



Nichols, E. T.

April 1, 1898

Hill to Nichols

Re terms of new mortgage [Eastern & Northern divisions of G.N.]. The form of guarantee of bonds of Eastern Ry. Co. of Minn. by the Manitoba Road and Gt. Nor. is correct. The lines of the companies now connect at Hinckley & will be extended by Eastern at Fosston. Exchange of traffic is large & profitable. G.N. has trackage over Eastern to Lake Superior & Eastern has trackage over G.N. to Twin Cities. G.N. owns all the capital stock of Eastern & has pledged same to Manitoba Road as security for the covenants in the lease from the latter co., so that practically the GN and Mani  under law of Minn. ar

guaranteeing their own debts. "I shall be surprised if the complete  line will not earn 6 times its annual interest; and back of that it has very extensive terminal facilities at head of Lake Superior that would cost more than any Railway Co. could afford to pay.

JJH LetterBook, 10/11/95 - 3/13/99, p. 303