

TO THE SECRETARY AND TREASURER, BROCKVILLE AND
OTTAWA RAILWAY COMPANY, BROCKVILLE.

DEAR SIR :—The Trustee having on the 10th November last taken possession of this Railway, under the powers conveyed in the mortgage, securing the payment of the interest on the Preferential Mortgage Bonds, and having subsequently appointed me to manage the Road for him, I now beg leave, by his instructions, to forward you Statements of Revenue, Expenditure, &c., &c., from the above date to the 31st Dec, for the information of the Directors and those interested in the Company.

I am happy to be able to call your attention to the fact that the authority under which this Road is now worked, effects a further reduction in the expenses of management beyond that inaugurated by the Board appointed under the Bondholders' management, and that my instructions from the Trustee indicate a determination on his part to maintain the system of economical management which has lately prevailed, and which it is his intention shall be carried out to the fullest extent in all the different departments until the reception of the arrears of interest enables him to restore the control of the Road to the Company.

I remain your obed't serv't,

H. ABBOTT,

Manager for Trustee.

P. S.—I have omitted to mention that since the Statements were made up a large portion of the moneys accumulated in my hands since I assumed the management for the Trustee has been paid over to the Municipalities on account of the sum of \$20,000 mentioned in the Act of re-organization and the remainder awaits adjustment for distribution amongst them.

H. A.