

Northern Pac. Road - Reorganization 6/24,1895

Press copy of Hill's letter to Lord Mount Stephen (Geo.Stephen) from N.Y., 4 pages, and very frail. Mounted in bond folders.

"I saw Mr Morgan on Friday a.m. after his arrival here Thursday night.They all seem imbued with the idea that an Era of real business prosperity is at hand and that the railways are going to make very large Earnings &c. all of which makes it easy to raise the amt. of our guarantee.I am sorry I do not see things in the same light.When we agreed upon \$6,200,000 in London to be guaranteed I felt confident we could earn it but there was little or no margin to provide against unfavorable conditions,which

would affect both the Nor.Pac. and Gt. Nor.
alike and at the same time not allowing one to
make good the shortcomings of the other, and as
you state it we went almost to the verge of im-
prudence for you will remember we have to save
\$509,500** for the St Paul and Nor Pacific and
\$75,000* for the Nor Pac Terminal Co. or alto-
gether \$6,779,500 while the net earnings of the
year ending June 30th 1894 were only \$4,265,263
which were added to about \$500,000 of other in-
come bringing the net income of the Company up
to \$4,770,000, or fully \$[...]*** less than the
amt required to pay our guarantee plus the nec-
essary charges on terminals &c. I fully realize
the value of bringing the properties together

~~the xxxxxx~~

* \$ 70,000

See card 2** 509,500 [?]

\$ 2,550,000 and
\$ 2,000,000 or
[?]