CANADIAN PACIFIC RAILWAY COMPANY.

Issue of **£1,330,000** *Atlantic and North-West Railway* **5** *per Cent. Guaranteed First Mortgage Bonds*

The Atlantic and North West Railway Company has obtained from the Government of the Dominion of Canada an annual subsidy for twenty years of $186,600, equal to £38,486 5s. sterling and is leased in perpetuity to the Canadian Pacific Railway Company for an annual rental of £66,500, being the amount of the interest on the £1,330,000 of bonds now issued. The Government subsidy for its term of twenty years will be applied to the payment of the interest on these bonds, leaving £28,013 15s. per annum for the Canadian Pacific Railway Company to provide for the said period of twenty years. The Government and the Company respectively contract to pay these sums direct to Messrs. Baring Brothers on account of the bondholders.

Messrs. Baring Brothers & Co. are prepared to receive applications for the above Bonds, bearing interest at the rate of 5 per cent. per annum from the 1st April, 1887, payable at their Counting House in London on the 1st January and 1st July of each year. The Bonds mature 1st January, 1937, and will be paid off at the Counting House of Messrs. Baring Brothers & Co.

A Coupon, for three months' interest, due 1st July, will be attached to the Scrip.

The Bonds will be in denominations of £1000, £500, and £100 each.

Trustees for the Bondholders:—

The Hon. Sir Charles Tupper, G.C.M.G., *Minister of Finance for the Dominion of Canada.*
The Right Hon. Lord Wolverton, } *Financial Agents for the*
The Right Hon. Lord Revelstoke, } *Dominion of Canada.*

Issue price **103 per cent.** payable as follows:

£ 5	per cent.	on	application.
20	,,	,,	allotment.
40	,,	,,	8th June, 1887.
38	,,	,,	6th July, 1887.
£103	per cent.		

Payment may be made in full under discount at the rate of **3 per cent.** per annum on allotment, or upon any Tuesday or Friday subsequent to issue of Scrip Certificates. The failure to pay any instalment when due forfeits all previous payments.

For the security of Investors, the Bonds may be exchanged for Registered Certificates at the Counting House of Messrs. BARING BROTHERS & Co., where a Register of Transfers will be kept; Warrants for the Dividends being forwarded by post to the registered address of the proprietor.

Applications must be accompanied by a deposit of 5 per cent., as per enclosed form, and in cases where it is not practicable to make any allotment, the amount deposited on application will be returned as soon as possible.

Scrip Certificates to Bearer will be issued against Letters of Allotment, and Bonds to Bearer, when ready, will be exchanged for fully paid-up Scrip.

The annexed Memorandum gives particulars of the Canadian Pacific Railway Company and the Atlantic and North-West Railway.

8, Bishopsgate Street Within,
25th April, 1887.

OFFICIAL MEMORANDUM.

The Atlantic and North West Railway extends from the new bridge of the Canadian Pacific Railway Company, over the St. Lawrence River near Montreal, in an easterly direction through the southern section of the Province of Quebec by the way of St. Johns, Granby, Sherbrooke, Lennoxville, and Lake Megantic to the International Boundary, and thence across the State of Maine by the way of Greenville, at the southern extremity of Moosehead Lake, to Mattewamkeag on the Maine Central Railroad, over which trackage rights have been secured from Mattawamkeag to Vanceboro, at the New Brunswick boundary, where connection is made with the railway system of the Maritime Provinces of Canada.

The chief object of the construction of this railway is to afford to the Canadian Pacific Company an independent and the shortest possible line to the Maritime Provinces, and connections with the entire Atlantic seaboard from Boston to Cape Breton, and access to the large traffic of the New England States. The line is a necessary supplement to the Canadian Pacific Railway, which, without it and without a bridge over the St. Lawrence River has hitherto been confined in its operations to the north side of that River, and has had no access to a winter seaport and no connection with the South Eastern Railway, the control of which the Company acquired at an early date for the purpose of making secure its future connections with the eastern seaboard.

The St. Lawrence bridge of the Canadian Pacific Company will be completed during the present month (April), and rails have already been laid on the Atlantic and North West line from the bridge to St. Johns, Quebec. The International Railway, extending from Sherbrooke to the International Boundary near Lake Megantic has been purchased on favourable terms and will form part of the through line, and the rails have been laid eastward from the International Boundary in the State of Maine for a distance of 17 miles, and on the intermediate sections the work of construction is actively going on with a view to the completion of the entire line by the end of the present year.

