

NORTHERN PACIFIC.

A Settlement of Disputed Points Expected Soon.

According to the best information obtainable yesterday, it seems probable that there will shortly be a full settlement of the points in dispute concerning the reorganization of the Northern Pacific Railroad Company, including the troublesome problem of the relations of the reorganized Northern Pacific to the Great Northern Railway Company.

For several days past conferences have been in progress among the various interests, and sufficient progress has been made to warrant the above statement. Those present at nearly all these conferences have been Mr. J. P. Morgan, who is under promise to carry out the underwriting of the plan when finally agreed upon; Mr. Edward D. Adams, Chairman of the Consolidated Mortgage Bondholders' Committee, and Mr. Jacob H. Schiff, of Kuhn, Loeb & Co., who has represented Mr. J. J. Hill and the Great Northern Railway interests. Beginning today, Mr. Hill, who has come to New York from the St. Paul headquarters of the Great Northern, will become a party to the conferences. Those who have attended the ones already held express a strong hope of an early agreement.

It will be remembered that negotiations among the gentlemen named were somewhat abruptly terminated a couple of weeks ago by the public statement of Mr. Adams, that the laws of Minnesota would forbid the guarantee of Northern Pacific's new bonds by the Great Northern Company, which arrangement was proposed by the London agreement between the reorganizers and the representatives of the Deutsche Bank of Berlin. Mr. Hill at the time made a statement that no difficulties of a serious nature had been encountered. It now appears that the negotiations have been resumed, and that the result originally aimed at will be secured, if possible, by the closing of a contract at this week's conferences. It is still unknown whether a way has been found by the lawyers to get around the Minnesota laws and allow of a guarantee of the ordinary kind, or whether the two great corporations will be substantially united by consolidation. The chances are thought to be rather in favor of procedure along lines much as originally proposed.

Mr. Adams' original statement was understood to be based upon two matters of fact. The first of these is that the Great Northern charter does not specifically permit it to guarantee bonds of other companies under any and all conditions. The second is that the statutes of Minnesota are very explicit on the point of what relations are permissible between competing roads. For example, Section 2714 says: "Any railroad corporation, either domestic or foreign, whether organized under a general law, or by virtue of a special charter, may lease or purchase or in any way become owner of or control or hold the stock of any other railroad corporation when their respective railroads can be lawfully connected and operated together so as to constitute one continuous main line with or without branches."

Section 2716 says: "No railroad corporation shall consolidate with, lease, or purchase, or in any way become owner of, or control any other railroad corporation, or any stock, franchises, rights, or property thereof, which owns or controls a parallel or competing line."

The situation as above outlined will be complicated a little when it is seen fit by the advocates of a guarantee plan to submit to their opponents a letter which has been written by one of the most influential railroad and general corporation law firms in New York, which claims that the London agreement may be legally carried out in every particular.

It was reported yesterday, although without any official confirmation, that the idea of putting a controlling interest in both Northern Pacific and Great Northern stocks in the treasury of some New Jersey corporation, to be used or organized for the purpose, had not been definitely abandoned; and that such might be resorted to by the lawyers who are trying to get up for Mr. Hill some scheme which will enable the conclusion of a deal of the kind that was interrupted by Mr. Adams in his original statement on the subject.

NORTHERN PACIFIC AGAIN

A New Scheme of Reorganization Probably Will Be Announced in a Few Days.

It was learned on unquestionable authority yesterday that a new plan was being prepared for the reorganization of Northern Pacific. This, it is understood, is entirely different from the Adams plan, which contains the guarantee by the Great Northern, and which, it has been again and again reported, has failed on account of this feature which conflicted with the laws of Minnesota.

The people from whom The Press obtained the information about the new plan said that it had been indorsed by some of the heaviest interests, but they were not yet ready to give out the details. They pronounced the story published last week of the formation of a company which would buy up the interests of both the Northern Pacific and the Great Northern, ridiculous.

The following statement was given out yesterday by people connected with the Adams Committee:

"Frequent conferences were held last

week between J. P. Morgan & Co., E. D. Adams and Jacob Schiff, the latter representing Great Northern interests in Mr. Hill's absence. It is believed, as a result of these conferences, that a solution of the difficulties has been found. President Hill, of the Great Northern Company, will be in New York this week, and it is expected that a final agreement between the Northern Pacific and Great Northern interests will then be reached."

Just what this meant no one seemed to know. Not long ago Mr. Adams gave out that nothing could be done until additional legislation in Minnesota was obtained. Mr. Hill promptly denied this and other people said the plan had been abandoned. Some thought that yesterday's deliverance meant that a way had been found out of the muddle.

It is said that the people in Minnesota are much opposed to the Great Northern part of the plan, as they do not wish the young road to control the old one.