

Immediately on my return to Canada, I entered into negotiations through Mr. Hulbert with New York parties, and secured 600 tons of iron rails, and a locomotive, which enabled us to lay about six miles of track. For the payment of this material, bonds of the road were given as collateral security, with the understanding that the amount we were liable for would be paid when we negotiated our loan in England. To enable us to pay freight and lay track, we borrowed money, and depended on our success in England to repay it.

In October, 1873, Mr. Cunningham cabled me to come to England, that he thought he could negotiate for money to carry us on. I left by next steamer, and on arrival was introduced by him to John Langham Reed, Esq., Contractor and Financial Agent, who was looking into our scheme, and after ascertaining from the very best of sources the standing of Mr. Reed, and receiving the best possible report of his character as an honorable man, and capable of taking hold of our scheme, I entered into an agreement with him (subject to ratification by the Company) to make us advances to continue work, and in consideration of our critical position, obtained from him the sum of £1,500 sterling to cable over, enabling us to pay our labour, &c., and save us from bankruptcy.

EXTRACTS FROM AGREEMENT.

The following extracts from the agreement (which was ratified by the Company) between Mr. Reed and the Levis and Kennebec Railway Company, speak for themselves as to the nature of the whole transaction.

“ The purchaser agrees to use his best endeavors to dis-
 “ pose of the said debentures, and shall account to the
 “ Company for so many of the same as shall be disposed of
 “ by him at the rate of.....as aforesaid per