 1904	- Negaunee Mine,	Jun. 1, 1914	5%	65,550.48
Mar. 1, 1904	- "	Mar. 1, 1914	5%	76,840.72
Oct. 20, 1908	- Wm. G. Mather,	Demand,	5%	4,250.00
Mar. 19, 1906	- Northern Lumber Co.,	Jan. 1, 1909	6%	5,000.00
Mar. 19, 1906	- "	"	6%	10,000.00
Mar. 28, 1906	- "	"	6%	10,000.00
"	- "	"	6%	10,000.00
Apr. 21, 1906	- "	"	6%	10,000.00
Apr. 28, 1906	- "	"	6%	10,000.00
Jun. 18, 1906	- "	"	6%	10,000.00
Jul. 11, 1906	- "	"	6%	10,000.00
Oct. 15, 1907	- Huron Bay Lumber Co.,	Oct. 15, 1911	6%	6,250.00
Oct. 22, 1909	- Dunbar Furnace Co.,	Jan. 25, 1910		2,264.18
"	- "	"		10,000.00
"	- "	"		10,000.00
"	- "	"		10,000.00
Nov. 23, 1909	- "	Feb. 25, 1910		7,178.48
"	- "	"		10,000.00
"	- "	"		10,000.00
"	- "	"		10,000.00
Dec. 21, 1909	- "	Mar. 26, 1910		7,178.48
"	- "	"		10,000.00
"	- "	"		10,000.00
"	- "	"		10,000.00
Jan. 24, 1910	- "	Apr. 25, 1910		7,186.22
"	- "	"		10,000.00
"	- "	"		10,000.00
"	- "	"		10,000.00
Feb. 23, 1910	- "	May 25, 1910		4,840.09
"	- "	"		10,000.00
"	- "	"		10,000.00
"	- "	"		10,000.00
Mar. 23, 1910	- "	Jun. 27, 1910		4,832.77
"	- "	"		10,000.00
"	- "	"		10,000.00
"	- "	"		10,000.00
Apr. 22, 1910	- "	Jul. 25, 1910		4,869.60
"	- "	"		10,000.00
"	- "	"		10,000.00
"	- "	"		10,000.00
May 24, 1910	- "	Aug. 25, 1910		4,847.50
"	- "	"		10,000.00
"	- "	"		10,000.00
Jun. 24, 1910	- "	Sep. 26, 1910		1,176.65
"	- "	"		10,000.00
"	- "	"		10,000.00
Sep. 24, 1910	- The Hanging Rock Iron Co.,	Jan. 24, 1911		1,161.77
Sep. 26, 1910	- The Cleveland Furnace Co.,	Jan. 26, 1911		5,084.72
Sep. 25, 1910	- Antrim Iron Co.,	Jan. 25, 1911	5%	18,760.57
"	- Lawrence Iron Co. (Endorsed by H.A. Marting and D.C. Davies)	"	6%	10,482.43
Oct. 15, 1910	- The Jackson Iron & Steel Co. (Endorsed by Simon Labold and D.D. Davis),	Feb. 15, 1911	5%	6,555.00
Oct. 25, 1910	- The Hanging Rock Iron Co.,	Feb. 25, 1911		7,027.22
"	- The Union Furnace Co.,	"		5,085.42
"	- The Cleveland Furnace Co.,	"		3,000.00
"	- Antrim Iron Co.,	"	5%	18,760.57
"	- The Jackson Iron & Steel Co. (Endorsed by Simon Labold and D. D. Davis),	"	5%	10,465.08
				<u>1,390.00</u>
		FORWARD,		\$1,066,786.30

THE CLEVELAND-CLIFFS IRON COMPANY.
 NOTES RECEIVABLE, ETC.

