

1865: Sardinia*Proto-rules set ver. C.5*

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1. GAME COMPONENTS

- A Sardinia map. Solid lines between hexes represent mountains, blue lines represent rivers; 6 mine hexes are identified by a special symbol; 4 cities are special and marked with letters
- A ranking table. The ranking table assesses the attractiveness of a company as an investment. Ranking is a value between 1 and 16 and is based, for each company, on the total sum of the train numbers and the number of tokens on the map (e.g. a railroad with two 2 trains and 3 tokens on the map is ranked 7). Depending on the game phase the company ranking could be in the green, white or red area.
- The Dragons' pool where all the shares owned by the Dragons are placed
- A mono dimensional stock market with values based on an incremental scale
- The initial offer chart where all unsold shares and available trains are placed
- The Bank pool
- Yellow, green, brown and grey tiles
- 6 different Public Companies' shares and tokens (often the term public is omitted in the following). Public companies can be in minor (one certificate representing 20% ownership) or major format (one certificate representing 10% ownership).
- 6 different Maritime Companies located around the major ports and numbered from M1 to M6 - Maritime Companies are the private companies in the game
- 6 different types of trains (from phase 2 to 7). Trains' coverage ranges from 8 (PH2 train) to 35 (PH7 train).

2. GAME SETUP

- Initial capital is 360 per head in a 2 players game; 330 per head in a 3 players game
- Bank is 8,000
- Play order is decided randomly, first to play receives the priority, second seats to the left of the priority
- All home base tokens must be placed on the map
- Sort randomly and distribute two maritime companies per player. In a 2 players' game, two maritime companies are discarded.
- From now on, play a sequence of one stock round and two operating rounds till the game ends

3. MARITIME COMPANIES

- Maritime Companies pay the owner a fixed income of 20 at the beginning of each operating round (front of the maritime card)
- During a company's operating round, a player may pass one or more of his Maritime Companies to the operating company. The player will receive no compensation for this.
- When transferred to a company, the Maritime Company will provide 8 points to coverage against traffic chips similarly to ordinary trains (rear of the maritime card).
- Any Maritime Company still in a player's hand (not companies) when phase 5 is triggered will be immediately discarded. Maritime Companies owned by companies will not close when phase 5 is triggered.
- If a company has a token on the location highlighted on the maritime card (or place such a token at any moment after receiving the maritime company), the company receives a number of traffic chips equal to the number for the current phase (e.g. in phase 4, during company A turn, a player passes to company A the maritime company located in Cagliari. A happens to have a token in Cagliari, so A immediately collects 4 traffic chips).
- In this respect, the Maritime Company "Carbonia District" could have a token in any mine located in the Carbonia district.
- Maritime Companies only operate in conjunction with ordinary trains. A company owning Maritime Companies only and no trains does generate revenue in its turn. Also, a Maritime Company does not satisfy the requirement for a company of owning a train at the end of its operating round. A company owning Maritime Companies only must buy a train at end of its operating round.
- A Maritime Company is transferred between companies only as consequence of an absorption (see absorption section).

4. STOCK ROUND

4.1 Operations at the beginning of the stock round

- All tokened mines are automatically downgraded one step to the next available tile. E.g. if the game is in phase 3 or higher, all yellow tokened mines on the map are automatically downgraded to green mines; if the game is in phase 5 or higher also all green tokened mines are automatically downgraded to brown mines.
- Each company adjust its ranking on the ranking table (vertical movement). If a company is positioned on a row different than the current game phase, it will move down one row in the attempt to catch-up with the current phase. If positioned on the row corresponding to the current phase, it does not move.
- Each company eligible to transform from minor to major is asked in operating round order if they want to do so.

4.2 Sequence

- Dragons are always the first to play in the stock round
- then the player with the priority card will play
- then the play continue with the Dragons and the next player in seating order alternating until all the players and the Dragons pass

4.3 Dragons

- The Dragons buy and sell shares in the stock round
- Dragons will immediately sell any share ranked in the red
- At this point, if below the certificate limit, the Dragons will buy one available share ranked in the green area. If different shares are available in the green, they will buy
 - the share that better diversifies their portfolio in terms of number of certificates owned (not shares).
 - If several shares meet this condition, they will buy the highest ranked share.
 - If again several shares meet this condition, they will buy the cheapest share available.
 - If again several shares meet this condition, they will buy the one at the top of the stock market pile
 - Every time the chosen share is available both in the initial offer and the bank pool, they will always buy the one from the initial offer.
- If the Dragons have reached the certificate limit, they will pass
- The Dragons can never be appointed presidents of a railroad even if they own more shares than any other player
- The Dragons will never own more than 50% in a company.

