DEUTSCHE BANK.

SECRETARIAT.

Adresse für Briefe:
DEUTSCHE BANK
Secretariat.

Telegramm-Adresse:
DEUTSCHBANK SECRETARIAT.

BERLIN, 18. August 1896
W. 64.

James J. Hill Esq.
c/o Messrs J. P. Morgan & Co.
New York

Dear Sir,

Pursuant to our cable correspondence through Mr. Edward D. Adams and Lord Mount Stephen we had to purchase for our own account

\$625,000 new Northern Pacific preferred stock

in fulfilment of our obligation under clause VII of the quartette contract dated London 2nd April 1896 and in lieu of the old Northern Pacific securities named therein.

We beg to inform you that we have purchased the above

\$625,000 new Northern Pacific preferred stock

at an average price of 24.8943 % Berlin usance, costing at Marks 4.25 for 1 \$ Marks 661254.80, for delivery in New York when issued.

P. T. O.

Under clause VII of the quartett-contract referred to, you have jointly with Lord Mount Stephen the option of purchasing the above

$625000 new Northern Pacific preferred stock at 34,8943 % Berlin usance with

M 926879.80

at the exchange of the day of payment against delivery and transfer of the stock in New York.

Nothing having been arranged in London regarding dividends and interest, we beg to suggest that dividends declared and paid before the call of the stock shall be refunded by us to the purchasers, upon payment of the stock when called, together with 4% annual interest on the above M 926879.80 from the day of issue.

Pursuant to the London contract and as then verbally arranged, the option shall run until we shall give you notice of our desire to sell said stock, and in order to put the matter quite clear we undertake to give you such notice at least 14 days before the right of option shall cease.

We are furnishing Lord Mount Stephen with a copy of this letter and remain, dear Sir,

Yours very truly

Deutsche Bank

[illegible signature]