DATE OF NOTE	MAKER	DUE	RATE OF INTEREST	AMOUNT
FORWARD,.....				\$1,066,786.30
Nov. 25, 1910	- Antrim Iron Co.,.....	Mar. 25, 1911	5%	10,482.43
"	- The Union Furnace Co.,.....	"		3,000.00
"	- The Cleveland Furnace Co.,.....	Mar. 27, 1911		18,760.57
Nov. 16, 1910	- C. L. Tittle,.....	Jan. 16, 1911		533.75
Nov. 25, 1910	- The Hanging Rock Iron Co.,.....	Mar. 25, 1911		10,933.50
"	- The Jackson Iron & Steel Co., (Endorsed by Simon Labold and D. D. Davis),.....	"	5%	1,390.00
Dec. 27, 1910	- The Cleveland Furnace Co.,.....	Apr. 27, 1911		18,664.69
Dec. 27, 1910	- Antrim Iron Co.,.....	"	5%	10,481.20
Dec. 24, 1910	- The Union Furnace Co.,.....	Apr. 24, 1911		5,462.30
Dec. 27, 1910	- The Hanging Rock Iron Co.,.....	Jul. 25, 1911		10,798.13
Dec. 25, 1910	- Lawrence Iron Co. (Endorsed by H. A. Marting and D. C. Davies),.....	Apr. 25, 1911	6%	6,486.29
"	- The Jackson Iron & Steel Co. (Endorsed by Simon Labold and D. D. Davis),.....	"	5%	1,442.89
TOTAL,.....				<u>\$1,165,222.05</u>

EXHIBIT "B"

THE CLEVELAND-CLIFFS IRON COMPANY

REPORT
RELATING TO THE EXAMINATION
OF THE BOOKS AND ACCOUNTS FOR
THE YEAR ENDED DECEMBER 31, 1910

DATED MAY 2, 1911

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

30 BROAD STREET
NEW YORK

LONDON, E. C.
30 COLEMAN STREET

CHICAGO ST. LOUIS CLEVELAND

HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

30 BROAD STREET
NEW YORK

LONDON, E. C.
30 COLEMAN STREET

RECEIVED

MAY 3 - 1911

Ack. Ans.

CHICAGO
MARQUETTE BUILDING

ST. LOUIS
THIRD NATIONAL BANK BUILDING

CLEVELAND
WILLIAMSON BUILDING

PITTSBURGH
FARMERS BANK BUILDING

BALTIMORE
EQUITABLE BUILDING

CABLE ADDRESS "HASKSELLS"

CLEVELAND, May 2, 1911.

Mr. Wm. G. Mather,
President, Cleveland Iron Mining Company,
Cleveland, Ohio.

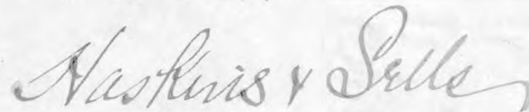
Dear Sir:

In accordance with your request, we have made an examination of the books and accounts of the Cleveland Iron Mining Company for the year ended December 31, 1910, for the purpose of verifying Notes Receivable, Cash Accounts, Paymaster's Account and Capital Stock, and submit herewith three pages of comments and the following described exhibit:

EXHIBIT

"A" - NOTES RECEIVABLE - DECEMBER 31, 1910.

Yours truly,



Certified Public Accountants.

CLEVELAND IRON MINING COMPANY

COMMENTS ON THE EXAMINATION
FOR THE YEAR ENDED DECEMBER 31, 1910

NOTES RECEIVABLE -- \$243,936.52

The notes held by the Company, December 31, 1910, are set forth in detail in Exhibit "A". The notes on hand were examined by us March 18, 1911. Those out for collection at December 31, 1910 have since been collected, the receipt of the cash therefor having been checked against the cash records of the Company subsequent to December 31, 1910, and prior to March 18, 1911.