4.4 Players

- In his stock round turn a player can sell share and then buy one certificate

SELL

- Shares are sold at the current market price
- Shares sold by non-presidency-holding players do not drop in share value. Shares drop in value one space for each share sold when they are sold by the Dragons or the President himself
- The presidential share can be sold only if another player has at least two shares of the company, in this case the presidential is exchanged with 2 normal certificates
- The Bank pool would never accept more than 50% of the company shares
- Shares of companies that have not operated yet, cannot be sold

BUY

- A player could buy one certificate from the bank pool or the initial offer or the Dragons' pool
- Shares are bought at current market value from the initial offer, the money is paid to the company
- Shares are bought at current market value from the bank pool, the money is paid to the bank
- Shares are bought at current market value from the Dragons' pool but the cost of the share is 30% higher if the company is ranked in the green and 10% higher if ranked in the white (these values are pre-printed on the stock market for easy reference). The money is paid to the bank (where the Dragons accounts are deposited)
- A player cannot buy a share previously sold in the same stock round.
- A player cannot own more than 60% in stock of each company
- A player cannot own a number of certificates more than the certificate limit printed on the map (18 for two players and 13 for three players)

4.5 Final operations at the closing of the stock round

- At the end of a stock round the priority is given to the player to the left of the player who performed the last sell and/or buy action in the stock round (Dragons do not count for the purpose of the priority assignment).

4.6 Launching a new company

- The first certificate bought from the initial offer is the company's presidential certificate which costs double the listed stock market value.
- At least 60% ownership in the corporation must be sold to players for the company to be considered floated
- The company receives in the treasury the money paid for the shares as far as they are bought
- The company also receives any traffic chip provided by its home base

- When floated, one token is placed in the stock market (under any existing token), one token is placed in the proper row on the ranking table on rank 1 (first row for companies floated in phases 2 or 3, second row for companies floated in phase 4, third row for companies floated in phase 5 to 7) and one token is placed on the revenue track.

4.7 Minor companies

- Before phase 5, all newly floated companies must start as minor.
- Minors have 20% share certificates and 40% presidential certificate
- Have 3 tokens only
- The company floats when 60% (presidential + one share is bought)
- Have in the treasury the money for shares sold.

4.8 Major companies

- Majors have 10% share certificates and 20% presidential certificate
- The company floats when 60% (presidential + four shares) are bought.
- A major can enter the game in three possible ways:
 - As the result of a conversion from minor to major – the number of tokens received is variable.
 - After phase 5, when all the newly started companies are major – and will receive 7 tokens immediately.
 - A company may also re-enter the game as a major at any time as result of absorption (see specific paragraph). In this case the company will receive a number of tokens as per the minor-to-major conversion described below.

4.9 Transformation from Minor to Major

- Transformation from minor to major can only take place in the preliminary operations prior to the stock round
- In order to become major, a company must be connected through a *direct-route* to its city destination¹ (this is identified by a company logo pre-printed on the map). A *direct-route* consists in an interrupted sequence of track from a city/mine already occupied by a company's token to any city/mine not intercepting other cities (e.g. must be a direct city/mine-to-city/mine connection) – please note that a token at destination is not needed.
- When becoming major, the current shares in play are flipped to show the 10% ownership and five new 10% shares are placed in the initial offer; therefore, when sold, additional funds can flow into the treasury
- The company will also receive a number of additional tokens equal to
 - 1 additional token if the transformation takes place in phase 2
 - 2 additional tokens if the transformation takes place in phase 3
 - 3 additional tokens if the transformation takes place in phase 4
 - 4 additional tokens if the transformation takes place from phase 5 on

¹ The FMS destination is a mine, called Serbariu and located in the Carbonia district

4.10 Movements on the stock market

- Share value goes up when a. company pays a dividend; b. company buy a brand new train from the bank (if buy more than one train still goes up one space only);
- Share value goes down when a. shares are sold by Dragons or the President; b. dividend is zero
- If the company withholds, the share price does not move

