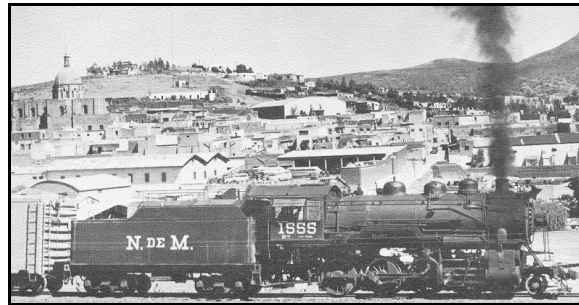


18MEX

The Railroads Come to Mexico



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Table of Contents

1. Introduction	2
1.1. Rounds and Turns.....	2
1.2. Game Phases	2
1.3. Companies	2
1.3.1. Private Companies.....	2
1.3.2. Major Companies	2
1.3.3. Minor Companies	3
1.4. The Bank and the Open Market	3
1.5. The Stock Chart and Par Display	3
2. Starting the Game	4
3. Stock Round	4
3.1. Stock Turn While Unsold Private or Minor Companies Remain	4
3.1.1. Private or Minor Company Auction Procedure.....	4
3.1.2. First-Company Discount and Forced Purchase	5
3.2. Regular Stock Turn	5
3.3. Ownership Limits and Purchase Restrictions	6
3.4. Floating a Major Company	7
3.5. Change of Presidency	7
3.6. End of Stock Round	7
4. Operating Round	8
4.1. Operating a Private Company	8
4.2. Operating a Minor Company	8
4.3. Operating a Major Company.....	8
4.3.1. The Mail Contract	8
4.3.2. Placing a Station Token	9
4.3.3. Paying Out Dividends or Withholding	9
4.3.4. Purchasing Trains.....	9
4.3.4.1. Train Obsolescence.....	10
4. Operating Round (continued)	
4.3.4.2. Forced Train Purchase	10
4.3.5. Purchasing Private Companies.....	11
4.4. Operating Steps Common to Minor and Major Companies	11
4.4.1. Laying a Tile	11
4.4.2. Running Trains.....	12
4.4.2.1. Calculating Revenue.....	12
5. Historical Events	12
5.1. NdM Purchase Restriction	13
5.2. Phase 3½: The Minor Companies Close.....	13
5.3. The NdM Merger	13
6. End of Game	14
6.1. Determining the Winner	14
7. Miscellaneous	14
8. Optional Rules	15
9. Game Hints	15
10. Rules Clarifications, Game Support	15
Table I. Game Phases	16
Table II. Players' Starting Cash and Certificate Limits.....	16
Table III. Private and Minor Companies.....	17
Table IV. Tiles and Upgrades	18
Appendix 1. Comparison with Other 18xx Games (Q&A)	19
Appendix 2. Examples of Play	20
Appendix 3. Historical Notes	21
Appendix 4. 18MEX Location Pronunciation Guide	22
Appendix 5. Selected References and Credits	23
Appendix 6. 18MEX Score Sheet	24

1. Introduction

18MEX is a railroad and stock market manipulation game, based on the 1829 game system created by Francis Tresham. Each player takes the part of an investor, and the object of the game is to have the most money at the end. 18MEX is intended for 3-5 players.

Players who are familiar with other 18xx games may wish to skip ahead to Appendix 1, which summarizes the differences between 18MEX and several of the better-known 18xx games.

1.1. Rounds and Turns

The game is played in two types of rounds: Stock Rounds and Operating Rounds.

In a Stock Round, players buy and sell stock in companies. The players take turns in order, clockwise around the table, and each player usually gets multiple turns. The round ends when all players consecutively pass.

In an Operating Round, companies operate. Each company gets one turn.

At the beginning of the game, the two types of rounds simply alternate. In later phases there will be two or three operating rounds after each stock round. The turns of players during a Stock Round are called stock turns. The turns of companies during an Operating Round are called operating turns.

1.2. Game Phases

The game is divided into phases. (The sequence of phases happens in parallel with the sequence of turns. A phase change does not end the round or the turn in which it happens.)

When the game begins, it is Phase 1. Each time the first train of a new type is purchased, a new phase begins; the phase number is the same as the train number. (There are also two phases that begin with the purchase of trains which are not the first of their types.) Each phase change modifies some of the rules of play.

Table I lists all the train types, and the phases and their effects. (All tables appear at the end of the rules.)

1.3. Companies

The game has three types of companies in which players can invest: Private, Minor, and Major Companies.

1.3.1. Private Companies

A private company is owned as a whole, and thus is represented in the game by a single stock certificate. When a private company operates, the bank simply pays a fixed dividend to its owner.

A private company can be owned either by a player or by a major company.

Private companies cannot have any money or possessions of their own. They do not appear on the map, and they do not build track or run trains. One private company also has a special ability that can be used if a major company owns the private company. (This ability can only be used during the major company's operating turn – not during the private company's operating turn.) See Table III for details.

1.3.2. Major Companies

A major company is represented by nine or ten certificates representing stock in the company, each of which may be owned by a player or the bank. (There are one 20% president's certificate and eight 10% certificates for each major company, except the National Railways of Mexico (NdM), which has one 20% president's certificate, seven 10% certificates, and two 5% certificates.) No company of any kind can own stock in a major company.

In most respects, a major company is like a modern publicly traded company. It has its own possessions (money, trains, tokens, and private companies). Each major company has a large card called a "charter" on which to keep its possessions.

The player with the greatest number of shares (percentage of ownership) in the major company is its president and controls all aspects of its operation. (See 3.5 for details which are omitted here.) He keeps the company's charter in front of himself. In addition, the percentage each player owns determines how much of the dividends he receives, if and when the major company pays dividends.

Note that a major company's assets must be kept separate from those of any other company or player, including the president. The president may not move assets between the company's charter and his own hand, or to or from other companies he controls, except for transactions specifically permitted by the rules.

Players should be careful of the distinction between a certificate and a share. One "share" is defined as 10% of the ownership of a major company; thus each stock certificate equals two shares, one share, or half a share. Shares determine the presidency and the allocation of dividends. However, players can only buy and sell certificates, not shares (even though the price paid or received is based on the number of shares those certificates represent), and the limit on each player's total holding is counted in certificates.

During its operating turn, a major company may build or upgrade track tiles; place station tokens; operate trains; pay out (or withhold) the resulting revenue; purchase trains (from the bank or from other companies); and purchase private companies from players. (Most of these actions are optional, and some may be forbidden or limited, depending on the current phase of the game; this is just a summary. See 4.3 for the complete details.)

1.3.3. Minor Companies

The description of a minor company has been listed last because it combines some of the features of both private and major companies.

Like a private company, a minor company is owned as a whole, not divided into multiple shares. But unlike a private company, a minor company can be owned only by a player – not by another company.

Like a major company, a minor company can have money of its own. But unlike a major company, a minor company is not allowed to own private companies. For these reasons, a minor company's only "stock certificate" is its charter. A minor company starts the game with no cash in its treasury, but it does come equipped with a built-in 2-Train. The company is not allowed to sell this train or to buy any other trains.

Like a major company, a minor company's assets must be kept separate from those of any other company or player, including its owner. The owner may not move assets between the company's charter and his own hand, or to or from other companies he controls.

A minor company's operating turn is like a simplified version of a major company's operating turn. During its operating turn, the minor company may lay up to one track tile (yellow only). It must operate its 2-Train, and must split the resulting revenue 50-50 between its owner and its treasury. (This is just a summary — see 4.2 for the complete details.)

When Phase 3½ begins, all three minor companies close. See 5.2 for details.

1.4. The Bank and the Open Market

As in many other economic games, "the Bank" is an abstract entity which is said to own all money and property that does not belong to any player or company. This includes unowned stock certificates and trains, as well as all tiles which are not currently on the board and all tokens of major companies that have not yet floated (see 3.4).

The Bank contains two separate areas for displaying stock certificates and trains, called the Initial Offering and the Open Market. The Initial Offering contains only "new" stock certificates and trains, meaning those which have never been owned by a player or company. The Open Market contains any previously owned stock certificates and trains. This distinction exists because the rules treat "new" shares and trains differently from "used" shares and trains in several ways:

- Stock certificates of major companies are always purchased from the Initial Offering at their original Par Value (per share). They are purchased from, or sold to, the Open Market at their current Market Value (per share).

- To "float" a major company (put it into operation, see 3.4) requires that 50% of its stock be removed from the Initial Offering. But this 50% does not all have to be in the hands of players at any one time. Some of it can be in the Open Market.
- When a major company pays dividends, its treasury collects the dividend for any shares it has in the Open Market. It does not collect anything for shares in the Initial Offering.
- Trains in the Initial Offering can only be purchased in order of their types as listed in Table I. For example, no major company can purchase a 5-Train until all of the 2, 3, and 4-Trains in the Initial Offering have been purchased. However, the presence of a train in the Open Market does *not* similarly prevent a major company from buying trains of later types from any source.

The private and minor companies also belong to the Bank at the beginning of the game, but once purchased by players, they cannot be sold back to the Bank, and so they can never be in the Open Market (In some 18xx games, the Open Market is referred to as the "Bank Pool").

Note that the game comes with exactly \$9,000 in cash. Changing this total is not recommended, because it will alter the length of the game. Poker chips or other money substitutes can be used, but the correct total should be verified before starting play.

1.5. The Stock Chart and Par Display

Each major company has two values for its stock, which are called the Par Value and the Market Value. Each of these is a value per 10% share.

When a player finds a major company by purchasing its president's certificate from the Initial Offering display, he chooses its Par Value as described in 3.2(c)(1). The major company's Par Value is then fixed for the rest of the game. The Par Value determines the price per share of all purchases of certificates from the Initial Offering area (which have never been owned by a player). Of course, the president's certificate counts as two shares, so it costs twice the Par Value.

A major company's Market Value begins equal to its Par Value. But unlike the Par Value, the Market Value will change throughout the game as described in 3.2(a), 3.6, and 4.3.3. The Market Value determines the price per share of all stock purchases from, and sales to, the Open Market. (Note: As explained in 3.2(a)(2), if the president's certificate of a major company has not yet been purchased, its stock is worth zero and may not be sold.)

