

# NO LEASE OF NORTHERN PACIFIC.

7-4-1895  
**Chairman Adams Says Great Northern Can't Carry Out Its Offer; President Hill Says It Can.**

Edward D. Adams, Chairman of the Northern Pacific Reorganization Committee, yesterday announced that the proposed lease of the property to the Great Northern Railway would be abandoned.

Northern Pacific has twice tried to go it alone and has twice landed in bankruptcy, where it now is. The rival line under the presidency of James J. Hill, is vigorous, and its guaranty of the fixed charges of Northern Pacific was looked upon as a good thing.

This was the plan which for months past has been forming and which during the presence in London recently of Hill, Adams and J. P. Morgan was submitted to and ratified by the heavy foreign holders of the road's securities. It was supposed that every step was under the guidance of counsel and the securities affected were buoyant. It was a very wet blanket, indeed, when Mr. Adams announced that:

"Counsel of the Reorganization Committee and of the bankers have expressed the opinion (in which a majority of the counsel of the Great Northern concur) that until legislation is obtained, the Great Northern Company could not legally fulfil the proposal of guaranty which had been made in its interests."

President Hill, who was busy getting ready to go home to the West, would only say:

"No conclusion that the plan is impracticable has been arrived at and no authority for or indorsement of any such statement on behalf of the Great Northern counsel could be made. I am greatly surprised at any such statement purporting to come from Mr. Adams."

The objection, it was explained, lay in the fact that the charter of the Great Northern did not specifically give it authority to enter into a lease with a competing line. The ruling of the courts has been that where a power is not given it is prohibited, and it will be impossible to change the charter until the Minnesota Legislature meets, two years hence, if even then.