5. OPERATING ROUND

5.1 Tile Laying

- Each company can lay/upgrade one tile per turn
- By paying 20 from the treasury, a company may (optionally) lay/upgrade a second tile in any desired combination (note: laying and upgrading the same tile is allowed)
- Part of the lay/upgraded tile must be usable by the company (e.g. must be connected to a city with a company's token and not blocked by cities fully occupied by opponents' tokens)
- There are two types of possible upgrades:
 - Traffic upgrade – replace a tile with a next phase tile, e.g. change a yellow tile with a green tile; a green tile with a brown tile; or a brown tile with a gray tile. Generally a traffic upgrade cause an increase in traffic for the interested town or city
 - Competitive upgrade – replace a tile with another tile of the same colour provided that the existing connections are maintained. Generally a competitive upgrade is used to free otherwise blocked track
- When a city increase in traffic value as result of a traffic upgrade, distribute the increased value in traffic to all the companies with a token on it. Note: small towns do not keep memory of who visited them and therefore do not provide more traffic when upgraded – the improved traffic value is however available to all those companies re-intercepting them when laying a token (see next section)
- Mines are never upgraded by players; this operation is done automatically at the beginning of each stock round. Please note that mines upgrade reduce the traffic (and therefore is often referred to as a downgrade).
- Special tiles are marked with letters C, S, N, O and these can only played on the corresponding cities
- Brown tile #63 can only be played in Isili. Brown K city tiles can only be played on Arbatax. Brown K town tiles can only be played on coastal towns (Alghero, Tempio).
- Connections to the Corsica island are not used in the basic game; nevertheless they are valid connections for tile laying purposes

5.2 Token placement

- Each company can lay one and only one token per turn (the home base token is laid at the beginning of the game for all companies or when the company is floated for absorbed companies re-entering the game)
- A token can be laid on any city/mine with an empty slot and connected to the company through a *direct-route*. A *direct-route* consists in an interrupted sequence of track from a city/mine already occupied by a company's token to any city/mine not intercepting other cities (e.g. must be a direct city/mine-to-city/mine connection)
- There is a cost associated in laying a token depending on the terrain intercepted along the *direct-route* (10 for each plain border; 40 for each river; 60 for each mountain)
- The railroad collects all the traffic chips along the *direct-route* as printed on the small towns intercepted and the destination city (note: the starting city on the *direct-route* does not provide traffic)
- If more valid *direct-routes* are available to the destination city/mine, the company's president is free to decide which one to use; cost and traffic will be the ones of the chosen *direct-route*

5.3 Mines

- Each turn, the company collects goods (traffic chips) from any tokened mine
- Mines have one token slot only. When tokened the mine provide immediately traffic chips depending on the colour of the mine tile.
- Mine production is reduced as far as the game proceeds (yellow mine 2 chips; green mine 1 chip; brown mine no chips)
- Every company is allowed to token only one mine in the Carbonia district (3 mines are located in this area).

5.4 Revenue Calculation

- The president compares the total number of traffic chips in the treasury with the total coverage offered by its trains
- Each traffic chip covered provides the railroad with 10 in revenue; e.g. a company has 14 traffic chips and two PH2 trains (total coverage 16), revenue is 140. Other example, a company has 30 traffic chips and one PH2 and one PH3 train (total coverage 22), revenue is 220 in this case
- The president can decide to pay a dividend or withhold the money in the company

5.5 Train Purchase

- A railroad can buy a train (at face value) from the bank or from other corporations (minimum 1).
- The last train of type PH2, PH3 and PH4 comes at a discount
- A corporation cannot buy a train if so doing it exceeds the train limit (four trains in phase 2, three trains in phase 3-5, two trains in phases 6-7). Maritime companies do not count towards the limit.

- A railroad must have a train at the end of its operating turn². If has not enough money to buy one, the president must make the difference with his own cash and selling shares if necessary – he cannot sell sufficient stock in the operating corporation to cause a change in presidency
- If after selling all the stock he is legally permitted to sell, the president still cannot raise enough cash to buy a train he is bankrupt and eliminated from the game. His remaining holdings are placed in the bank pool, the defaulting company is closed with no compensation for the shareholders.

6. ABSORPTION

- An absorption always involves two companies belonging to the same player (e.g. whose President is the **same** of both companies)
- The absorbing company is called the “acquirer” or A, the company to be absorbed is called the “target” or B.
- At the beginning of its operating round, a company can decide to be absorbed by another company rather than operate. In this case the target company skips its operating turn.
- Alternatively, at the beginning of its operating round, a company can adsorb another company that has not operated yet. Once completed an absorption, the acquiring company may proceed with a new one if capable of doing so. After completing all the absorptions, the acquiring company will perform its operating round.
- Typical reasons for absorption are consolidating your own companies to run them more efficiently, freeing certificate slots when you have reached the certificate limit or rescuing a trainless company.

