

# CANADIAN PACIFIC RAILWAY COMPANY.

ISSUE of £903,375 STERLING PERPETUAL FOUR PER CENT. CONSOLIDATED DEBENTURE STOCK.

Messrs. BARING BROTHERS and CO. are PREPARED to RECEIVE APPLICATIONS for the above Stock, bearing interest at the rate of 4 per cent. per annum, from the 1st October, 1889, payable at the Company's London office on the 1st January and 1st July in each year, the said stock being issued under the powers conferred by "The Canadian Pacific Railway Act, 1889," and by the shareholders of the Company at the meeting held in May, 1889.

A coupon for three months' interest, due 1st January, 1890, will be attached to the scrip.

The price of issue is 90 per cent., payable as follows:—

- £5 per cent. on application.
- 20 per cent. on allotment.
- 30 per cent. on 15th November.
- 35 per cent. on 13th December.

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£90

The balance-sheet of the Company for the year 1888 showed surplus net earnings of \$326,423 (after providing for all fixed charges) and from the experience of the current year (the net revenue for the eight months to August 31 having been \$3,243,000), the officials of the Company estimate the net earnings for 1889 at upwards of \$6,000,000, or at least \$2,200,000 in excess of the fixed charges for the year. And, further, the Company have funds with the Dominion Government from which the annuity of 3 per cent. upon the share capital is provided and secured to the shareholders for a yet unexpired period of four years.

The proceeds of £835,312 10s. of this issue will be applied to take up \$3,240,000 5 per Cent. Preferred Stock issued by the Atlantic and North-West Railway Company to complete the construction and equipment of its railway, the payment of the interest on which Preferred Stock has been assumed by the Canadian Pacific Railway Company as additional rental of the said Atlantic and North-West Railway, and the balance to complete a branch line of 11 miles from Mission, a station on the Company's line in British Columbia, to connect at the international boundary with a line now being built by an American Company to the city of Seattle on Puget Sound. This line forms the last link in the chain of railway connections along the Pacific Coast from the Canadian Pacific Railway to the Gulf of California.

The issue of 4 per Cent. Debenture Stock is strictly defined by the Act, the full text of which is printed on the prospectus. Except for the purposes above mentioned this stock may only be issued, first, in substitution of the present bonded and similar indebtedness, according to the schedule appended to the Act, and to such an amount as shall not exceed the interest charge of such indebtedness thereby cancelled: and, second, to the extent of £500 a mile for such improvements and auxiliary work as may from time to time become necessary and be authorised by two-thirds of the stockholders present in person or by proxy at a meeting called for the purpose.

The failure to pay any instalment when due renders all previous payments liable to forfeiture.

The remaining instalments may be paid up under discount at the rate of 4 per cent. per annum on any Tuesday or Friday subsequent to the issue of Scrip Certificates.

The subscription will be closed on or before the 11th inst. at 4 p.m., and in cases where it is not practicable to make any allotment, the amount deposited on application will be returned as soon as possible.

8, Bishopsgate-street Within, E.C., October 8, 1889.