CASH IN HAND AND ON DEPOSIT -- \$302,463.21

The cash in hand and on deposit December 31, 1910, as shown by the books of the Company, is represented by the following accounts:

General Office - Cleveland:		
General Account,.....	\$296,364.02	
F. A. Morse, Cashier,.....	615.28	
Total - General Office,.....		\$296,979.30
Mine Department - Ishpeming, Michigan:		
General Account,.....	\$ 471.91	
Paymaster's Account,.....	47.04	
Total - Mine Department,.....		518.95
Land Department - Negaunee, Michigan:		
General Account,.....		4,964.96
Total,.....		<u>\$302,463.21</u>

Cash on deposit with banks was verified by certifications obtained from the various depositaries, reconciled with the Company's records. All disbursements during the year were examined, and the receipts, as shown by the books of the Company, have been properly accounted for. Funds in the hands of F. A. Morse, Cashier, Cleveland Office were counted by us March 13, 1911, and consisted of the following items:

Cash,.....		\$125.82
Checks:		
The Cleveland-Cliffs Iron Company - Dated February 2, 1911,.....	\$47.83	
The Cleveland-Cliffs Iron Company - Dated February 10, 1911,.....	53.91	
Iron Cliffs Company - Dated February 10, 1911,.....	8.40	
J. H. Sheadle - Dated February 9, 1911,.....	15.00	
E. R. Myers - Dated February 14, 1911,.....	15.00	140.14
Express Receipts of various Express Companies for the month of March, 1911,.....		5.95
Forward,.....		<u>\$271.91</u>

CLEVELAND IRON MINING COMPANY.
 COMMENTS ON THE EXAMINATION, ETC.

Forward,.....		\$271.91
Salary Advances:		
W. D. Skinner,.....	\$10.00	
Eugene Heibert,.....	<u>10.00</u>	20.00
Advance on Account of Expenses:		
C. Holmgren,.....		20.25
Sundry Expenses Paid as per Receipts on File,.....		<u>49.95</u>
Total,.....		\$362.11
Amount of Fund,.....		<u>615.28</u>
Deficit,.....		<u>\$253.17</u>

All records and vouchers supporting disbursements made from the Cashier's account were examined and found to be correct, and all vouchers reimbursing his account are supported by bills properly receipted. The deficit in this account, on the basis of receipts and disbursements, as shown by the Company's records, can not be located.

The general office cash balance of the Mine Department, Ishpeming, was \$471.91 at December 31, 1910, and consisted of cash items in the hands of the Cashier amounting to \$519.87, and an overdraft on The Miners' National Bank of \$47.96. The cash items in hands of Cashier December 31, 1910 were deposited in bank January 3, 1911.

The general office cash balance of the Land Department, Negaunee, was \$4,964.96 at December 31, 1910, and consisted of cash items in the hands of the Cashier amounting to \$247.03, and \$4,717.93 cash on deposit with The First National Bank, Negaunee. The cash items in the hands of Cashier December 31, 1910, were deposited during January, 1911.

PAYMASTER'S ACCOUNT

The cash to be accounted for by C. J. Shaddick, Paymaster, Mine Department was verified February 21, 1911. The balance at this date was \$163.80, and consisted of due bills and checks in his possession. The amount on deposit in banks to his credit was reconciled, and after allowing for outstanding and unrepresented checks, the amount in bank was found to be in agreement with the checks and due bills held by him.

We have also examined the reconciliation of the Paymaster's account, as made by the Auditing Department of the Company, as of December 31, 1910, and the balance at that date, \$47.04, appears to be correct. All pay rolls of the various operating departments for the year were examined and the amounts credited to cash and charged to C. J. Shaddick, Paymaster, were in agreement therewith.

CLEVELAND IRON MINING COMPANY.
COMMENTS ON THE EXAMINATION, ETC.

CAPITAL STOCK - \$2,500,000.00

The Capital Stock issued and outstanding, December 31, 1910, consisted of 100,000 shares, par value \$25.00 each. The Stock Certificate book was examined and found to be in agreement with the General Ledger. During our examination of the Stock Certificate book, it was noted that while various transfers have been made and proper entries made upon the stub record thereof, the canceled certificates are not attached. We are advised that these canceled certificates can not be located, it being the policy several years ago to destroy all canceled certificates.

