

Railroads - Capitalization

July 22/98

To E. T. Nichols

"We have to get from the shareholders authority to increase the capital stock for the purpose of exchanging the Manitoba & in order to increase the dividend should we desire to do so, it will be necessary to void the preference which the present Gt. Nor. stock holds over the Common. In other words, we shall want to make the stock of the Company one straight Common Stock, without any preference or classification.

JJH Letter Book, 10/11/95 - 3/13/99, p.375