

i.e., the stock held by you, subject to private arrangement with the others. And whatever street rumour may say of public opinion, I should judge that this would do all that is needed.

Please let me hear from you.

Truly yours,
(Signed,)

G. W. McMULLEN.

SIR HUGH ALLAN,
Montreal.

Letter No. 20.

Reply to above.

MONTREAL, 11th November, 1872.

DEAR MR. McMULLEN,—Your really know as much about the Pacific Railroad contract as I do, and that is not much.

I am assured that the Government have resolved to form a new company, but under what conditions, or who the parties will be, I am ignorant. It is said that the whole matter will be arranged by the end of this month, and if so, we will soon know it.

I have not changed my views of what it ought to be.

Yours truly,
(Signed,)

HUGH ALLAN.

G. W. McMULLEN, Esq.,
Picton, Ont.

K.

Copy of 1st Contract between Sir Hugh Allan and his American Associates.

NEW YORK, Dec. 23, 1871.

The undersigned hereby agree to associate themselves together for the following purposes, to wit :

First.—To form the Canadian Pacific Railway Company, under a charter substantially as agreed upon, and subject to such modifications or changes as shall be hereafter mutually assented to, which charter is to be procured by Messrs. Sir Hugh Allan, Charles M. Smith, and Geo. W. McMullen, from the Parliament of Canada at its approaching Session.

Second.—Under and by authority of said charter, the undersigned propose to construct the said railway.

For these purposes, we, the undersigned, each for himself, and not for the others, agree to subscribe in all the sum of ten millions of dollars to the capital stock of the said Canada Pacific Railroad Company as follows :—

The various names subscribed to this contract at the end of it, except Allan, C. M. Smith, and McMullen, and such others as they may associate with them, shall subscribe five millions five hundred thousand dollars (\$5,500,000); and Sir Hugh Allan, Chas. M. Smith, and George W. McMullen, and such others as they may associate with them, shall subscribe four millions five hundred thousand dollars (\$4,500,000); and it is further agreed, that the above named parties who shall subscribe for five million five hundred thousand dollars, shall pay in the sum of ten per centum on the whole ten millions of dollars of stock, to be subscribed as aforesaid, into the Banking House of Jay Cooke, & Co., in New York City, to the credit of the Canada Pacific Railway Company, upon its organization, to be used for the construction of said Railway, and for such other purposes as the Directors of the said Company, hereafter to be elected, shall determine ; and