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CLEVELAND IRON MINING COMPANY

NOTES RECEIVABLE - DECEMBER 31, 1910

DATE	MAKER	DUE	RATE OF INTEREST	AMOUNT
Sept. 26, 1910	- Struthers Furnace Company,	Jan. 26, 1911	6 %	\$ 21,331.93
" 26, 1910	- Struthers Furnace Company,	" 26, 1911	6	21,324.97
" 26, 1910	- Midland Steel Company,....	" 26, 1911	6	18,429.17
Oct. 25, 1910	- Struthers Furnace Company,	Feb. 25, 1911	6	21,324.97
" 25, 1910	- Struthers Furnace Company,	" 25, 1911	6	21,328.45
" 25, 1910	- Midland Steel Company,....	" 25, 1911	6	18,429.17
Nov. 25, 1910	- Midland Steel Company,....	Mch. 25, 1911	6	18,429.17
" 25, 1910	- Struthers Furnace Company,	" 25, 1911	6	21,318.00
" 25, 1910	- Struthers Furnace Company,	" 25, 1911	6	21,328.45
Dec. 27, 1910	- Struthers Furnace Company,	Apr. 25, 1911	6	21,017.38
" 27, 1910	- Midland Steel Company,....	" 27, 1911	6	18,346.41
" 27, 1910	- Struthers Furnace Company,	" 25, 1911	6	<u>21,328.45</u>
TOTAL,.....				<u>\$243,936.52</u>

Exhibit A

CLEVELAND IRON MINING COMPANY

REPORT
RELATING TO THE EXAMINATION
OF THE BOOKS AND ACCOUNTS - FOR
THE YEAR ENDED DECEMBER 31, 1910.

+ + + +

DATED MAY 2, 1911.

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS
30 BROAD STREET
NEW YORK
LONDON, E. C.
30 COLEMAN STREET

HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

30 BROAD STREET
NEW YORK

LONDON, E. C.
30 COLEMAN STREET

CHICAGO
HARRIS TRUST BUILDING

ST. LOUIS
THIRD NATIONAL BANK BUILDING

CLEVELAND
WILLIAMSON BUILDING

PITTSBURGH
FARMERS BANK BUILDING

BALTIMORE
EQUITABLE BUILDING

CABLE ADDRESS "HASKSELLS"

CLEVELAND, May 2, 1911.

Mr. Wm. G. Mather,
President, Iron Cliffs Company,
Cleveland, Ohio.

RECEIVED

MAY 23 1911

Ack.____ Ans.____

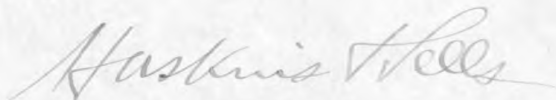
Dear Sir:

In accordance with your request, we have made an examination of the books and accounts of the Iron Cliffs Company for the year ended December 31, 1910, for the purpose of verifying Notes Receivable, Securities Owned, Cash Accounts, Paymaster's Account, and Capital Stock, and submit herewith two pages of comments and the following described exhibit:

EXHIBIT

"A" - NOTES RECEIVABLE - DECEMBER 31, 1910.

Yours truly,



Certified Public Accountants.

IRON CLIFFS COMPANY

COMMENTS ON THE EXAMINATION
FOR THE YEAR ENDED DECEMBER 31, 1910

NOTES RECEIVABLE - \$73,106.53

The notes held by the Company, December 31, 1910, are set forth in detail in Exhibit "A". The notes on hand were examined by us March 18, 1911. Those out for collection at December 31, 1910, have since been collected, the receipt of the cash therefor having been checked against the cash records of the Company subsequent to December 31, 1910, and prior to March 18, 1911.

SECURITIES OWNED - \$123,251.00

The securities owned at December 31, 1910, carried on the books of the Company at a valuation of \$123,251.00, are as follows:

	<u>Par Value</u>	<u>Book Value</u>
Capital Stock of the Pioneer Iron Company - 5,000 Shares, Par Value \$25.00 each,.....	\$125,000.00	\$123,250.00
Capital Stock of the Excelsior Iron Company - 4,000 Shares, Par Value \$25.00 each,.....	100,000.00	1.00
Total,.....	<u>\$225,000.00</u>	<u>\$123,251.00</u>

The shares of the capital stock of the Pioneer Iron Company owned are in the custody of the Company, deposited in safety vaults, and were verified by examination. No regular stock certificates have been issued by the Excelsior Iron Company, but an examination of the latter Company's records indicates an issue of 4,000 shares of capital stock.