6.1 Conditions

- For an absorption to be allowed the following conditions must be met:
 - Both the acquirer and the target have operated at least once
 - The two railroads are connected (e.g. have tokens in the same city or in two different cities/mines connected by a *direct-route*)
 - The acquirer must have access to enough money to compensate all the target shares in play

6.2 Compensation Procedure

- Acquirer must liquidate in cash all the B shares in play

² However, in the rare event of a company having exactly zero traffic, there is no obligation of owning a train at the end of the operating turn

- Therefore shares owned by the Bank, Dragons and players must be fully compensated. No compensation is needed for B shares still in the initial offer.
- Shares are paid at the current value plus any premium (target in the red = no premium; target in the white = 10% premium; target in the green = 30% premium)
- Firstly A receives all the cash from the target company and tries to liquidate B shares using the consolidated cash of the two companies
- If this is not enough, A must raise enough cash by selling as many of its own shares in the initial offer to the bank at the current market price (remember however that the bank will never accept more than 50% of shares in the pool). When selling shares in this way the share price does not drop.
- If this is still not enough, A must take as many state aid loans as necessary

6.3 Post-absorption effects

- All the assets (traffic chips, trains and maritime companies) are transferred from the target to the acquirer
- The newly enlarged company A will have the max number of tokens – provide A with any additional token so that it has 7 tokens in total between the map and the chart
- Company A can at this point vacate any tokened mine if the President wishes so. Removed tokens return to the company chart.
- Now the acquirer must replace all the target tokens with its own at no cost.
- For those locations where the acquirer already has a token, the B token is not replaced and A receives 50 from the bank (synergies).
- Tokens on mines do not have to be replaced if the President wishes so. The token is simply removed and the mine is left vacant.
- Tokens that cannot be replaced (e.g. the acquirer has not enough tokens to replace the target's ones) are lost with no compensation.
- When replacing a token it is compulsory to maintain the railroad network connected, e.g. each token must be connected to at least another token of the company through a *direct-route*
- The target company can be re-launched as a major corporation in the next stock round from any city with an empty slot

6.4 State Aid loans

- State aid loans are worth 500 lire and are granted only when adsorbing companies.
- At no time a company can have more than 3 outstanding loans. That means that if the acquiring and/or the target company already have outstanding loans, the acquiring company will be limited on the number of loans she can take because the enlarged company resulting from the absorption still cannot have more than 3 loans outstanding.
- No interest is due on these loans

- A company can repay loans at any moment during its operating turn
- Un-repaid loans, when calculating the players' score at the end of the game, cause the share value to be valued by 50 for each outstanding loan. The share value can become negative.

7. END GAME

- The game ends when the banks run out of money. If this happens during a SR, play two more operating rounds. If the bank runs out of money during an OR, complete the current sequence of operating rounds.
- The winner is the wealthiest player (cash plus shares value)

8. EXPANSION RULES (3-4 players)

8.1 ADDITIONAL COMPONENTS

- A Corsica map with 2 mines and 2 special cities.
- Additional yellow, green, brown and grey tiles
- 2 Public Companies' shares and tokens
- 2 Maritime Companies numbered from M7 and M8
- 4 additional trains (1 PH2, 1 PH3, 1 PH4 and 1 PH6)

8.2 CHANGES TO THE BASIC GAME RULES

- Initial capital is 330 per head in a 3 players game, 300 per head in a 4 players game
- Sort randomly and distribute two maritime companies per player. In a 3 players' game, two maritime companies are discarded
- Certificate limit is 18 with 3 players and 13 with 4 players

8.3 NEW RULES

- When laying a token along a direct-route between the two maps of Sardinia and Corsica add the pre-printed cost on the corresponding red dotted cross sea connection
- Special tiles marked with letters B and P can only be played on the corresponding cities in Corsica

RECAP OF GAME PHASES**PHASE 2**

- Yellow tiles available
- Starting values from 60 to 100 available
- Train limit 4

PHASE 3

- Green tiles available
- Starting values from 60 to 130 available
- Train limit 3

PHASE 4

- Phase 2 trains are scrapped

PHASE 5

- Brown tiles available
- Starting values from 60 to 150 available
- Maritime companies still in players' hand are discarded
- Any corporation available for launch is a major corporation

PHASE 6

- Train limit 2
- Phase 3 trains are scrapped

PHASE 7

- Grey tiles available
- Phase 4 trains are scrapped

TRAINS AVAILABLE

PHASE	Number	Cost	Coverage	Scrap	Expansion
PH 2	5	100 70 discount	8	PH 4	+1
PH 3	4	200 160 discount	14	PH 6	+1
PH 4	3	350 300 discount	20	PH 7	+1
PH 5	2	500	25	Permanent	
PH 6	2	650	30	Permanent	+1
PH 7	unlimited	800	35	Permanent	