


Seattle & Montana Ry. July 9, 1898.
Company

See clipping enclosed in Matson [?]
to James J. Hill.

"In the course of the Company's operations during the last seven years, a surplus of income had accumulated under various heads, representing earnings of the various properties in the system, which income was used for the acquisition of various properties in one form or another. These properties, representing an actual cost of something between eleven  twelve million dollars, were separately owned and were not
(see back of card)

capitalized in any form. Great Northern managers decided to capitalize them definitely under the name of the Seattle & Montana Railway Company, and to make a distribution of the capital stock thus created to Great Northern stockholders, pro rata with their holdings. Having done this, Great Northern then purchased with its own preferred stock the capital thus created..."

General Correspondence by date.