The private and minor companies also have Par Values, which are shown on their certificates (but do not necessarily determine the initial purchase prices; see 3.1). They do not have Market Values, because they can never be sold to the

Open Market. (However, private companies may be sold directly from one player to another. Minor companies and the stock certificates of major companies cannot.)

2. Starting the Game

First, determine randomly (or by agreement) where each player will sit, and determine randomly who gets the Priority Deal card.

Each player starts with the amount of money shown in Table II. The rest of the money is set aside as the Bank. You may want to designate someone as banker, or even appoint different people to handle different bank resources. (For instance, one person can handle money and shares while another handles tiles.)

Set up the map and Stock Chart near the center of the table. Leave space in front of each player so that he can manage his cash, stock certificates, and the charters of major and minor companies he will control.

Spread out the certificates of the private and minor companies in numerical order, since they will be sold first. Place a 10% share of the Chihuahua Pacific Railway (CHI) alongside the Mexican International Railway (#6), because it comes free with the purchase of the #6. Similarly, place the 20% president's certificate of the National Railways of Mexico (NdM) alongside the MNR (#7).

All trains and all other major company stock certificates should be placed on the Initial Offering display (Special case: The four stock certificates marked as "Exchange Share" are placed in the "trade-in shares" box — see 5.2 and 5.3.). Note that the Initial Offering display and Round of Play track are located on the map.

Place the token using the supplied label in the "Stock Round" box of the "Round of Play" display on the Stock Chart (This is explained in 7.0.). The rest of the map begins empty, as does the Stock (Market Value) Chart. The game then begins with a Stock Round.

One method used by some players to track bids on private and minor companies is to allow each player to take the tokens of one major company and use them to mark the private and minor companies on which he has bid. (This does not cause a problem because no major companies are in play yet.) Once all of the private and minor companies have been purchased by players, the banker should collect the tokens and put them near the Initial Offering display, where he can hand them out as major companies form.

3. Stock Round

In each Stock Round, the player who holds the Priority Deal card has the first turn, and play proceeds clockwise around the table.

3.1. Stock Turn While Unsold Private or Minor Companies Remain

While the bank still holds one or more unsold private or minor companies, each player can only do up to one of these actions on his turn:

- (a) Buy the lowest-numbered unsold private or minor company for its par value (or a discounted value if 3.1.2 applies).

After this purchase, if the lowest-numbered remaining unsold private or minor company has been bid on at least once under 3.1(b), it is immediately auctioned according to the procedure in 3.1.1. Repeat this process for each succeeding private or minor company until the lowest-numbered one remaining has not been bid on, or until all of the private and minor companies have been purchased by players. The Stock Round then continues with the turn of the next player after the one who made the purchase under 3.1(a). (Turns in an auction are not part of the sequence of turns in the Stock Round. They are separate.)

- (b) Place a bid on any other unsold private or minor company.

Each bid must be for a whole number of dollars, and must exceed the preceding bid on the same company (or if none, the company's par value) by at least \$5. Players must set aside the amount of their bid, and cannot use that money for anything else, until the company they have bid on comes up for auction as described in 3.1.1. They cannot bid more money than they have (minus any amounts set aside for bids on other companies that have not yet come up for auction). Once a (legal) bid is made, it cannot be withdrawn. All bids on a company remain in force until the company comes up for auction, even if an operating round intervenes. Note that it is pointless for any player to bid on the same company more than once before it comes up for auction.

Either of these actions uses up a player's entire stock turn. Even if they purchase the last unsold private or minor company (or the only one that hasn't been bid on, thus causing the rest to be auctioned off), their turn is over; they cannot perform any of the actions described in 3.2 on the same turn.

If a player does not wish to place a bid, they may pass (exception: 3.1.2).

3.1.1. Private or Minor Company Auction Procedure

Only those players who placed bids under 3.1(b) on the company being auctioned may participate in the auction. (Therefore if only one player has bid on the company, the auction ends immediately; he simply pays the amount he bid and takes the company.)

The participating players take turns, clockwise, beginning with the player after the one who made the highest bid on the company under 3.1(b). (That bid is considered to be the first bid of the auction.) Each player must either pass, or bid a whole number of dollars that is at least \$5 more than the preceding bid. Players cannot bid more money than they have (minus any amounts set aside for bids on other companies that have not yet come up for auction). But the money that was set aside when bidding on the same company under 3.1(b) may be used to bid for it now. A player who has passed may bid later, if he gets another turn before the auction ends.

The auction ends when all but one of the players participating in the auction consecutively pass (that is, when it would otherwise become the high bidder's turn again). The high bidder immediately pays the bid amount and takes the company.

3.1.2. First-Company Discount and Forced Purchase

If the first stock round ends (that is, everyone passes consecutively) without any player purchasing the Mexico City-Acapulco Railway (private company #1), any player may purchase it in the second stock round for \$15. Similarly, if no one buys it in that round, it may be purchased in the third stock round for \$10, and in the fourth stock round for \$5.

If it still hasn't been purchased, then in the first turn of the fifth stock round, the player with the Priority Deal card must accept the Mexico City-Acapulco Railway for free. This is considered a purchase under 3.1(a); it uses up that player's stock turn, and may trigger one or more auctions.

There is no similar discount on (or forced purchase of) any other company (Once someone owns that first private company, the bank will be paying revenue to *some* player or company every operating round, thus ensuring that the game will eventually end).

3.2. Regular Stock Turn

Once all of the private and minor companies have been purchased from the bank, each player may do any, all, or none of the following on his turn:

- (a) Sell any stock certificate(s) of a major company to the Bank for their current Market Value (per 10% share), placing the certificate(s) in the Open Market. (If an odd multiple of 5% is sold, he gets half the Market Value, rounded up, for the half-share.)

These restrictions apply:

- (1) No one may sell any certificates to the Bank during the first Stock Round of the game.
- (2) Stock of a major company whose president's certificate is still in the Initial Offering cannot be sold to the Bank, because its Market Value has not been

set yet. Two certificates fitting this description can possibly be in players' hands: the share of CHI that comes free with the Mexican International Railway (see Table III), and the "trade-in" share of UdY that is given to the owner of the Southeastern Railway when it closes (see 5.2). For the same reason, these certificates are worth zero when determining the winner (6.1). This restriction (and zero value) ends for each share as soon as a player purchases the president's certificate of that company.

- (3) No sale may be made which will cause more than 50% of the shares of any one major company to be in the Open Market. (It is legal for exactly 50% to be there.)
- (4) You may sell a 20% president's certificate only if another player owns at least two shares (20%) of that major company's stock, and only if you sell enough of the company's stock that a change of presidency will result. (See 3.5, Change of Presidency.)
- (5) As a special case, if you own only the president's certificate of a major company, you may sell only one share (10%) and keep 10%. The two conditions for selling a president's certificate (in (4), above) must still be met. To do this you first announce that you are selling only 10%; then determine the new president and exchange certificates with him as if the sale had already taken place (per 3.5); and then place one of the two 10% shares he just gave you into the Open Market.
- (6) Similarly, if you own at least 10% of the NdM but no 5% certificates, and there is at least one 5% certificate in the Open Market, you may sell an odd multiple of 5% by using the 5% certificate in the Open Market to "make change". Announce beforehand that you are doing this, because it looks like a sale followed by a purchase of stock in the same company (which is against the rules).

Even if a major company has not floated (see 3.4) or has not operated, its stock may still be sold.

After selling, you must move the major company's Market Price token downward one space for each 10% share of its stock that was sold. (If you sold an odd 5%, don't count it. If you sell more than one certificate, you may, but need not, sell them all at once *before* moving the token.) If this would cause the token to go off the bottom of the Stock Chart, it stops at the bottom row and does not move further. If you move the token into a space that already contains one or more tokens, place it underneath them all.

- (b) Sell any private company directly to another player, for any positive whole number of dollars the two can agree upon.

(c) Buy one certificate, which can be any of the following:

- (1) From the Initial Offering, the 20% President's Certificate of any major company.

In this case the player must set the Par Value of the major company to one of these values: \$60, \$70, \$75, \$80, or \$90 (per 10% share). One of the major company's tokens is placed in the appropriate "Par Value" box on the Initial Offering display, and one of its tokens is placed in the starting value space with the same value on the Stock Chart, thus setting the major company's Market Value equal to its Par Value (for now). (If you place the token in a space that already contains one or more tokens, place it underneath them all.) Since the President's Certificate is 20%, it costs the player twice the Par Value he sets.

- (2) From the Initial Offering, a 10% certificate of any major company whose President's Certificate is already owned by a player. The player pays the bank the par value.

(Note: Players may not purchase any certificate from the "trade-in shares" box of the Initial Offering. Certificates in that box are reserved for the trades described in 5.2 and 5.3.)

If this purchase reduces the amount of the major company's stock in the Initial Offering to exactly 50%, the major company floats. (Follow the procedure in 3.4.)

- (3) From the Open Market, a 5% or 10% certificate of any major company. The player pays the bank the market value. (In the case of a 5% certificate, the player pays half the market value, rounded down.)

Notice that it is not possible for the president's certificate of a major company to be available in the Open Market, because a president's certificate can only be sold to the Open Market if it will cause an immediate change of presidency (3.5).

- (4) From another player, a private company, for any positive whole number of dollars the two players can agree on.
- (5) As a special case, if you own an odd multiple of 5% of the NdM, and there is at least one 10% certificate in the Open Market, you may purchase 5% by using the 5% certificate in your hand to "make change". (Since you are buying only 5%, you pay half the market value, rounded down.) This is considered a purchase, not a sale. Announce beforehand that you are doing this, because it looks like a sale followed by a purchase of stock in the same company (which is against the rules).

All purchases are subject to the limits given in 3.3 and 5.1. In addition, you are not allowed to purchase any stock of a major company if you have sold any stock of that company earlier in the same stock round.

You may not sell one or more certificates, buy a certificate, and then sell it on the same turn. That is, your one purchase (if any) must either precede or follow, all sales (if any) you make on the same turn. You may do any of these things, except (c), more than once on a turn.