CASH IN HAND AND ON DEPOSIT - \$64,892.61

The cash in hand and on deposit December 31, 1910, as shown by the books of the Company, is represented by the following accounts:

GENERAL OFFICE - CLEVELAND,.....	\$61,039.54
MINE DEPARTMENT - ISHPEMING, MICHIGAN:	
General Account,.....	\$ 327.97
Paymaster's Accounts,.....	2.25
Total - Mine Department,.....	330.22
LAND DEPARTMENT - NEGAUNEE, MICHIGAN:	
General Account,.....	3,522.85
Total,.....	<u>\$64,892.61</u>

IRON CLIFFS COMPANY.
COMMENTS ON THE EXAMINATION, ETC.

Cash in banks was verified by certifications obtained from the various depositories, reconciled with the Company's records. All disbursements during the year were examined, and the receipts, as shown by the books of the Company, have been properly accounted for.

The general office cash balance of the Mine Department, Ishpeming, at December 31, 1910, was \$327.97, and consisted of cash items in the hands of the Cashier amounting to \$1,503.85 and an overdraft on The Miners' National Bank of \$1,175.88. The cash items in the hands of the Cashier at December 31, 1910 were deposited in bank January 3, 1911.

The general office cash balance of the Land Department, Negaunee, at December 31, 1910, was \$3,522.85, and consisted of cash items in the hands of the Cashier amounting to \$27.50 and \$3,495.35 cash on deposit with The First National Bank. The cash items in the hands of the Cashier at December 31, 1910 were deposited in bank during January, 1911.

PAYMASTER'S ACCOUNT

The cash to be accounted for by C. J. Shaddick, Paymaster, Mine Department, was verified February 21, 1911. The balance at this date was \$62.22, and consisted of due bills and checks in his possession. The amount on deposit in banks to his credit was reconciled, and, after allowing for outstanding and unrepresented checks, the amount in bank was found to be in agreement with the checks and due bills held by him.

We have also examined the reconciliation of the paymaster's account made by the Auditing Department of the Company as of December 31, 1910, and the balance at that date, \$2.25, appears to be correct. All payrolls of the various operating departments for the year were examined and the amounts credited to cash and charged to C. J. Shaddick, Paymaster, were in agreement therewith.

CAPITAL STOCK - \$1,000,000.00

The capital stock issued and outstanding December 31, 1910, consisted of 20,000 shares, par value \$50.00 each. The Stock Certificate book was examined and found to be in agreement with the General Ledger.

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IRON CLIFFS COMPANY

NOTES RECEIVABLE - DECEMBER 31, 1910

DATE OF NOTE	MAKER	DUE	RATE OF INTEREST	AMOUNT
Sep. 26, 1910	The Kittanning Iron & Steel Manufacturing Company,.....	Jan. 26, 1911		8,445.58
"	"	"		8,483.00
Sep. 25, 1910	Lawrence Iron Company (Endorsed by H. A. Marting and D. C. Davies),.	Jan. 25, 1911	6%	4,000.00
Oct. 10, 1910	The Jackson Iron & Steel Company (Endorsed by Simon Labold and D. D. Davis),.....	Feb. 10, 1911	5%	8,066.67
Oct. 25, 1910	The Kittanning Iron & Steel Manufacturing Company,.....	Feb. 25, 1911		8,487.16
"	The Jackson Iron & Steel Company (Endorsed by Simon Labold and D. D. Davis),.....	"	5%	2,000.00
Nov. 25, 1910	The Kittanning Iron & Steel Manufacturing Company,.....	Mar. 25, 1911		8,483.00
"	The Jackson Iron & Steel Company (Endorsed by Simon Labold and D. D. Davis),.....	"	5%	2,000.00
Dec. 24, 1910	The Kittanning Iron & Steel Manufacturing Company,.....	Apr. 24, 1911		8,483.00
Dec. 27, 1910	The Kittanning Iron & Steel Manufacturing Company,.....	Apr. 27, 1911		8,357.25
Dec. 25, 1910	Lawrence Iron Company (Endorsed by H. A. Marting and D. C. Davies),.	Apr. 25, 1911	6%	4,180.19
"	The Jackson Iron & Steel Company (Endorsed by Simon Labold and D. D. Davis),.....	"	5%	2,120.68
	TOTAL,.....			<u>\$73,106.53</u>

