

“ rebates out of the Ontario and Quebec interchanged  
 “ traffic receipts as may be necessary to make up any defi-  
 “ ciency in the 4 per cent interest referred to in Mr  
 “ Osler's letter to Mr. Gramshaw (see Appendix A) and  
 “ generally to carry the proposition in the said letter into  
 “ effect ; the terms of the agreement between the compa-  
 “ nies to be subject to the usual confirmation of the share-  
 “ holders of both companies.

“ In the event of the requisite powers to amalgamate  
 “ the Toronto, Grey and Bruce and Ontario and Quebec  
 “ Railway Companies being obtained, and an agreement for  
 “ amalgamation being entered into, one of its terms shall  
 “ be that Osler & Co. shall receive par for the \$400,000\*  
 “ of Toronto, Grey and Bruce stock held by them.”

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\* This stock was purchaseable in Toronto at about 10 cents on the dollar.

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#### APPENDIX A.

London, December, 1881.

W. H. GRAMSHAW, ESQ.,  
*Chairman,*

London Committee of Bond holders,  
 Toronto, Grey and Bruce Railway.

DEAR SIR,

On behalf of the Ontario and Quebec Railway Company, I beg to make the following proposals for united working of the two systems of Railway.

1. That the claim for overdue interest upon the existing past due 6 per cent Bonds of the Toronto, Grey and Bruce Railway be surrendered.

2. That the holders of such bonds do accept 4 per cent for thirty years from 1st January 1882, receiving either bonds of the Toronto, Grey and Bruce, secured as hereinafter mentioned, or in the event of amalgamation, Bonds of the Ontario and Quebec.