If you don't want to do any of these things, you may pass (exceptions: 3.3).

Notice that a private company can be sold directly from one player to another on either player's turn. However, it is better for the buyer to do this on the seller's turn, because if it happens on the buyer's turn, it counts as the one purchase he is allowed on that turn.

Minor companies can never be sold. Once you purchase one from the Initial Offering, you are stuck with it until it closes (see 5.2).

3.3. Ownership Limits and Purchase Restrictions

There are two upper limits on a player's stock ownership.

- (a) No player may own more than 60% of the stock of any one major company. No player may ever make a purchase that causes him to exceed this limit.

It is possible to hold 70% of UdY as a result of receiving its trade-in share as described in 5.2. If this happens, you may keep the excess until your next stock turn, but on that turn, you must sell the certificate you own in excess of 60% of UdY.

- (b) The total number of certificates a player owns must not exceed the "Certificate Limit" listed in Table II. This limit includes private company certificates, minor company charters, and the stock certificates of major companies. (Special cases: A 20% President's certificate of a major company counts as only one. 5% certificates of the NdM do not count against this limit. Stock of companies whose market values are in the yellow section of the Stock Chart also does not count against this limit. And of course, private company certificates owned by a major company do not count either, since they do not belong to the player personally.)

If there is no NdM Merger at the beginning of Phase 5, this limit increases by one for the remainder of the game. (See 5.3(i).)

No player already holding the maximum number of certificates allowed by this limit may purchase another certificate (unless it is a 5% certificate of the NdM or stock of a company whose market value is in the yellow section of the Stock Chart), even if the purchase would

cause a change of presidency that would result in the player's holding no longer exceeding the limit.

It is possible to exceed this limit because another player has made a purchase that caused you to lose a presidency (thus exchanging certificates as described in 3.5(b)), or because you own stock whose market value has risen out of the yellow section of the Stock Chart since you bought it. In either case, you may keep the excess until your next stock turn, but on that turn, you must sell enough certificates that you comply with the limit once more. There is a tricky way to comply with this, which should be pointed out to new players because it *is* allowed. If, for example, you are over the limit by five certificates because you bought five certificates of a major company whose market value was in the yellow zone during the last stock round, but it has since risen out of the yellow zone during the previous operating round(s), you do not have to sell all five. It is legal to sell just enough to make that major company's market value fall back into the yellow zone, and then the player can keep the rest.

3.4. Floating a Major Company

A major company "floats" when 50% of its shares are no longer in the Initial Offering (that is, when the amount in the Initial Offering is reduced to 50% or less). Until this happens, the major company is not considered fully formed, and cannot operate. (The "trade-in shares" box is part of the Initial Offering.)

When a major company floats, perform these steps.

- (a) The bank gives the president the major company's charter.
- (b) The bank gives the major company its tokens that will be used as stations (excluding those used for the stock market, par value, and revenue chart). There are circles on the charter showing how many station tokens the major company should have.
- (c) The bank pays the major company ten times its Par Value. (This holds true even for CHI, NdM, and UdY, even though some of the stock of those companies was given to players free with the purchase of private companies, or is (or was) "reserved for trade-in". This payment is in addition to any funds NdM and UdY have received, or will receive, from minor companies when they close (see 5.2), and any funds NdM will receive from a merger (see 5.3(g)).

If your group prefers, you may wait until the end of the round in which the major company floats, or until the beginning of its first operating turn, to perform these steps physically. (However, the payment is considered to have occurred immediately if it makes a difference such as causing the Bank to run out of money.) These steps are performed only once for each major company.

Note: While companies will usually float only during stock rounds, it is possible for UdY to float during an operating round if the exchange of its trade-in certificate for the Southeastern Railway (see 5.2) causes exactly 50% of UdY to be out of the Initial Offering. If this happens, UdY does not get a turn in that same operating round.

3.5. Change of Presidency

Whenever a purchase or sale of stock (or one of the trades described in 5.2 and 5.3(d)) causes another player to hold a greater percentage of a major company's shares than the president, a change of presidency occurs. (A change of presidency does *not* occur merely because another player holds the same percentage as the president, nor because the Initial Offering or the Open Market contains a percentage equal to or greater than the president's.)

When a change of presidency occurs, follow these steps immediately:

- (a) The player who holds the greatest percentage of the major company's shares is the new president. If there is a tie (which can only happen if a sale by the outgoing president caused the change of presidency), the first tied player clockwise from the outgoing president is the new president.
- (b) The new president takes 20% of the stock of the major company from his own holding and exchanges it for the 20% president's certificate, wherever it is (either in the Open Market or in the outgoing president's holding). (If the company changing presidents is NdM and the new president holds both 5% certificates and at least two 10% certificates, he chooses the makeup of the 20% he trades to the outgoing president or to the open market.)
- (c) The major company's charter and belongings are moved in front of its new president. (Disregard this step if the bank still has the major company's charter because it hasn't yet floated, or it just floated and the banker hasn't given the charter to the president yet.)

3.6. End of Stock Round

The Stock Round continues until all players consecutively pass (take no action on their turns). That ends the Stock Round, and the Priority Deal card goes to the player following the last player who took an action on his turn. (If no one did anything but pass during the stock round, the Priority Deal card stays where it was at the beginning of the round.)

At the end of the round, if all 100% of the stock of any major company is owned by players, move that major company's market value token upward one space. If this would cause the token to go off the top of the Stock Chart, the token does not move. If you move the token into a space that already contains one or more tokens, place it underneath them all. (If more than one major company has 100% of its stock owned by players, perform this move for each such major company in

descending order of market value, breaking ties as in 4(c).)

Note that shares in the “trade-in shares” box of the Initial Offering *do* prevent a company’s market value from increasing in this way.

4. Operating Round

In an operating round, each company (except unfloated major companies) operates exactly once.

- (a) First, all private companies operate. These can be done simultaneously.
- (b) Then, the three minor companies operate in the order they are lettered (A, B and C).
- (c) Then, all major companies which have floated (see 3.4) take their operating turns. The company with the highest market value goes first; then the next highest (which hasn’t yet operated this round); and so on. If there is a tie, the major company whose market value token is farthest to the right goes first; if there is still a tie, the major company whose market value token is stacked on top goes first.

Players should flip each major company’s market value token face down after moving it during the pay-dividends-or-withhold step of the major company’s turn (see 4.3.3), to indicate which major companies have run. (If there is a stack of tokens in one space on the Stock Chart, the face-down ones should always be underneath any face-up ones. If each newly flipped token is placed on top of any other face-down ones in the space so it will wind up underneath them when the face-down tokens are turned face-up again as a group, at the end of that operating round, the correct order will be preserved.)

4.1. Operating a Private Company

When a private company operates, the bank simply pays its fixed dividend (stated on its certificate) to the player or major company that owns the private company. The special ability of the Kansas City, Mexico, & Orient private company cannot be used during its own turn. It can only be used during the turn of a major company which owns the KCM&O.

4.2. Operating a Minor Company

A minor company can do the following on its turn. Each step, if done, must be done in the order listed.

- (a) If this is the minor company’s first operating turn of the game, place its station token on its home city at no cost. (Required.)
- (b) Lay one yellow tile, as described in 4.4.1 and pay any associated cost. (Optional.)

- (c) Operate its built-in 2-Train, as described in 4.4.2. (Required.)
- (d) Collect the resulting revenue from the bank, paying half to the owner personally, and the other half to the company treasury. (Required.)

4.3. Operating a Major Company

A major company can do the following on its turn. Unless otherwise stated, each step is optional, but if done, must be done in the order listed (4.3(i) is optional but can be done at anytime during the major company’s turn). All operations are carried out by the major company’s president, and unless otherwise stated, all decisions are his and his alone.

- (a) If this is the major company’s first operating turn of the game, place a station token on its home city or red area at no cost. (Required.)
- (b) Collect mail contract revenue, as described in 4.3.1. (Required.)
- (c) Lay one or two yellow tiles, or upgrade one tile, as described in 4.4.1.

(If the major company owns the KCM&O private company, it may also lay the Copper Canyon tile during this step.)

- (d) Place a station token, as described in 4.3.2.
- (e) Run trains, as described in 4.4.2. (Required if any stockholder insists.)
- (f) Pay out dividends or withhold revenue, as described in 4.3.3. (Required if major company owns a train and has a valid route.)
- (g) Remove from play all obsolete trains it owns, as explained in 4.3.4.1. (Required.)
- (h) Purchase one or more trains, as described in 4.3.4. (May be required, as described in 4.3.4.2.)

Notice that purchasing trains comes after running trains. This means that each newly floated major company, on its first turn, will be unable to run any trains. An exception to this is the NdM in the unlikely event that it floats in the preceding stock round and the merger occurs before the NdM has had its first turn in the next Operating Round and that the NdM inherited at least one train through a valid merger.

- (i) Purchase one or more Private Companies directly from players, as described in 4.3.5. This may be done more than once per turn, and may be done at any time(s) during the major company’s turn.

4.3.1. The Mail Contract

Each major company has a government contract to deliver the mail to its original home city. Under this contract, each time that the company owns at least one train during step 4.3(b) of its operating turn, the bank pays the major company an amount equal to the revenue value of the company's original home city.

This payment is separate from any revenue from train runs, and goes directly to the major company's treasury. It is paid regardless of whether the major company runs any trains or even has a route on which it could legally run a train. It is not part of the revenue to be paid out or withheld under 4.3.3.

Notice that the mail run occurs before the company can perform any other action on its turn, except to lay its home station as in 4.3(a). The NdM's mail contract is only for Mexico City, and the UdY's mail contract is only for Mérida. The former home city of a now-closed company that has merged into the operating company is not considered.

4.3.2. Placing a Station Token

If the major company has any station tokens remaining on its charter, it may place one in any unoccupied circle in any city which is connected by track to an existing station of the major company, subject to the following restrictions:

- (a) The connection is traced as if you were running a train (with no limit on the number of cities it can visit); thus it may not backtrack at a fork, and may not run through a red area or through a city whose circles are all occupied by stations of other companies.
- (b) No major company can have more than one station in the same hex.
- (c) In each city that is the home of a company which has not yet placed its home station (including major and minor companies which have not yet operated, but *not* including any major or minor company that has been removed from play as a result of 5.2 or 5.3), one circle must be left open for that purpose.

