

THURSDAY, JULY 4, 1895.

## RAILROAD INTERESTS.

RUMORS ABOUT THE NORTHERN PACIFIC.  
E. D. ADAMS ISSUES A STATEMENT THAT LEGISLATION IS NECESSARY TO THE CARRYING OUT OF THE ARRANGEMENT MADE IN LONDON.

A statement made yesterday by Edward D. Adams, chairman of the Northern Pacific Reorganization Committee, that the arrangement made in London for the Great Northern Railroad to guarantee certain fixed charges of the Northern Pacific had been found impracticable without additional legislation aroused much interest in Wall Street. "The counsel of the Reorganization Committee and of the bankers interested in the negotiations," said Mr. Adams, "have expressed the opinion, in which a majority of the counsel of the Great Northern itself concur, that until such legislation is obtained the Great Northern company cannot legally fulfill the proposed guarantee."

Rumors followed the publication of Mr. Adams's statement that the plan for the reorganization of the Northern Pacific Railroad, the publication of which has been expected for some time, had failed. The appearance of a second statement by President James J. Hill, of the Great Northern Railroad, caused further Street rumors. Mr. Hill said he was surprised at the statement coming from Mr. Adams, for the reason that Mr. Adams had no authority to say that the counsel of the Great Northern Railroad considered the proposal of guarantee impracticable, or that there would be any need of legislation.

Mr. Hill's statement resulted in rumors of serious disagreement among the interests engaged in the reorganization. The rumors had an effect on the Stock Exchange, being accompanied by weakness in Northern Pacific bonds.

Mr. Hill and Mr. Morgan had several meetings yesterday, and it was said on good authority that Mr. Hill does not see any material difficulty in the way of carrying out the arrangement made in London.

The Northern Pacific reorganization plan, it has been understood, contemplates the issuing of \$100,000,000 in new 4 per cent bonds, and from \$80,000,000 to \$100,000,000 new stock, and the guarantee of the bonds by the Great Northern for which the latter will get half the stock, thereby controlling the property.