

MONDAY EVENING, JULY 22, 1895.

THE NORTHERN PACIFIC PLAN

**President Hill's Arrival Discussed
in Wall Street in Connection
with the Reorganization.**

GUARANTEE OF FIXED CHARGES

**Opposition Expected from Some Stock-
holders and the Operators of the Road.**

**Effect of the Deutsche Bank's Control
of the Consolidated Bonds—Confer-
ences Between Messrs. Morgan,
Schiff and Adams.**

President J. J. Hill, of the Great Northern Railway Company, will arrive in this city from the West to-night and the news of his coming stirred up a keen interest in the affairs of the Northern Pacific Company in Wall street to-day, which, before the close of business, seemingly developed into the firm conviction that the reorganization of the great insolvent railway system upon the lines of the London agreement is now a certainty.

Besides the general features of plan which will be considered by Mr. Hill with the other large interests here, it is understood that the particular cause of his presence at this time is the final arrangements to be made in connection with the underwriting syndicate. Little doubt has been expressed by eminent financiers, lawyers and railroad men that some union of interests between the Great Northern and Northern Pacific can be brought about legally in spite of the statement from a member of the committee who recently declared that the laws of some Western States would prevent the carrying out of the original plan under which the Great Northern in return for certain stock bonus would guarantee the fixed charges of the successor company.

The original plan can be carried out in several ways without infringing upon any of the statutes. It is announced that if the other means seem less advantageous, the reorganization of the Northern Pacific and harmonious operation in connection with the Great Northern can be brought about under an old Western territorial charter.

During the past week there have been several conferences between J. P. Morgan & Co., Jacob H. Schiff, representing Mr. Hill, and E. D. Adams, chairman of the Northern Pacific Reorganization Committee, and the detailed plan for putting the insolvent company on its feet again has been completed, though its announcement may be some weeks delayed. The official agreement will, it is believed, be drawn up during Mr. Hill's visit.

TO GUARANTEE FIXED CHARGES.

It will provide a guarantee of the new company's fixed charges by the Great Northern, which will receive a considerable proportion, estimated in some quarters as high as 50 per cent. of the new stock to be issued. A working traffic arrangement will be made under which it is believed the new company will be greatly benefited. While it is not intended to raise rates throughout the Northwestern country greatly, considerable extra traffic will be thrown over the new company's lines.

Railroad men who have held that an arrangement between the two roads could not be effected on account of the laws, evidently fail to recall the case of the union between the West Shore and New York Central, which was brought about with such satisfactory results to all sides, and it can be stated as the belief of the parties in control of the present situation that no operating arrangement plainly to the benefit of the companies involved and the section through which they run will be opposed by legislation.

It is expected that some opposition from the army of people now operating the company under a receivership will manifest itself. There may, it is expected, be some opposition also from stockholders who may not think that they have received the interest they should in the new company, but the Deutsch Bank of Berlin, having control of the consolidated bonds of the company, is committed to the interests back of the London plan.

In the last few days there have been exceptionally heavy dealings in these bonds, with a sharp advance in price, which is taken to indicate the probable success of the plan.