The major company must pay the bank \$40 if this is its first station other than the home station, \$60 if this is its second station other than the home station, or \$80 otherwise. (Stations of the NdM which were placed during its merger as described in 5.3(f) are not counted in determining this cost.)

Once placed, a station cannot be moved for the rest of the game. (4.4.1(h) should be regarded as enforcing this rule, not as an exception to it.) The process of closing the minor companies (5.2) and the NdM merger (5.3) are exceptions to parts of this rule.

4.3.3. Paying Out Dividends or Withholding

Once the major company has run its trains, if any, and calculated the revenue they produce, its president must choose one of two options:

- (a) Pay out dividends. In this case, each player who owns shares in the company receives a dividend from the Bank equal to the same percentage of the revenue as the percentage of the company's shares he owns. For example, if the total revenue from the runs is \$70, a player who owns 60% of the company's stock would be paid 60% of \$70, or \$42.

If there are shares of the company's stock in the Open Market, the Bank pays the dividend for those shares into the company's treasury. If there are shares in the Initial Offering, the Bank does not pay the dividend for those shares to anyone. (Yes, the "trade-in shares" box is part of the Initial Offering.)

If a player (or the Open Market) holds an odd multiple of 5%, his fraction of the revenue is rounded up.

- (b) Withhold revenue. In this case, the Bank pays the total revenue generated by the runs into the company's treasury, and nothing to any player.

If the company earns revenue and pays out dividends, move its Market Value token one space to the right on the Stock Chart. If the token cannot move to the right because it's at the end of a row, move it upward one space instead. If it's already at the upper right corner, it does not move.

If the company withholds its revenue, or does not run any trains, move its market-value token one space to the left on the Stock Chart. If the token cannot move to the left because it's in the leftmost column, move it down one space instead. If it's already at the lower left corner, it does not move.

4.3.4. Purchasing Trains

A major company may purchase one or more trains from the bank, or from other major companies, or both, in any order (during this step of the turn). These restrictions apply:

- (a) Like stock certificates, trains in the Bank are kept in two separate areas, the Initial Offering and the Open Market. All trains begin in the Initial Offering.
- (b) All trains in the Initial Offering must be purchased in increasing order of type; that is, all the 2-Trains must be purchased before any company is allowed to buy a 3-Train, and so on. (Note: The 4D-Trains come last in this sequence, after the 6-Trains.) For this reason, all trains in the Initial Offering are usually kept in a single pile, except that the next train currently on offer and those of its type are usually fanned out to show how many are left. The left side of the map has spaces for this purpose.

- (c) Trains in the Bank, whether in the Initial Offering or the Open Market, are purchased at face value.
- (d) Trains may also be purchased from other major companies, for any agreed price of at least \$1 each. The price is public information (Unlike some other 18xx games, it is legal to do this in any phase of the game, but only during the train-purchase step of the buying company's turn). Exception: The NdM may buy or sell trains only at face value.
- (e) When the first train of a new type is purchased from the Initial Offering, a phase change occurs. (The fifth 3-Train, and the second 6-Train, purchased from the Initial Offering also cause phase changes.) Most of the effects of a phase change are immediate. For example, when the first 4-Train is purchased, all 2-Trains are immediately removed from play. (Exception: see 8(c).)
- (f) In the first part of the game, each major company is limited to buying at most one train from the Bank each turn. This limit disappears when the first 4-Train is purchased; thus the major company that buys the first 4-Train may immediately buy additional trains, subject to (g), below. Purchases of trains from other major companies do not count against this limit.
- (g) There is also a limit on the total number of trains each major company may own. (The limit depends on the game phase; see Table I.) A major company which already owns this maximum number of trains is not allowed to buy another from any source, even if the purchase would cause a phase change that would cause some of its trains to be removed from play.

When a phase change reduces this limit, each major company which owns more trains than are allowed by the new limit must immediately discard the excess train(s) into the Open Market, without compensation. Each major company's president chooses which of its trains to discard (but can discard only enough trains to comply with the limit). This and 5.3(g) are the only ways that trains can go into the Open Market.

(Note: When the first 4-Train is purchased, the 2-Trains are removed from play before the new limit of two trains takes effect.)

A major company which owns fewer than the maximum number of trains may purchase one even if the purchase will cause a phase change that reduces the limit and causes the company to exceed the new limit, but the company must then discard one train as above.

Companies may not sell trains to the Bank, nor may they voluntarily discard trains. The only way for a major company to get rid of an unwanted train (other than arranging a forced discard as in (g), above) is to persuade another major company to buy it, and the sale can only take place on the buying company's turn.

4.3.4.1. Train Obsolescence

In most instances, when a phase change causes trains of a certain type to be removed from play, it does so immediately. However, the 4-Trains are an exception. (Optional rule 8(c) creates another, unrelated, exception.)

When the second 6-Train is purchased, only those 4-Trains which are in the Open Market are removed from play immediately. All 4-Trains owned by companies are instead designated "obsolete".

Each obsolete train remains in play until after step 4.3(f) (the pay-or-withhold step) of the owning corporation's next turn. Then it is removed from play. Thus, a corporation which owns only obsolete trains at the beginning of its turn will be able to run them, but will then have to buy another train (see 4.3.4.2).

No company may ever purchase an obsolete train from any source.

4.3.4.2. Forced Train Purchase

If a major company has a legal run (a track route on which it could run a train) but does not own a train during the train purchase step of its turn, it *must* buy at least one train. (Exception: If there are no trains left in the Initial Offering or the Open Market, the company is relieved of its obligation to buy a train.)

If the company is required to buy a train but cannot afford to buy one from the bank, and its president cannot (or chooses not to) arrange to have the company purchase one from another company, then the president must contribute sufficient funds from his own personal cash to enable the company to buy a train.

These restrictions apply if the president contributes personal funds:

- (a) The cheapest train available in either the Initial Offering or the Open Market must be purchased. (For example, if the next train available in the Initial Offering is a 6-Train, but there is a 3-Train in the Open Market, you have to buy the 3-Train.) No train may be purchased from another company if the president contributes personal funds.
- (b) Only one train may be purchased.
- (c) The president may contribute only enough cash for the purchase. That is, after the purchase, the company cannot have any cash left.
- (d) If the president does not have the needed cash, he must sell stock. The normal rules for stock sales in 3.2(a) and (b) apply unless otherwise stated here; in particular, the market value of each major company whose stock is sold is adjusted as in 3.2(a). However, he may only sell just enough shares to raise the needed cash and he may not

make a sale that would cause a change of presidency of the operating company.

These sales are not considered a stock turn. The Priority Deal card does not change hands, and the player is not required to bring himself into compliance with either of the limits in 3.3 at this time.

If the president is unable to raise the needed cash, even after selling all the stock he is allowed to sell under (d) above, he is bankrupt and the game ends immediately. (see 6)

4.3.5. Purchasing Private Companies

Once a 3-Train has been purchased, a major company may buy private companies (except the MNR) from players at any time during the major company's turn. The price is subject to negotiation between the player and the major company's president, but must be at least half, and no more than 1.5 times, the par value of the Private Company. The price paid is public information.

Once a major company owns a Private Company, it can never sell it. It is stuck with it until the private company closes.

Minor companies cannot be purchased this way.

4.4. Operating Steps Common to Minor and Major Companies

4.4.1. Laying a Tile

The major or minor company may build track by laying a tile in the one of the printed hexes on the map. All allowed tile lays are determined by the following rules.

- (a) At the beginning of the game, only yellow tiles are available for building. Green, brown, and gray tiles become available in later phases, as listed in Table I. Minor companies, however, may lay only yellow tiles.
- (b) All tiles which are not on the map are available for anyone to use for building. Unused tiles cannot be owned by any player or company. (The Copper Canyon tile (number 470) is an exception.)

Similarly, once track exists on the map (whether preprinted or as the result of a tile lay), no one owns it, and any company is free to run trains on it or to lay another tile there (if otherwise legal).

- (c) Yellow tiles may only be placed in pale green hexes (which make up most of the map at the beginning of the game). (They may be laid on pale green partial hexes, even though part of the tile will overlap the ocean.) Green tiles may only be laid on yellow hexes or to replace existing yellow tiles. Similarly, brown tiles may only be laid to replace existing green tiles, and the gray tile may only be laid to replace an existing brown tile. No tile may

be laid on a red or gray area, or off the hex grid.

Note: Laying any green tile is considered an "upgrade" even if the tile is placed on a preprinted yellow hex rather than replacing a yellow tile. Laying any brown or gray tile is also an "upgrade".

- (d) White circles on a tile represent cities, and can only be laid in places where the map, or the existing tile, shows a white circle. No tile without such a circle may be laid in those places. (Upgrading one circle to two circles or two to three or four is allowed.) The circles are also spaces where station tokens may be placed.
- (e) Similarly, a crossbar or dot on a tile represents a small town, and can only be laid in places where the map, or existing tile, shows one of those symbols. The two are interchangeable.

Note: Mazatlán, Tampico, and Veracruz have tracks that dead-end at a town symbol, representing a seaport. These towns function the same as any others, except that any train run which includes the "port" town must begin or end there because of the dead-end track.

- (f) Where the map shows rivers, hills, mountains, swamps, or deserts, they have no effect on track building, except that the first time a tile is laid on each of those hexes, the company must pay the bank the dollar amount (if any) shown in the hex. This represents the cost of building bridges, tunnels, etc. All other tile laying is free.

Exception: It costs \$40 to replace the green Mexico City tile (number 479) with either of the brown tiles (485 or 486). This cost is shown on the green tile.

- (g) Tiles labeled with one or more city names may be laid only in the hex named. If one of these tiles exists for a hex, no other tile of the same color may be laid in that hex.

This especially applies to Mexico City, a double-sized "hex" where only double-sized tiles can be laid.