The Atlantic and North West Railway connects at St. Brigide with the South Eastern Railway extending to Newport, Vermont, and forming part of the most direct lines between Montreal and Boston, and Portland, and affording direct connections with all of the principal points in central and southern New England. At Sherbrooke it connects with the Quebec Central Railway, extending north-eastward to Point Levi on the St. Lawrence, opposite Quebec, and at Lennoxville with the Passumpsic Railway extending southward through the State of Vermont. A branch line from the Maine Central Railroad is expected to be built during the present year, from Skowhegan, in Maine, northward to a connection with the Atlantic and North West Railway, at a point immediately east of the International Boundary, and this will afford access to all of the important manufacturing cities in Southern Maine. From Greenville, on Moosehead Lake, a local line extends to Bangor, one of the most important cities in Maine. Between Greenville and Mattawamkeag the line passes near the Katadin Iron Works, and intersects a short line of railway leading thereto, and at Mattawamkeag connection is made with the Maine Central, the chief railway system of the State. At Vanceboro the line meets the New Brunswick Railway, which gives it access to the traffic of the entire valley of the St. John River, and affords a direct connection with the large city and important seaport of St. John, New Brunswick, whence the Intercolonial Railway (owned by the Government of the Dominion) affords an immediate connection with Moncton, Halifax and all parts of Nova Scotia.

The advantage of the Atlantic and North West line in respect of the traffic of the Maritime Provinces will be made apparent by a glance at the following comparative distances:—

From St. Lawrence Bridge, Montreal, *viâ* Atlantic and North West Railway, to St. John, N.B., 470 miles; to Halifax, N.S., 747 miles.

From Montreal, *viâ* Grand Trunk and Intercolonial Railways, to St. John, N.B., 751 miles; to Halifax, N.S., 850 miles.

Difference in favour of Atlantic and North Western line to St. John, 281 miles; to Halifax, 103 miles.

Although the construction of the Atlantic and North West Railway is absolutely necessary to the through traffic of the Canadian Pacific, without regard to local considerations, the greater part of the country through which it passes was settled many years ago, and its agricultural and manufacturing resources are already well developed, insuring to the line a large and profitable local traffic immediately upon its being put in operation. From Montreal to Lake Megantic, a distance of 165 miles, the line passes through the richest section of the Province of Quebec, reaching the important manufacturing towns of St. Johns and Granby, and the prosperous city of Sherbrooke, the most important place in southern Quebec. The northern section of the State of Maine, opened up by this line, is rich in timber and minerals, and has large areas of fine agricultural land.

The Atlantic and North West Railway Company has obtained from the Government of the Dominion of Canada an annual subsidy for twenty years of $186,600, the sterling equivalent of which is £38,486 5s. The Atlantic and North West Railway is leased in perpetuity to the Canadian Pacific Railway Company for an annual rental of £66,500, an amount precisely equal to the interest on the £1,330,000 of bonds now proposed to be issued. But the Government subsidy for its term of twenty years will be applied to the payment of the interest on the first mortgage bonds which leaves £28,013 15s. per annum for the Canadian Pacific Railway Company to provide for the said period of twenty years, or less than £87 per mile per annum. The Government and the Company respectively contract to pay these sums direct to Messrs. Baring Brothers on account of the bondholders. At the end of twenty years the Company provides the whole £66,500.

The gross earnings of the Canadian Pacific Railway for 1886 were $10,081,803 and the net profits were $3,703,486. The fixed charges at the end of the year were $3,112,334.

GEORGE STEPHEN, *President.*

MONTREAL, *7th April,* 1887.

Canadian Pacific Railway Company.

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Issue of £1,330,000 Atlantic and North West Railway 5 per Cent. Guaranteed First Mortgage Bonds.

Messrs. Baring Brothers & Co.,

__________ request that you will allot to __________

£ __________

nominal capital of the above Loan on which __________ enclose the required deposit of Five per Cent. or £ __________ and __________ agree to accept that amount or any less amount that may be allotted to __________, and to pay the balance of such allotment according to the conditions of your Prospectus of the 25th instant.

Name in full __________

Address __________

Date __________

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