

# ABRIDGED PROSPECTUS.

DOMINION OF CANADA.

## Quebec, Montmorency and Charlevoix Ry. Co'y

Comprising the Electric Railway System in the City of Quebec and Surrounding District, and including the Line to Montmorency Falls and the Celebrated Pilgrimage of Ste. Anne de Beaupre.

Incorporated under the Act of the Legislature of the Province of Quebec, 48 Vic., Chap. 58, and Amending Acts. Confirmed by the Parliament of Canada under 58-59 Vic., Chap. 59.

### Issue of \$1,500,000 25-Year 5 p.c. Gold Bonds

IN BONDS TO BEARER OF \$1,000 EACH, maturing June 1st, 1923.

Interest Payable Half-yearly, 1st June and 1st Dec., at the Bank of Montreal, Montreal.

Secured by a First Mortgage on the entire Plant, Property, Franchise, Revenues and Undertaking of the Company.

Authorized Share Capital \$3,000,000, of which only \$2,000,000 is issued and paid-up, the balance of \$1,000,000 remaining in the Treasury of the Company.

The Company reserves the right to redeem the Bonds at 110 and accrued interest upon giving six months' notice, as provided in the Trust Deed.

Trustees for Bondholders:—The Montreal Trust and Deposit Company.

### Price of Issue 104 and Accrued Interest.

THE QUEBEC, MONTMORENCY AND CHARLEVOIX RAILWAY COMPANY owns and operates the ELECTRIC RAILWAY SYSTEM OF THE CITY OF QUEBEC.

It also runs from the City of Quebec past MONTMORENCY FALLS and STE. ANNE DE BEAUPRE to Cap Tourmente, a distance of about 30 miles, which is at present operated by steam.

It is intended to electrify this road throughout and also to construct an independent branch along or near the highway to Montmorency Falls, the whole to be run in connection with the ELECTRIC RAILWAY SYSTEM of the City of Quebec, which the Company now owns and operates. The estimated cost of these improvements is \$330,000, and out of the proceeds of the present issue, this sum or its equivalent, in bonds, will remain in the hands of the Trustees to be expended for such work as it progresses.

When completed the system will comprise over 60 miles of well-equipped Electric Railway.

The actual result of the operation under one management for the past three months of the combined system as it at present exists, viz., partly steam and partly electricity, is as follows:

Gross Earnings.....	\$79,000.36
Operating Expenses.....	33,047.01
Net.....	\$45,953.35

It is estimated that the cost of snow removal for the year will be about \$12,000. Distributing this sum over the year, the proportion to be added to above operating expenses would be....

Leaving net revenue for three months..... \$42,359.35

The General Manager states that:

"In considering these results, it must be borne in mind that although the Summer returns may be regarded as more favorable than those of the Winter months, at the same time, the above actual returns are from an incomplete system, being partly steam and partly electric, and that when the improvements and additions to the system which are contemplated and provided for are complete the actual returns will undoubtedly be largely increased."

Mr. Edward A. Evans, C.E., General Manager and Chief Engineer of the Consolidated System, has made the following estimate of the probable net income of the completed railway system, and as he has had full charge of the construction and operation of the present electric system, his opinion should have weight. He estimates as follows:

Net Estimated Returns City System as at present.....	\$137,500
Net Estimated Present Steam System when converted.....	67,500
Net Estimated to Montmorency when constructed.....	18,000
	\$223,000
To provide for interest on Bonds, say 5 p.c. on \$1,500,000.....	75,000
Surplus.....	\$148,000

He further remarks:

"By combining the City System with the Cap Tourmente and Montmorency Systems the track mileage will be nearly 60 miles, and by placing the whole under one management I have no hesitation in affirming that the property when completed should yield the above returns and that the security is a most excellent one."

Mr. R. C. Brown, late General Manager of the Halifax Electric Railway and now of the Metropolitan Traction Company of New York City, has thoroughly investigated the matter, and he estimates the net income of the Company, when the system is completed, after providing for the interest on \$1,500,000 of bonds, will be \$99,650.

In closing his report he says:

"I think that you may congratulate yourselves on having in this system a well-equipped road with remarkable earning powers, and one that under careful management can be operated more cheaply than the average Electric Railway System."

In addition to the reports of Mr. Evans and Mr. Brown, we have had an examination made of the property by the well-known Electrical Experts, Messrs. Ahearn & Soper, of Ottawa, and in their report dated 17th October, 1898, appears the following:

"We have an intimate personal knowledge of the character of the construction and equipment of the Quebec District Railway, and consider it unexcelled by any electric railway on this continent. The roadbed rails, overhead electrical construction, cars, trucks and motors are all of the latest and best type."

"Owing to the railway's exceptional equipment, repairs will be very inexpensive. This fact, together with the operation of the road by water power, and the excellent management which characterizes the Company, render the property one that can be operated with great economy, while the peculiar topographical features of Quebec make the use of the cars almost a necessity and ensure an increasing revenue."

"In conclusion, we beg to say that we consider the estimate of Mr. Evans fair and conservative. In our opinion the figures given by him for the probable earnings of the steam railway transformed to electricity and the electric railway on the highway between Quebec and Montmorency are somewhat lower than the actual results will prove."

The Company has a 30-Year Franchise on most favorable terms with the City of Quebec.

#### DIRECTORS OF THE COMPANY:

President, H. J. BEEMER, Esq., Montreal and Quebec.	
Vice-President, ANDREW THOMSON, Esq., Quebec, President Union Bank of Canada.	
HON. S. N. PARENT, Quebec, Commissioner of Crown Lands Province of Quebec and Mayor of the City of Quebec.	E. E. WEBB, Esq., Quebec, General Manager of Union Bank of Canada.
FRANK ROSS, Esq., Quebec, President Quebec and Lake St. John R.R.	HON. JUSTICE. CHAUVEAU, Quebec.
WILLIAM HANSON, Esq., Montreal, of Hanson Bros., Montreal.	

Applications for the Bonds may be made to and complete Prospectuses obtained from  
MESSRS. HANSON BROTHERS, Canada Life Building, Montreal, where also the original reports of the Experts may be seen,  
CANADA LIFE BUILDING, MONTREAL,

25th October, 1898.