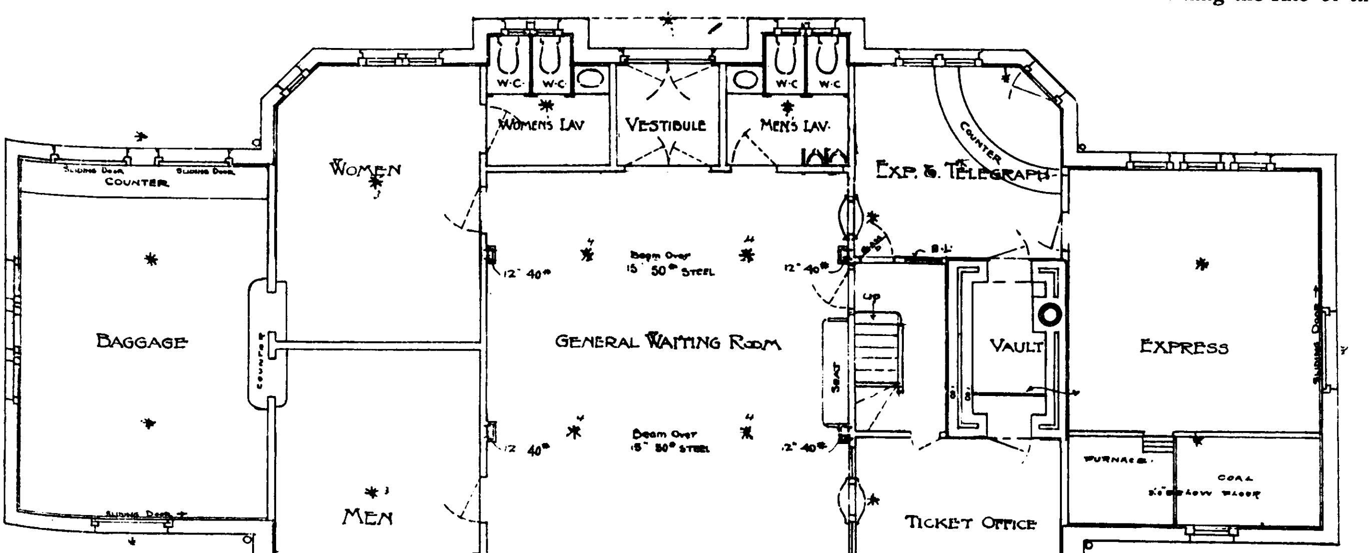
in detail of the road's future, but expressed the opinion that the road was now placed on a basis which would be to the benefit of all interests concerned. He said General Manager Hays, of the G. T. R., was a brilliant railroad man, & that Vermont interests would be well looked after under the reorganized management.

Attorney C. M. Wilds, who has practically had charge of the reorganization, was asked what effect a protest made by the New York Central interests against the sale would have upon the situation, & replied as follows: "Mr. Young, who presented the objection to the sale, represents bondholders holding about $316,000 of bonds made by the Ogdensburg & Lake Champlain R.R. Co. & guaranteed by the Central Vermont R.R. Co., which are in default. These bondholders have contested their rights in court & their principal grounds of objection, as well as the protest that the New London Northern lease is not subject to the mortgage, & that the second mortgage is not valid, have already been passed upon in court adversely to the contentions of Mr. Young's clients. The other grounds of objection were to the sale of various parcels of land acquired since the mortgages were executed, & which were claimed not to be covered by the mortgage. These parcels of real estate are of small value. It is expected that the confirmation of the sale will promptly follow, & that upon the return about the middle of April of Mr. Hays, who is now abroad, & who is one of the corporators of the Central Vermont Ry. Co., the new company, chartered at the last session of the Vermont Legislature, will be organized & that the receivers will turn over the property to the new corporation about May 1. The G. T. R. Co. is to guarantee the payment of interest on the new bonds, which will be issued to the amount of $12,000,000, & it will own something more than two-thirds of the entire capital stock of the new company, which will be $3,000,000. It will, therefore, be able to name the directors of the new company, although three of the board are to be chosen on the nomination of the bondholders.



TRACK ELEVATION AND FLOOR PLAN, C. P. R. STATION, NEW WESTMINSTER, B.C.

The close relations which have hitherto existed for many years between the C. V. & the G. T. will be perpetuated. The interchange of traffic between the two roads will be provided for by traffic agreement. What change there will be in the management is not at present disclosed. All conflict between the security holders has been adjusted & the litigation over the C.V.R. is practically concluded."

In reply to a question regarding the policy of the new management regarding improvements & the quality of service to be expected by the people of Vermont, Mr. Wilds said:—"Some weeks since the court authorized the receivers to purchase 5,000 tons of steel rails, which when laid will complete the relaying of the main line with 75 lbs. rails. Most of the wooden bridges have been replaced with iron structures, & it is expected that the remainder will soon give place to new bridges. The somewhat radical improvements in management inaugurated on the G.T.R. since Mr. Hays took the management warrants the prediction that the future management of the C. V. under the controlling influence of the G.T. will not be lacking as to efficiency & satisfaction to the public. It will be operated under its new charter as a Vermont institution."

Turning to the subject of the action of the bondholders Mr. Wilds said that less than ½ of 1% of the entire issue of bonds of both classes had failed to come into the reorganization, the entire balance of the bonds being represented by Mr. Baker, the successful bidder at the sale. The first mortgage bondholders will receive new 4% bonds in exchange for their holdings of the old bonds & interest at the rate of 4% per annum since Feb. 1, 1898. This interest has already been advanced by the G.T.R. They also receive 8% on the face of their bonds in the stock of the new company for defaulted interest. These old bonds, by the way, are now selling in Boston at 94. The second mortgage bonds were generally held as collateral security, & their holders will receive new bonds for the face of their loans. The sale of a railway at auction is unusual in Vermont, but the mortgages having provided for a sale in the event of default, Judge Wheeler thought that the foreclosure proceedings should be completed by such a sale of the property. It was sold as a single parcel, & the conveyance by the master will be direct to the new company.

Mr. Baker, of the purchasing committee, made a number of interesting statements with reference to the bondholders. He said the bondholders were over 1,300 in number, & it seemed that nearly all of them had called upon him at his office. The bondholders were widely scattered, being located in various parts of the country. All of the bonds except about $40,000 were represented in the purchase of the C.V.R.

At a session of the U.S. Circuit Court at Brattleboro', Vt., Mar. 28, a hearing was had in the Central Vermont receivership case on petition of the American Loan & Trust Company, for an order confirming the sale of the road by the special master, whose report has been filed, & after such hearing the prayer of the petition was granted & an order entered accepting & confirming the master's report & confirming the sale to E. H. Baker & H. B. Day.

The C.V.'s main line runs from Windsor, Vermont, to Rouse's Point, N.Y., 158 miles. There are 3 branches, between Montpelier, Jct., & Montpelier, Vermont; between Essex Jct. & Burlington, Vermont; & between Swanton Jct. & Province Line, Que., making a total mileage of 178. The Montpelier & White River R.R., from Montpelier to Williamstown, Vt., is 13 miles, & there are 318 miles of leased lines, making the total length of lines operated 510. The leased lines are—Burlington & La Moille Valley, 26 miles; Missiquoi Valley, 28; Montpelier & Vermont Jct. 23; Stanstead, Shefford & Chambly, 43;