- (h) When a tile is laid in a hex that already contains any cities, towns, or track (whether because those features are preprinted or because a tile was placed in the hex earlier), all existing cities, towns, and track must be preserved. (They need not be in exactly the same places, but any edges that were connected must remain so, and any town or city that was connected to an edge must remain so.) All tokens on the old tile (or hex) are moved to corresponding spaces on the new tile, and the old tile (if any) is removed from the board and becomes available for reuse.

Note: Table IV shows all possible tile upgrades (replacements), and all orientations of them, which are allowed by (c), (d), (e), (g), and (h).

- (i) No tile may be laid that causes track to run across the printed impassable hex sides as shown on the map, into a blank side of a preprinted red, gray, dark green, or ocean area, or off the hex grid. (It is okay to connect track to the tracks in gray areas and to the arrows in red areas.)
- (j) Each tile laid must contain either some newly added track that is connected to an existing station of the company, or a city which is connected to an existing station of the company. The connection is traced as if you were running a train (with no limit on the number of cities it can visit); thus it may not backtrack at a fork, and may not run through a red area or through a city whose circles are all occupied by stations of other companies. (But unlike the route on which a train is run, this connection route need not begin at a city, town, or red area; it may begin at any point on track which is added by the new tile, or at any city on the new tile.)

The “Copper Canyon” tile (number 470) is an exception to most of these rules. See the Kansas City, Mexico, & Orient RR in Table III for details.

Once a tile is laid on the map, it stays there for the rest of the game, unless and until it is replaced by another tile as described in (c) and (h). The gray tile can never be replaced.

4.4.2. Running Trains

The company may run any or all of the trains it owns. (In the case of a minor company, it **must** run its built-in 2-Train.) Each train must follow a route that meets the following conditions.

- (a) The route must be a continuous path of track (shown as wide lines) that connects two or more cities, towns, and/or off-board locations (shown as arrows on red areas of the board).
- (b) The route may not use a single section of track more than once, no matter how short. (Thus “doubling back” is not allowed, nor are loops of any kind). Note that there is at most one section of track crossing each edge of any hex.
- (c) Where the train passes through a fork (switch), it may only follow one side of the fork. In other words, the engine cannot “shift into reverse” partway through its run.
- (d) When the route enters a city, it may exit on any piece of track connected to that city, except the one from which it came, provided that the city is not blocked.
- (e) A city is considered “blocked” if all of the circles (spaces for station tokens) in that city are occupied by stations of companies other than the operating company. The route cannot pass through a blocked city. However, the beginning or end of the route (or both) may be blocked cities.
- (f) The route must include at least one city or off-board

location containing a station of the operating company.

- (g) The route cannot include any city, town, or off-board location more than once. Different arrows in the same red area are considered to be the same location.
- (h) The route cannot pass through an off-board location (red area), even if it contains a station of the company. An off-board location can only be used as the beginning or end of a route.
- (i) The total number of cities and off-board locations must be equal to or less than the train type number. (So for example a 2-Train may run to 2 cities, or one city and one off-board location.) Towns do not count toward this limit. The limit for a 4D-train is four, just as if it were a 4-Train.
- (j) When a major company operates more than one train on a turn, no two trains may use a single section of track, no matter how short. It is all right for multiple trains to run to the same city, town, or off-board location, so long as the tracks used by each train are separate.

4.4.2.1. Calculating Revenue

Each train run generates revenue equal to the sum of the revenue values of each of the cities, towns, and off-board locations on its route. (The revenue value of a town or city (except Matamoros, Nogales/Tucson, and San Antonio) is shown in a small circle next to that town or city. For Matamoros, Nogales/Tucson, San Antonio, and all off-board locations, two values are shown in a box; the lower value applies until the first 5-Train is purchased, and the higher value applies for the rest of the game.)

The 4D-Trains are an exception to this formula. A 4D-Train generates double the normal revenue for each city or off-board location it runs to. Town revenues are not doubled, however.

A major company must run train(s) each turn for the greatest total revenue possible, if any player who owns stock in the major company insists. (This rule does not restrict the president’s options in any step of the major company’s turn other than Running Trains.) This means that if any stockholder points out a better paying route or combination of routes than one that the president has announced, the president must use those route(s) unless he can find other(s) that pay still more. (However, players who spot a better paying route or combination of routes are not required to point it out.)

Similarly, a minor company must run for the highest total revenue possible. In the case of a minor company, anyone may point out the route even though only the president owns any stock in the company.

5. Historical Events

The National Railways of Mexico (NdM) is a group of several

railways built separately at different times that is owned by the Mexican federal government. As the years passed, its holdings grew, and it now has track throughout Mexico. The rules in this section are intended to simulate its historical development.

5.1. NdM Purchase Restriction

Since the NdM did not form historically until earlier railroads began to fail, it may not be floated in the first stock round.

The player who purchases the MNR private company from the Initial Offering receives the president's certificate of the NdM (and must then set its par value as in 3.2(c)(1)), but no player is allowed to buy any further shares of the NdM until Phase 3½.

5.2. Phase 3½: The Minor Companies Close

When a total of five 3-Trains have been purchased from the Initial Offering, Phase 3½ begins. This has two effects: the NdM purchase restriction ends, and all three minor companies close.

Each minor company's owner is given a stock certificate of the corresponding major company (from the "Trade-in Shares" box of the Initial Offering), as listed on the minor company's charter. The money in each minor company's treasury is transferred to the corresponding major company's charter, whether or not the major company has floated. Then the minor companies' charters, with their built-in 2-Trains, are removed from play for the remainder of the game.

The minor companies' station tokens are also removed from play for the remainder of the game (They are not automatically replaced by stations of the corresponding major companies).

Note: It is possible, and not forbidden, for a player to collect revenue from the Southeastern Railway minor company and from the trade-in share of UdY in the same operating round. (But only if UdY floated before that operating round began, because otherwise the note at the end of 3.4 applies.)

5.3. The NdM Merger

The NdM Merger can occur only upon the first purchase of a 5-Train in the game. When this train is purchased, follow these steps:

- (a) If the NdM has not floated, there is no merger. In this case, skip ahead to (i).
- (b) Beginning with the player to the left of the president of the company that purchased the first 5-Train, each player in clockwise order – except the president of the NdM – is offered the chance to voluntarily merge one of his eligible major companies, if any, into the NdM.

Only these major companies are eligible to merge into the NdM: CHI, MC, MEX, SPM, and UdY. This is indicated on their charters.

Any company on this list which has floated may merge, even if it has not yet operated. At most one company can merge into the NdM, so if anyone agrees, skip ahead to (d).

The president of the NdM is never allowed to merge another major company whose president's certificate he owns into the NdM. Therefore he is skipped in this step.

- (c) If no one agrees to merge a company into NdM in step (b), the president of the NdM must choose an unflouted eligible major company, whose president's certificate he does not own, and merge it into NdM. If possible, he must choose one whose president's certificate is in the Initial Offering.

If there is no eligible, unflouted major company, there is no merger. In that case, skip ahead to (i).

Note: If a player owns the president's certificate of the unflouted company, it does *not* entitle him to veto the merger.

- (d) If the president's certificate of the major company that is merging into the NdM ("the merging company") is owned by a player (whether or not the merging company has floated), the player must discard the president's certificate, but is given the 10% share of NdM stock from the "trade-in shares" box in return.

This may cause a change of presidency of the NdM. If it does, perform the handover of the NdM (3.5) immediately, before continuing with step (e).

If the president's certificate of the merging company is in the Initial Offering, move the 10% share of NdM stock from the "trade-in shares" box to the NdM box of the Initial Offering.

- (e) All players who hold stock of the merging company (whether or not it has floated) must sell it to the bank for half its Market Value. (If its Market Value is odd, round up the total amount paid to each player who holds an odd number of shares of the merging company.)

Note that if the president's share of the merging company is in the Initial Offering, its stock is worth zero as stated in 1.5.

The normal rules for stock sales in 3.2(a) do *not* apply, and these sales are not considered stock turns. The Market Value of the merging company does not change as the sales take place. The Priority Deal card does not change hands, and no one is required to sell other shares to comply with either of the limits in 3.3 at this time.

- (f) Remove the home station of the merging company from the map and replace it with one of NdM's "exchange tokens". (If the merging company never operated, place an NdM exchange token in the space reserved for the merging company's home station anyway.) Do not place an exchange token if NdM already has a station in that hex.

Similarly, if the merging company has any other stations on the map in places where NdM does not have stations, NdM must replace one of them with its other "exchange token". If there is a choice, the president of the NdM chooses which one to replace.

These exchanges do not cost the NdM any money. If any "exchange tokens" remain unused, they become ordinary station tokens which the NdM can place later for \$80 each.

- (g) All money and trains of the merging company are transferred to the NdM.

If this transfer will cause NdM to own more than three trains (the limit set by 4.3.4(g) and Table I), it still occurs, but NdM must then discard all but three of its trains into the Open Market without compensation.

- (h) Remove the charter, shares, and tokens of the merging company from play for the remainder of the game. It can never be refounded.
- (i) If there is no merger, move the 10% share of NdM stock from the "trade-in shares" box to the NdM box of the Initial Offering, and remove the NdM's two "exchange tokens" from play for the remainder of the game.

Also, if there is no merger, the total number of certificates each player may own (under 3.3(b) and Table II) increases by one for the remainder of the game.

6. End of Game

There are three possible events that can cause the game to end:

- (a) The bank runs out of cash.

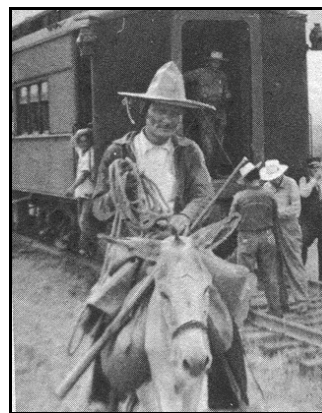
If the bank runs out of cash during an operating round, improvise additional cash (or have everyone contribute equal amounts to the bank) and complete the round (not the whole sequence of operating rounds). If the bank runs out of cash during a stock round, improvise additional cash and complete the stock round and one operating round.

