

\$30,000,000

Canadian Pacific Railway Company

Twenty Year 4½% Sinking Fund Secured Note Certificates

Date of Issue December 15, 1924.

Date of Maturity December 15, 1944.

Principal and semi-annual interest (June 15 and December 15) payable direct to holders by cheque negotiable at par at any Branch in Canada of the Bank of Montreal. Fully registered Note Certificates will be issued in denominations of \$100, \$500, \$1,000, \$10,000 and \$100,000. Redeemable in whole or in part on any interest date on six weeks' prior notice at 102 and interest up to and including December 15, 1929, and at a declining premium of ½ of 1% during each five-year period thereafter.

Legal investment for Canadian Insurance Companies.

TRUSTEE AND REGISTRAR: THE ROYAL TRUST COMPANY.

Transfers may be effected at the Registrar's offices or agencies in Halifax, St. John, Montreal, Ottawa, Toronto, Winnipeg, Regina, Calgary and Vancouver.

Mr. E. W. Beatty, K.C., President of the Canadian Pacific Railway Company, has summarized his letter of December 8, 1924, as follows:—

These Note Certificates will be direct obligations of the Railway Company and have priority over \$93,335,254 Preference Stock and \$260,000,000 Common Stock, representing an equity at present market prices of approximately \$460,000,000. The Preference Stock has received 4% dividends without interruption since its issuance in 1895. The Common Stock has paid dividends continuously since 1882, with the exception of the year 1895, the rate since 1912 having been 10% per annum.

In addition they will be secured by the assignment to the Trustee, by way of security, of all unpaid purchase money or deferred payments owing or accruing due to the Railway Company in respect of lands in the Provinces of Manitoba, Saskatchewan, Alberta and British Columbia, sold or contracted to be sold by it prior to December 1, 1924. The amount due or accruing due to the Railway Company on December 1, 1924, in respect of said sales was \$66,000,000. The Railway Company will covenant to pay to the Trustee all monies, both principal and interest, less expenses and taxes paid to protect the security, received by the Railway Company in respect of the said contracts. The Railway Company covenants that it will not charge the lands in respect of which such deferred payments are or shall be due, so as to prejudice in any manner the security hereby created.

All monies received by the Trustee will be utilized for the payment of interest on these Note Certificates and thereafter as a Sinking Fund for the purchase and cancellation of these Note Certificates at the best prices obtainable up to the call price prevailing at the time of such purchase. If Note Certificates cannot be so purchased the Trustee shall redeem the Note Certificates by lot at the prevailing call price. The Railway Company will covenant that in the fourth and each succeeding year the annual amount available for the purchase of Note Certificates will be at least \$300,000.

The Note Certificates will be issued under, secured by and subject to a Trust Agreement between the Railway Company and The Royal Trust Company as Trustee.

The net earnings for the last five years, after paying all fixed charges, including interest on Consolidated Debenture Stock and all other obligations, have been as follows:

Year ending December 31, 1919.....	\$31,320,868
“ “ “ “ 1920.....	32,844,083
“ “ “ “ 1921.....	33,169,867
“ “ “ “ 1922.....	33,545,140
“ “ “ “ 1923.....	34,899,409

Yearly interest on these Note Certificates amounts to \$1,350,000. The average yearly net earnings for the last five years as above set forth amount to \$33,155,873, or over 24 times annual interest requirements on these Note Certificates.

These Sinking Fund Secured Note Certificates are offered if, as and when issued and received by us, and subject to the approval of all legal details by Messrs. Meredith, Holden, Heward & Holden. Trustee Certificates in interim form or Note Certificates in definitive form will be available for delivery on or about December 30, 1924.

Price 92.25 and interest, to yield 5⅛%

Bank of Montreal

The Royal Bank of Canada	The Canadian Bank of Commerce	The National City Company
Wood, Gundy & Company	Dominion Securities Corporation	A. E. Ames & Company
Harris, Forbes & Company	Hanson Bros.	R. A. Daly & Company
Matthews & Company	Nesbitt, Thomson & Company	Rene T. Leclerc, Inc.
Osler & Hammond	Greenshields & Company	The Dominion Bank
The Bank of Nova Scotia	Imperial Bank of Canada	Bank of Toronto
Banque d'Hochelega	The Molsons Bank	Union Bank of Canada
The Standard Bank of Canada	The Sterling Bank of Canada	La Banque Provinciale du Canada

The information contained in this advertisement is based upon official statements and statistics on which we have relied in the purchase of these Note Certificates. We do not guarantee but believe it to be correct.