

The Canadian Pacific Railway Co.

Office of the Secretary

Montreal 27th Oct 1882

NOTICE.

A Special General Meeting of the Shareholders of this Company will be held at the Head Office in Montreal on Tuesday, the 28th day of November next, at twelve o'clock noon, to consider and determine upon the increase of the Capital Stock of the Company, and to provide for restricting the issue of Bonds and preference stock.

By order of the Board,

C. Winchwater

Secretary.

To J. I. Hill Esq.

S. Paul.

Minn. U. S. A.

Saint Paul & Duluth Railroad Co.

Office of
WILLIAM H. RHAWN,
Vice-President,
318 Chestnut Street.

J. H. 1

Philadelphia Oct. 28. 1882.

Meeting at
12 o'clock

My dear Sir: —

It having been decided by President Smith and the Executive Committee, that the dividends upon our preferred stock must be paid semi-annually upon the first days of July and January, as provided in the plan of reorganization set forth in the by laws, I presume that the board of directors will be called together in December in ample time for the closing of the books and the declaration of the dividend to be paid in January. I have had some correspondence with Pres. Smith, which I requested might be laid before the directors, whom I unfortunately cannot often meet, giving my views relative to the matter of dividends, and I would now be pleased to have your views as to their amount and character.

The preferred stockholders received in November last 10% in preferred stock in lieu of all dividends to June 30 of '11, with the understanding that thereafter the net income from all sources up to 7% per annum was to be paid them in cash; to facilitate which, the stockholders authorized the loan of a million dollars to complete improvements without further application of the income. Under this arrangement there was due the preferred stockholders 7% dividends for the year ending June 30 of '12, of which they have received but 3 1/2%. The net income of the railroad for the year ending June 30 of '12 is \$103,188.98, and from land and stumpage \$264,447.17, (including \$25,000 stumpage bills receivable discounted in June) together, \$367,606.15. The 3 1/2% divided out of this amounts to \$127.382, leaving still \$188,224.15 or more than enough for the 3 1/2% additional due under the plan.

Saint Paul & Duluth Railroad Co.

Office of
WILLIAM H. RHAWN,
Vice-President,
318 Chestnut Street.

L. J. H. 2. Philadelphia, Oct. 28. 1882.

\$507,927.41 was expended in the year ending June 30/82, in improvements, construction and equipment, in addition to all operating expenses and other charges, and certain other assets were acquired by the company. The net income of the railroad from June 30/81 to Sep. 30/82 is \$194,124.53, and from land and steam page, \$314,927.55 in cash and \$15,812.88 in preferred stock, aggregating \$522,864.96 in the fifteen months, from which the \$179,382 was paid, leaving \$343,482.96 net balance of income from all sources Sep. 30, or within \$15,281.04 of the amount required to pay 7%, which I claim will be due on the preferred stock Jan. 1/83, as it will undoubtedly be earned. The net income of the railroad for August and September

is \$60,014.79, which will no doubt
be exceeded in October and November,
as the gross income for October
will, at the rate of the first three
weeks, be \$150,000, and we shall
probably show a balance of net
income from all sources of considerably
over \$400,000 Nov. 30/82, without in-
cluding receipts for land in preferred stock.

It is very apparent from this showing
that there will be ample income for the
full 7% per annum for the entire eight-
een months ending December 31/82,
but as a portion of this money has been
expended in the improvements and con-
sequently will not be on hand to divide,
I would be glad to know what you
think should be done about it.

Your early attention will greatly
oblige,

Yours very respectfully,

H. H. Brown
V.P.

Jas. Hill, Esq. }
St. Paul,
Minn.

JOHN S. KENNEDY,
J. KENNEDY & CO.

Private

J. S. KENNEDY & CO.

NEW-YORK 30th Oct^r, 1882

My dear Mr. Hill:

I arrived home safely on Friday night and find everything working on here pretty well.

I am at work on the contracts for the sale of lead contracts to the Equitable Trust Co. and hope to get them through in the course of this week.

Mr. Angus has been pressing my firm very hard for the payment of the balance on your Canadian Pacific stock, and, during my absence, sent them a telegram from Mr. Stephen from Winnipeg intimating that you would arrange it with me when I came to St. Paul.

As you have now decided to make the payment I would be obliged by your sending me definite instructions regarding it. I think that I can be in funds to meet it by the end of this or first of next week, derived from the source I mentioned to you when in St. Paul, and I assume that I can use any stock or property of yours in my firm's hands as collateral security?

Touching steel rails, I am informed that when Carnegie was out West about 10 days ago he sold Minn^{ie} 11,000 tons for April, May & June delivery @ \$46. per ton Cash on the cars at Chicago. This is said to be the lowest sale yet made. I have offered the

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Cambria Co. \$44 per ton for February, March and April delivery, but do not think they will accept it, though I am promised an answer tomorrow or next day. The tendency of everything is downward and, were it not for the convenience of getting rails at the particular times you want them, which is certainly a great convenience, I would be inclined to postpone purchasing until after the New Year.

If, however, I can get the rails at 44 or even \$45 per ton I think it might be well to secure them so as to get deliveries in February, March and April, for, under no circumstances can they fall much below that figure. I will write Mr. Manoel today to the same effect.

I will endeavor to get up the account against you and the St. Paul Company for the Improvement Co. stock and forward it either today or, at latest, tomorrow.

Respectfully,
Yours very truly,

Wm. Kennedy

P.S. When in Chicago on Wednesday, last, Mr. Stephen and I saw Mr. Marshall Field and Mr. Stephen again urged him to accept a seat in the Board which he finally agreed to do at Mr. Stephen's ^{request} ~~request~~. I therefore telegraphed you asking you to procure the resignation of Mr. Caldwell and forward it to me so that when Mr. Stephen comes

here this week we can have a meeting
of the Board; accept M^r. Galusha's resignation
and have M^r. Field elected to fill the
vacancy thus occurring. I think
M^r. Field will be a valuable man for us
to have in the Board although I do
not think he can give a great deal
of time to the duties of the office.

Saw Mr. C. J. Peckham today but he was rather offish about Manitoba
Stock which has been dropping since the middle of last week and today went
down to 140%. I cannot trace the cause to a certainty but I think it is owing to
the large amount of stock held on margin on Canadian Account and to the fact
that the Bankers and Trust Co^s will not loan on it except at a large margin.
I hear that R. L. Harris Co. actually refused last week to receive 400 shares of it
as part collateral on a loan. Mr. Peckham is going out of town for a few days but
says he will be back to meet Mr. Williamson
when he comes down from Montreal.

James J. Hill Esq,

St. Paul

Yours

V. M. K.

A. W. Edwards



Red River Falls

Editorial Correspondence

Oct 30 1882

Recd
10/25/82
Hill Esq
St Paul.

Sir:

Herewith find

Enclosed note \$15,000, 5 yrs, 7% nov 1st
with \$2,000 Argus stock as collateral, all
made out as previously shown you.

Trusting same may be
found correct, and you can kindly
place to credit First National
Bank, Fargo, for my a/c the balance
of \$15,522⁹⁵ as per statement sent
I am,

Very truly yours
A. W. Edwards.



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