- (b) Any company's market value reaches \$200 per share. As in case (a), improvise additional cash and complete the current round (if it happens during an operating round) or one more operating round (if it happens during a stock round). The price change described in 3.6 is considered

part of the stock round.

- (c) A player goes bankrupt. (This can only happen during a forced train purchase, as described in 4.3.4.2.) This ends the game immediately.

Note that after (a) or (b) happens, it is still possible for a bankruptcy to occur. The bankruptcy still ends the game immediately.



Former railroad president after bankruptcy?

6.1. Determining the Winner

The winner is the player with the greatest total of:

- (a) Cash;
- (b) Stock, counted at its current market value; and
- (c) Private and minor companies, counted at their par values.

Only assets owned directly by the player are counted. Assets owned by companies are not.

If a player goes bankrupt, he forfeits all cash, so his total is only the market value of the stock he was not allowed to sell (and the par values of his private and minor companies, if any). It is still possible for a bankrupt player to win the game!

Ties are possible. However, in tournament situations where a tie causes problems, the recommended procedure is to play one extra operating round. (Skip any stock round which would otherwise precede that next operating round.) This cannot be done after a bankruptcy!

7. Miscellaneous

The round marker token is placed in one of the four small boxes in the "Round of Play" display on the Stock Market chart to indicate which round it is. When a stock round ends, move the token to the box that matches the latest available tile color (but to the yellow box if either of the events in 6(a) or (b) has occurred). With this feature, players can remember how many operating rounds are supposed to be played before the next stock round, even if a phase change has occurred

since the preceding stock round. The money and certificate holdings of each player are public information and must be revealed on request. Similarly, the money, trains, private companies, and tokens on a major or minor company's charter are public information.

8. Optional Rules

Players who are familiar with the game may want to try some or all of the following optional rules. Any use of optional rules should be agreed upon in advance:

- (a) Allow each major company the option to lay three yellow tiles, instead of two, on its first turn of operations. This would help the map develop more quickly, but may help some railroads more than others.
- (b) Allow a major company to purchase the KCM&O private company from a player before Phase 3, for no more than \$40. This change makes the PAC and CHI more attractive as starting companies, but is less historically accurate.
- (c) The minor companies are not closed and exchanged for trade-in shares (rule 5.2) immediately upon the train purchase that begins Phase 3½. Instead, they continue to operate until the beginning of the next stock round, and the exchanges take place then. This may cause the minor companies to still be in play when Phase 4 begins. If so, their built-in 2-Trains remain in play anyway, for as long as the minor companies themselves do.
- (d) Eliminate the delayed obsolescence rule (4.3.4.1) and simply remove all 4-Trains from play immediately when the second 6-Train is purchased.

9. Game Hints

In playtesting, some players start companies close to minors they own to optimize the minor railroad incomes and maximize their early profits.

The CHI seems to always start in the first Stock Round since one of the private companies come with a free share and it is therefore easier to start. The CHI and the PAC can build an attractive connection using the Copper Canyon tile if they can cooperate.

Expect Mexico City to fill up with tokens quickly. It has a strong income late in the game and is positioned to serve the profitable Mérida red area. Unfortunately, each Mexico City upgrade costs money to play. In addition to Mexico City, one

of the most critical cities to place a token in is Querétaro. Having a station there is the key to getting long runs into or out of Mexico City.

The last rounds of playtesting indicate that players who could merge weaker railroads into the NdM have chosen not to do so. This has led to weaker positions for the NdM and players have hurt their positions when they have to contribute money out of hand to buy permanent trains for their companies. The decision whether to merge into the NdM will be important in five player games particularly since several players may have weak eligible railroads.

If you have an opportunity to operate two railroads, one strategy is to pay dividends every time with one railroad while withholding frequently with the other one. Then use the higher valued railroad to buy trains from the lower priced railroad in order to keep paying maximum dividends. This strategy can also have the advantage of forcing the second railroad into the yellow zone on the stock market chart where its shares don't count against limits of holding. If you are president of only one railroad, you have to be more careful in operating it in terms of planning for late game train purchases.

10. Rules Clarifications, Game Support

The official rules consist of this document and any officially published errata. In the event of a conflict between any components and the rules, the rules take precedence.

The most current version of these rules and any published errata can be found at:

<http://www.deepthoughtgames.com/>

Questions can be submitted by e-mail to:

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Discussions about 18MEX and other 18xx games can be found on the 18xx Yahoo group. Many designers post there regularly and it can be found at:

<http://games.groups.yahoo.com/group/18xx/>

Table I. 18MEX Game Phases

<u>Phase</u>	<u>Train</u>	<u>How Many</u>	<u>Price</u>	<u>Effects</u>
1	Initial conditions:			Only yellow tiles are available. Major companies may not yet buy private companies. Each major company may own up to three trains, and may only buy up to one train from the bank each turn. (Major companies may also buy trains from other major companies, for any agreed price of at least \$1 per train. These do not count against the limit of one train purchase from the bank per turn, but they do count toward the ownership limit of three trains.) Red off-board areas (and Matamoros, Nogales/Tucson, and San Antonio) are worth the lower of their two printed values. Players may not yet buy stock of the National Railways of Mexico (NdM). One operating round follows each stock round.
2	2	6	\$100	No changes.
3	3	6	\$180	Green tiles become available (to major companies only). Major companies may buy private companies (except MNR) from players for 0.5 to 1.5 times par value. Beginning next stock round, two operating rounds follow each stock round.
3½	No new train type. Phase begins when five of the six 3-Trains have been purchased from the Initial Offering.			All minor companies close, and their presidents receive trade-in shares (see 5.2). Players may purchase stock of the National Railways of Mexico (NdM). NdM may own up to four trains.
4	4	3	\$300	All 2-Trains are removed from play. Each major company may own no more than two trains, except NdM, which is allowed up to three. Major companies may buy multiple trains from the bank per turn.
5	5	2	\$450	All private companies close. The NdM merger may occur (see 5.3). Brown tiles become available. Red off-board areas (and Matamoros, Nogales/Tucson, and San Antonio) are worth the higher of their two printed values. Beginning next stock round, three operating rounds follow each stock round.
6	6	2	\$600	All 3-Trains are removed from play.
6½	No new train type. Phase begins when both 6-Trains have been purchased from the Initial Offering.			All 4-Trains become obsolete (see 4.3.4.1).
4D	4D	7	\$700	The gray tile becomes available.

Table II. Players' Starting Cash and Certificate Limits

Number of Players:	3	4	5
Starting Cash:	\$625	\$500	\$450
Certificate Limit:	19	14	11

Table III. Private and Minor Companies

<u>#</u>	<u>COMPANY</u>	<u>PAR VALUE</u>	<u>COMPANY TYPE, REVENUE, AND SPECIAL ABILITIES</u>
1	Mexico City-Acapulco Railroad	\$20	Private company. Revenue \$5. No special abilities.
2	Kansas City, Mexico, & Orient Railroad	\$40	<p>Private company. Revenue \$10.</p> <p>Only a major company that owns the KCM&O may lay the “Copper Canyon” special tile (number 470).</p> <p>This tile can be laid only in the Copper Canyon hex (F5). It need not be connected to an existing station token of the major company. It does not count toward the major company’s normal limit of two yellow tile lays per turn. (But it still must be laid during the tile-laying step of the major company’s turn.)</p> <p>The company must pay a reduced terrain cost of \$60 (not the \$120 it says in the hex) to lay the tile. Laying the tile does not close the KCM&O.</p> <p>The Copper Canyon tile is permanent, and cannot be upgraded. Like any other tile, once played, any company that connects to it can run there.</p> <p>If any other tile is laid in the Copper Canyon hex, or if the Copper Canyon tile has not been laid before the first 5-Train is purchased, the tile is removed from play.</p>
3	Interoceanic Railroad	\$50	<p>Minor company. Begins in Tampico (M12).</p> <p>When Phase 3½ begins, the company closes, but its owner receives a 5% “trade-in certificate” of NdM.</p>
4	Sonora-Baja California Railway	\$50	<p>Minor company. Begins in Mazatlán (K6).</p> <p>When Phase 3½ begins, the company closes, but its owner receives a 5% “trade-in certificate” of NdM.</p>
5	Southeastern Railway	\$50	<p>Minor company. Begins in Oaxaca (S12).</p> <p>When Phase 3 ½ begins, the company closes, but its owner receives a 10% “trade-in certificate” of UdY.</p> <p>The UdY share has no value, and cannot be sold until some player has set a market value for the UdY by purchasing its president’s certificate. However, the share does not count toward the 50% required to float the United Railways of Yucatán until the Minor company closes.</p>
6	Mexican International Railroad	\$100	<p>Private company. Revenue \$20.</p> <p>The initial purchaser of the Mexican International receives a free 10% share of the Chihuahua Pacific Railway (CHI).</p> <p>The CHI share has no value, and cannot be sold, until some player has set a market value for the CHI by purchasing its president’s certificate. However, the share does count toward the 50% required to float the Chihuahua Pacific. Once purchased, the Mexican International has no special abilities.</p>
7	Mexican National Railroad	\$140	<p>Private company. Revenue \$20.</p> <p>The initial purchaser of the MNR receives the 20% president’s certificate of the NdM for free. He must then immediately set the par value of the NdM.</p> <p>Note that under Rule 5.1, no one is allowed to buy any further shares of the NdM – and therefore, the purchaser will be unable either to float the NdM, or to sell the president’s certificate – until Phase 3½. However, the president’s certificate does count toward the 50% required to float the NdM. Once purchased, the MNR has no special abilities.</p> <p>Unlike other private companies, the MNR may not be sold to a major company. The MNR closes when the NdM buys its first train.</p>

Table IV. Tiles and Upgrades

Tile	#	Legal Upgrades	Tile	#	Legal Upgrades	Tile	#	Legal Upgrades
	map			4			1	
C Canyon	map			1			1	
	map			1			1	
Guad	map			1			1	
L.M	map			3			2	
Mex	map			3			1	No further upgrades
Tamp	map			1			2	No further upgrades
Ver	map			1			3	No further upgrades
	map			1			3	No further upgrades
	1	No further upgrades		1			2	No further upgrades
	map			1			1	No further upgrades
	3			4			2	No further upgrades
	3			4			2	No further upgrades
	2			3			2	No further upgrades
	2			1			7	
	5			1			1	No further upgrades
	11			1			1	
	11			1			1	No further upgrades
	4			2	No further upgrades		1	No further upgrades
				2	No further upgrades		1	No further upgrades
				2	No further upgrades		1	No further upgrades
				2	No further upgrades		1	No further upgrades

†1 Only by owner of KCMO

†2 Only in Los Mochis

†3 Only in Guadalajara

- In addition to these tiles, there are special double-hex tiles for Mexico City. These may only be played there and only in one orientation. Upgrading from yellow to green (tile 479) costs \$60, and upgrading from green to either brown tile (485 or 486) costs \$40.
- If a normal tile is played on Copper Canyon, the special Copper Canyon tile may no longer be played – see Table III.
- Named city tiles may only be played on the city named. If a named city tile of a given color exists, no other tiles of that color may be played on that city (for example, Guadalajara has a special brown tile but standard tiles are used for both yellow and green) – see 4.4.1(g)

Appendix 1. Comparison with Other 18xx Games (Q&A)

Can private companies that have not yet been sold to major companies be sold between players at a mutually agreed price? Yes (during stock rounds)

Can minor companies be sold? No, neither to the bank nor to other players.