EXHIBIT "A"

IRON CLIFFS COMPANY

REPORT
RELATING TO THE EXAMINATION
OF THE BOOKS AND ACCOUNTS FOR
THE YEAR ENDED DECEMBER 31, 1910

DATED MAY 2, 1911

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS
30 BROAD STREET
NEW YORK
LONDON, E. C.
30 COLEMAN STREET

CHICAGO

ST. LOUIS

CLEVELAND

HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

30 BROAD STREET
NEW YORK

LONDON, E. C.
30 COLEMAN STREET

CHICAGO
HARRIS TRUST BUILDING

ST. LOUIS
THIRD NATIONAL BANK BUILDING

CLEVELAND
WILLIAMSON BUILDING

PITTSBURGH
FARMERS BANK BUILDING

BALTIMORE
EQUITABLE BUILDING

CABLE ADDRESS "HASKSELLS"

CLEVELAND, May 2, 1911.

Mr. Wm. G. Mather,
Vice-President, Pioneer Iron Company,
Cleveland, Ohio.

RECEIVED

MAY 23 1911

Ack.____ Ans.____

Dear Sir:

In accordance with your request, we have made an examination of the books and accounts of the Pioneer Iron Company for the year ended December 31, 1910, for the purpose of verifying Cash Accounts, Pay Rolls, and Capital Stock, and submit the following comments:

CASH IN HAND AND ON DEPOSIT - \$125,267.78

The cash in hand and on deposit December 31, 1910, as shown by the books of the Company, is represented by the following accounts:

General Office - Cleveland,.....	\$122,346.26
Furnace Department - Gladstone:	
General Account, Gladstone,....	\$1,513.00
A. J. Pierce, Cashier, Mar-	
quette,.....	<u>500.00</u>
Total - Furnace Department,.	2,013.00
Land Department - Negaunee,.....	<u>908.52</u>
Total,.....	<u>\$125,267.78</u>

Cash in banks was verified by certifications obtained from the various depositaries, reconciled with the Company's records. All disbursements during the year were examined, and the receipts, as shown by the books of the Company, have been properly accounted for.

The petty cash fund in the hands of A. J. Pierce, Marquette, Michigan, was counted by us on March 8, 1911, and consisted of the following items:

Cash,.....		\$ 98.50
Cash in Transit (For deposit with Marquette National Bank),.....		11.00
Checks:		
Paul Sevey,.....	\$28.10	
Ole Hokanson,.....	<u>37.00</u>	65.10
Settlements on account of Pay Rolls in advance of regular pay day,.....		71.25
Sundry Expense Items for February, 1911, paid as per Receipts on File,.....		27.00
Cash on Deposit with Marquette National Bank,.....	\$628.07	
Less Outstanding Checks,.....	<u>400.92</u>	<u>227.15</u>
Amount of Fund,.....		<u>\$500.00</u>

The general office cash balance of the Furnace Department, Gladstone, was \$1,513 at December 31, 1910, and consisted of Cash Items in the hands of the Cashier amounting to \$37.65 and \$1,475.35 cash on deposit with Marquette National Bank. The cash items in hands of Cashier at December 31, 1910, were deposited in Bank during January, 1911.

PAYROLLS

All payrolls of the various operating departments for the year were examined, and the amounts disbursed were in agreement therewith.

CAPITAL STOCK \$125,000

The capital stock issued and outstanding December 31, 1910, consisted of 5,000 shares, par value \$25.00 each. The Stock Certificate book was examined and found to be in agreement with the General Ledger.

Yours truly,



Certified Public Accountants.