Spokane Falls & Northern Railway Co. 7/2/98
To Lord Mount Stephen
For last year and half have said to Nor.Pac.

pres. several times that when time comes we should jointly work to secure Spokane Falls & Northern running from Spokane to Rossland & Nelson. Recently N.P. bought control of both bonds & stock. Arrangement between N.P. & G.

N. On Tues. next we receive and pay for the stocks & bonds - cost about \$6 million. About 1/3 of mileage is in Brit. Col. & thinks Can. Pac. should have Canadian portion at cost to avoid rate wars &c in future. This deal would have been closed by N. P. president & Adams without consulting that for Morgan's people who bear in mind our London agreement. M.has

been quite sidetracked by the City Nat. Bank in govt. bond matte and feels it deeply. REGISZEZEZEZEZEZ Their house is losing busines: & position very fast. Schiff's success in Union Pac. reorganization has brought him and Speyers the Balt. & Ohio and they are trying to do well with itk Will T think succeed. Mr. Coster, the active man in Morgan's house, has broken down physically and sails for England the 16th.

JJH Letter Book, 10/11/95 - 3/13/99, inserted after p. 349