DRAFT-LAW OFFICERS.

F. O. March 10th, 1854.

F. O. Russia Domestic. Vol. 453. 1854.

GENTLEMEN,

I am directed by the Earl of Clarendon to transmit to you a letter February 28. from the Hudson's Bay Company, respecting a proposal made by the Russian American Company, that in case of war between the Governments of England and Russia a state of reciprocal neutrality should exist with reference to the two companies; and I am to request that you will take this subject into your consideration, and favour Lord Clarendon with your opinion as to the answer which should be returned to the letter from the Hudson's Bay Company.

Endorsed—Hudson's Bay Company.

Proposal for neutrality with Russian American Company.

LAW OFFICERS TO LORD CLARENDON.

Doctors' Commons,

March 20th, 1854.

F. O. Russia Domestic Vol. 453. 1854.

MY LORD,

We are honoured with your Lordship's commands signified in Mr. Addington's letter of the 10th inst., stating that he was directed to transmit to us a letter from the Hudson's Bay Company respecting a proposal made by the Russian American Company, that in case of war between the Governments of England and Russia, a state of reciprocal neutrality should exist with reference to the two companies; and to request that we would take this subject into our consideration, and report to your Lordship our opinion as to the answer which should be returned to the Hudson's Bay Company.

In obedience to your Lordship's commands, we have taken into consideration the letter from the Hudson's Bay Company, and have the honour to report:—

That, we are of opinion that under the peculiar circumstances of the case, your Lordship will be justified in consenting to the proposed arrangement being entered into between the two companies, and, in causing the necessary instructions to be conveyed to Her Majesty's naval officers and others, not to commit hostilities on land within the Russian dominions on the coast of America.

We beg to suggest, however, that the Hudson's Bay Company should be informed that the proposed neutrality will, as far as Her Majesty's Government is concerned, be territorial only, and confined to the land, and that its operations will not extend to the high seas, but that all Russian vessels and goods thereon, whether the property of the