Is 50% always the minimum amount needed to float a major company? Yes

When railroads float do they get 10 times the par value as starting capital (full capitalization)? Yes

Is a railroad's home station placed during the stock round when it floats? No, at the beginning of its first operating turn.

Can players sell shares in a major company that has not yet operated? Yes (but not in the first stock round of the game)

Is 50% the maximum amount of a major company's stock allowed in the open market (bank pool)? Yes

May a player buy a share and sell it in the same stock turn? Yes (but not in the first stock round of the game)

May a player sell some stock, then buy a certificate, and then sell more, all in one stock turn? No

Suppose I own exactly 55% of the NdM (including a 5% trade in share). May I buy another 10% share of NdM? Can I buy another 10% share then immediately sell either a 5% share or a 10% share? No, No

If a player sells stock of multiple major companies in one turn, and their market values end up in the same square on the stock chart, can he choose the order in which he sells them in order to arrange their market-value tokens in any order he likes? Yes

May a player sell stock certificates one at a time, and adjust the market value after each sale, in one stock turn in order to receive a lower price? Yes

Do shares in the yellow zone of the stock chart count toward holding limits? No

Do private companies owned by a player count toward his holding limit? Yes

Can a major company replace a tile if one of its stations is connected to track on the existing tile, but not to any track added by the new tile? No, unless the tile contains a city.

Do private companies owned by players block tile laying in their hexes? No. Private companies do not occupy hexes in 18MEX.

Does the laying of normal track in the Copper Canyon hex cause the KCM&O private to close or prevent it from being purchased by a major company? No, but it loses its special ability.

Do towns count towards length of routes? No

May a train that runs to its maximum number of cities also run to (and count) towns before the first city, or after the last city? Yes

Do red areas pay double revenue when a 4D-Train runs to them? Yes

If another player points out a higher-paying set of runs for a company than the one the president wants to use, does he have to use the higher-paying runs? Yes, if it is a minor company, or if the player who pointed out the runs holds stock in the company.

May a major company pay half dividends? No

May a minor company withhold dividends? No

Do shares in the Initial Offering or Trade In Shares Box pay dividends to the company? No

Do shares in the Open Market pay dividends to the company? Yes

Can a player collect a dividend from a minor company, and also from the share of stock that the minor company traded-in for, in the same operating round? Yes (only possible for the Southeastern Railway)

Can a company float during an operating round? Yes (in only one case — if the trade-in share of UdY, when exchanged at the beginning of Phase 3½, is the fifth share of UdY to leave the Initial Offering). If this happens, UdY will not operate in that operating round.

Can the owner of a private or minor company voluntarily close it? No. All private companies must remain in the game until the first 5-Train is purchased (except that the MNR closes involuntarily when the NdM buys its first train). Similarly, all minor companies must remain in the game until the fifth 3-Train is purchased.

May a major company buy more than one train from the Initial Offering per turn? Only after the first 4-Train is purchased (including that same turn).

May a major company buy trains from other companies if no 3-Train has been purchased? Yes

Are obsolete trains always removed immediately? Yes, except 4-Trains (see 4.3.4.1)

Can trains be “traded in” on newer trains? No

May a company voluntarily discard a train in order to buy a better train? No

Is the number of 4D-Trains limited to those provided in the set? Yes

Is the amount of money a player has known to other players? Yes

Is the amount in a company’s treasury known to other players? Yes

Is the exact amount a company pays for a train disclosed? Yes

Must railroads in a forced train purchase situation always buy the cheapest train available from the bank (initial offering or open market)? Yes (if the president contributes funds).

Can the game ever end during a stock round? No

Can the game end in the middle of a set of operating rounds? Yes. If the bank breaks or a company’s market value reaches \$200 per share, you complete only one operating round. If a player goes bankrupt trying to make a forced train purchase, the game ends immediately.

Are all money totals (player and minor and major company) public information? Yes

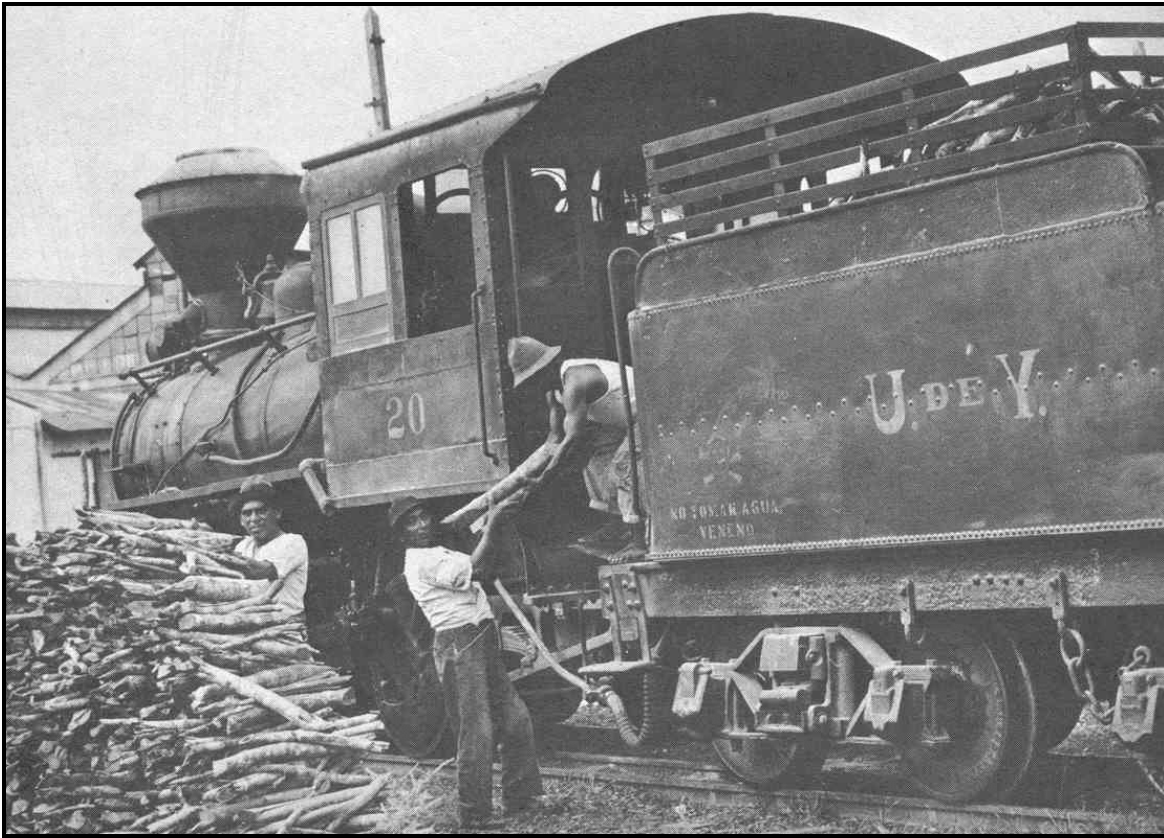
Tile clarification: On the brown Mexico City tile with three token spaces (tile number 485), the two tracks going east (to hexes O12 and Q12) do not meet in a “switch”. They are separate tracks all the way into Mexico City, so both may be used in a train run or runs during the same operating turn.

Appendix 2. Examples of Play

Calculation of Mail Contract: Suppose the MC has just floated. On its first turn it plays a yellow \$20 city tile in Torreón and buys a 2-Train. On its second turn, the MC is entitled to receive \$20 mail contract income directly into its treasury, regardless of whether it has a legal run. This does not count as a dividend in determining whether its market value moves forward or backward.

NdM Merger Procedure: Assume a three-player game with players A, B, and C sitting in that order. Player A controls the SPM and TM. Player B controls the NdM and CHI. Player C controls the PAC and UdY. The MC and MEX are unfloted and their president’s certificates are unowned. The CHI has just bought the first 5-Train and the merger is triggered. Starting with player C (next to the left, since B is operating the company that bought the 5-Train), player C chooses not to merge the UdY (his only eligible railroad). Player A has only one eligible railroad (SPM) but doesn’t wish to merge. Player B is skipped (because he controls the NdM, he cannot merge his CHI even though it would otherwise be eligible). Since all players have declined, an unfloted company must merge. Since MC and MEX are the only unfloted ones of the five eligible companies, one of them must merge into NdM. (NdM president’s choice)

NdM Merger – selection of exchange tokens: Suppose the CHI is merging with the NdM and the CHI has tokens in Chihuahua, Torreón, Querétaro, and Mexico City. The NdM has tokens in Mexico City and Querétaro. First, the NdM must replace the CHI's home token in Chihuahua with one of its two exchange tokens. Then it must replace one of the other three. Since NdM already has tokens in Mexico City and Querétaro, the only place it can legally replace one is in Torreón, so it places its other exchange token there. Then, all remaining CHI tokens are removed. If NdM had already had a token in Torreón as well, it would not have been able to place its second exchange token, and the token would remain on its charter as an extra station which NdM could place later for \$80.



The United Railways of Yucatán operated wood burning locomotives well into the 20th century

Appendix 3. Historical Notes

The first railroad in Mexico was proposed to connect the important port of Veracruz and the capital, Mexico City. This first concession was granted in 1837. Construction began almost immediately on this difficult section of track which rose from the coast to the high plateau of the Mexico City area.

The Mexican Central Railway was another railroad financed by foreign interests. It completed a connection from the US border near Juárez to Mexico City in 1884. The Mexican Central ceased independent operations in 1908.

The Sonora-Baja California Railway was originally established in 1923 to connect Mexicali with the rest of the main network. It connected to the network of the Southern Pacific of Mexico in 1948 at the village of Benjamin Hill. It is currently operated as a separate railroad by the San Diego & Arizona Eastern Railroad.

The Mexican Railway was chartered in 1855. The line that connected Mexico City and Veracruz was remarkable in the need to climb from sea level to over 8000 feet elevation in less than 150 miles through very difficult mountainous terrain. This line passes very close to a volcano named Mt. Orizaba (elev. 18,855 feet). The Mexican federal government purchased the Mexican in 1946. It operated as a separate entity briefly and was merged into the National Railways of Mexico in 1959.

The Southern Pacific Railroad of Mexico was originally incorporated in 1909 and was owned by the Southern Pacific Railroad in the US. Its original track construction was from the port of Guaymas in western Mexico to the town of Nogales near Tucson, Arizona. It acquired the track and other assets of several other railroads including the Sonora Railway. It struggled to construct lines down the

western coast of Mexico due to Indian uprisings as well as the Mexican Revolution. It finally completed the track into Guadalajara by 1937. It was eventually sold to the Mexican government in 1951.

The National Railways of Mexico was formed in 1908 to oversee operations of the Mexican Central Railway and the Mexican National Railroad, which had become unprofitable. After undergoing several name changes, Mexican President Lazaro Cardenas formed a new enterprise, which became the present Mexican Railway system. Among the railroads forming the early parts of the National Railways of Mexico were the Mexican Central, the Mexican National, and the Interoceanic Railway.

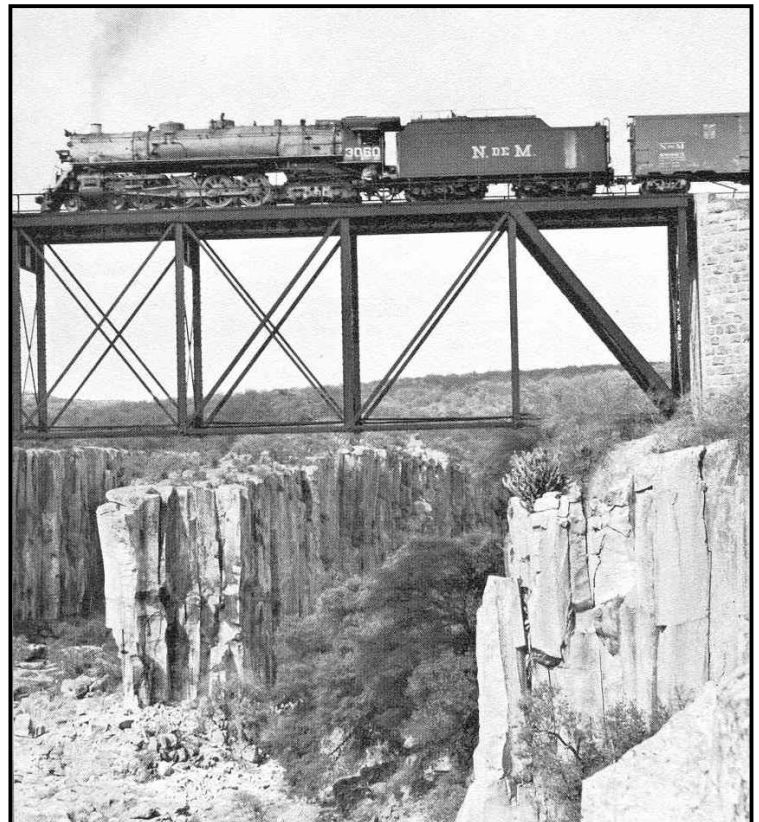
The Texas Mexican Railway began as the Corpus Christi, San Diego, & Rio Grande Railroad, a narrow gauge railroad to build west from the Gulf of Mexico toward Laredo. This railroad gained control of the line in 1902 and held it until the 1980s, when it sold its controlling interest to a new private corporation as part of the North American Free Trade Agreement (NAFTA). It now operates as a successful short line.

The United Railways of Yucatán began as the Progreso to Mérida Railway (Ferrocarril Progreso a Mérida). It opened in 1881 to connect the city of Mérida and a large port at Progreso. Its primary cargo was sisal (a fiber used to make rope). This railroad was extremely primitive and operated wood burning locomotives well into the 20th century. This railroad and two other small railroads were combined in 1902 as the United Railways of Yucatán. This remote railway system remained isolated from the rest of the Mexican railway system until 1950 when it connected to the Southeastern Railway. In 1969, both it and the Southeastern Railway were absorbed into the National Railways of Mexico.

The Chihuahua Pacific Railway began as the Kansas City, Mexico, & Orient. When it formed, it consisted of two separate small networks separated by the Sierra Madre mountain range. The US portion merged into the AT&SF in 1928. The Mexican portion from Ojinaga to Chihuahua was purchased by the federal government in 1940. The line was eventually completed through the Sierra Madres to Los Mochis in 1961.

The Pacific Railroad was built from Nogales to Guaymas in 1882 by the Santa Fe. It was sold to the Mexican government in 1951 and it continued to operate independently until it was absorbed by the NdM around 1987.

The Copper Canyon area consists of six major gorges covering over 20,000 square miles and is larger than the Grand Canyon in the USA. It is a beautiful area where copper colored lichen gives the region its name. The route travels about 400 miles between Los Mochis and Chihuahua across the Sierra Madre mountain range. The primitive Tarahumara Indians still live nearby in caves and other primitive dwellings similar to their ancestors. Since 1998, a private rail franchise, Ferromex, has operated this popular tourist route.

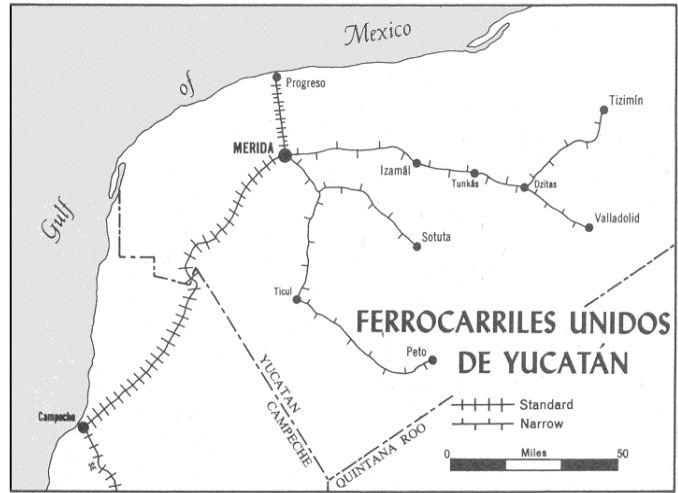


Appendix 4. 18MEX Location Name Pronunciation Guide

Below is a list of some of the locations that appear in 18MEX and their correct pronunciation. The emphasis is on the capitalized syllable.

Oaxaca (S12)	wah HAH kah
Matamoros (I12)	mah tah MOH rohs
Acapulco (S10)	ah kah POOL koh
Hermosillo (D3)	air moh SEE yoh
Tampico (M12)	tam PEE koe
Chihuahua (E6)	Chee WAH wah
Nogales (B3)	noh GAH lays
Monterrey (I10)	mohn tay RRAY (RR is a trilled r)
Puebla (P11)	PWAYV lah
Yucatán	yoo ka TAHN
Mérida (Q14)	MAY ree dah
Guatemala (U14)	gwah tay MAH lah
Torreón (I8)	Toh rray OHN
Guadalajara (O8)	gwah dah lah HAH rah

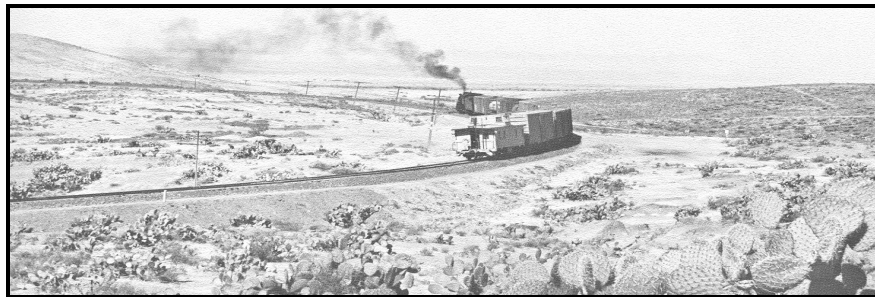
Juárez (A6) **HWAH** rays
 Querétaro (M10) kay-**RAY**-tah-roh
 Culiacán (J5) koo-lyah-**KAHN**
 Los Mochis (I4) loh **MOH**-chees
 Zacatecas (K8) sah-kah-**TAY**-kahs
 San Luis Potosí (L9) sahn lwees poh-toh-**SEE**
 Toluca (O10) toh-**LOO**-kah



United Railways of Yucatán system map as of about 1930

Appendix 5. Selected References and Credits

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18MEX: The Railroads Come to Mexico

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Other Assistance:	Kalmbach Memorial Library, Lowell G. McManus

Appendix 6. 18MEX Score Sheet

18MEX Score Sheet

	Round 1	Round 2	Round 3	Final Share Price	Total Value	1	2	3	4	5					
						Name	Name	Name	Name	Name					
						#	Value	#	Value	#	Value	#	Value	#	Value
CHI															
MC															
MEX															
NdM															
PAC															
SPM															
TM															
UdY															
					Cash										
					Total										

