RETURN

To an Address presented to His Honour the Lieutenant-Governor in Council, praying him to cause to be laid before the House all papers, letters, and writings relating to the security required to be deposited by the Columbia and Western Railway Company under section 3 of the "Columbia and Western Railway Subsidy Act, 1896," and all Orders in Council relating thereto.

By Command.

D. M. EBERTS,
Attorney-General.

Attorney-General's Office,
20th April, 1897.

On a memorandum from the Honourable the Minister of Finance, dated the 14th day of October, 1896, calling attention to the provisions of section 3 of the "Columbia and Western Railway Company Subsidy Act, 1896," and reporting that the Company had offered, as the security called for by said section, bonds of the Company to the extent of $75,000.00, issued in pursuance of the powers contained in its Act of Incorporation, and being part of a proposed issue of $30,000.00 per mile secured upon the first section of the Company's line already constructed, and upon the land grant appertaining thereto.

The Minister further reports that the Company has not yet issued such bonds, and that as security that the same will be duly issued and deposited with the Government on or before the 15th day of December, 1896, the Company has offered the personal bond of Mr. F. Aug. Heinze in the sum of $50,000.00.

The Minister recommends that such bonds to the extent of $75,000.00 be accepted as and for the security required by the said Act, and that the bond of Mr. Heinze, herewith enclosed, be accepted as interim security as therein set forth.

The Committee advise approval.

CHAS. E. POOLEY,
President Executive Council.

Approved October 14th, 1896.

E. DEWDNEY,
Lieutenant-Governor.

KNOW ALL MEN by these presents that I, Frederick August Heinze, of Trail, in the Province of British Columbia, am held and firmly bound unto the Honourable John Herbert Turner, Minister of Finance for the Province of British Columbia, and his successors in office, in the penal sum of fifty thousand dollars ($50,000.00) lawful money of Canada, to be paid to the said Minister of Finance or to his successors, for which payment well and truly to be made I bind myself, my heirs, executors, and administrators firmly by these presents.

Sealed with my seal and dated this 14th day of October, A.D. 1896.

Whereas it is provided by section 3 of the "Columbia and Western Railway Subsidy Act, 1896," that the Columbia and Western Railway Company shall, within six months from the 17th day of April, 1896, deposit with the Provincial Government good and sufficient security, to the satisfaction of the Lieutenant-Governor in Council, in the sum of $50,000.00, not as a penalty, but as liquidated and ascertained damages due to Her Majesty in right of the Province of British Columbia in case of default, conditioned that the line of railway from Trail to Penticton shall be built within four years from the said 17th day of April, 1896:

And whereas the said Company has constructed or acquired the first section of the line of railway mentioned in its Act of Incorporation, and in pursuance of the powers conferred upon it by its said Act of Incorporation proposes to issue bonds to the amount of $25,000.00 per mile in respect of the sixteen miles of railway comprised in the said first section of road constructed:

And whereas the Company has offered to deposit as the security called for by said section 3 of the "Columbia and Western Railway Subsidy Act, 1896," hereinbefore recited, a portion of the said bonds to the extent of $75,000.00, which security is to the satisfaction of the Lieutenant-Governor in Council, and has been approved by Order in Council of even date herewith:

And whereas such bonds have not yet been issued, and security is required that the same will, when issued, be duly deposited in accordance with the said Act, and these presents have been accepted as such security:

Now the condition of this obligation is such that if the said Columbia and Western Railway Company shall, on or before the 15th day of December, 1896, deposit with the Minister of Finance bonds of the said Company, duly issued as hereinbefore recited, to the amount of $75,000.00, as and for the security and upon the conditions mentioned in said section 3 of the "Columbia and Western Railway Subsidy Act, 1896," then this obligation shall be void, otherwise to be and remain in full force, virtue, and effect.

Signed, sealed, and delivered in the presence of
R. E. BRETT,
Victoria, B.C.

F. AUG. HEINZE. [L.S.]

Letter, Hon. J. H. Turner to F. Aug. Heinze.

VICTORIA, 16th October, 1896.

I have the honour to inform you that an Order in Council was approved on the 14th instant accepting as the security required by section 3 of the "Columbia and Western Railway Subsidy Act, 1896," the bonds of the Company to the extent of seventy-five thousand dollars, forming part of an issue amounting to twenty-five thousand dollars per mile of railway constructed. In view of the fact that these bonds have not yet been issued, the interim security offered by you, and consisting of your personal bond of fifty thousand dollars, has also been accepted by the same Order in Council.

Upon your depositing, on or before the 15th of December next, bonds to the amount of seventy-five thousand dollars, as above mentioned, your own bond will be cancelled and returned to you.

Letter, F. Aug. Heinze to Hon. J. H. Turner.

TRAIL, B. C., Nov. 24th, 1896.

Re personal bond.

I am informed by our attorneys in New York, who are also the advisers of the Trustees under the proposed first mortgage issue on the Columbia and Western Railway, that it will be necessary to have the transfers from the Trail Creek Tramway Company to the Columbia and Western, of all its property, first recorded in the Registrar's Office at Victoria, and then returned to New York, and further action by the stockholders will have to be taken at Trail after this occurs, before a proper issue of bonds can be made.

In view of this condition of affairs, would I be asking too much if I beg of your Government to allow the present personal bond by myself for $75,000.00 to remain in force and acceptable to the Government until, say, January 15th or February 1st? The latter time would be the most agreeable, as we would be sure by then to have this matter in acceptable shape.

Your kind consideration will greatly oblige.

Telegram, F. Aug. Heinze to Hon. J. H. Turner.

TRAIL, B. C., 26th Nov., 1896.

Is it possible defer exchange of railroad bonds for my personal till February 1st. If not how long could you arrange?

Telegram, Hon. J. H. Turner to F. Aug. Heinze.

27th November, 1896.

Think could arrange to extend till not later than 15th January.

Telegram, F. Aug. Heinze to Hon. J. H. Turner.

SPOKANE, Jan. 7th, 1897.

Bonds due to leave New York to-day. Can you arrange extension by Order in Council for ten days providing for possible delay in mails? Please answer Trail.

Telegram, Hon. J. H. Turner to F. Aug. Heinze.

VICTORIA, Jan. 8th, 1897.

Your present bond will stand till others arrive.

It is hereby certified by the undersigned, the Union Trust Company, of New York, that the undersigned has accepted the trust created by the first mortgage of the Columbia and Western Railway Company, executed to the undersigned as trustee and dated on the first day of July, in the year one thousand eight hundred and ninety-six.

It is further certified by the undersigned that none of the bonds of said series have at the date hereof been certified by it, and that upon receipt by it of the engraved bonds of said series executed by the officers of the said Columbia and Western Railway Company, and upon receipt of a certified copy of a resolution by the Board of Directors of the said company authorising the undersigned so to do, the undersigned will certify bonds of the said series amounting to seventy-five thousand dollars, par value, and will transmit the same to the Lieutenant-Governor of the Province of British Coiumbia, or will hold the same subject to his order.

In witness whereof the undersigned has affixed its seal and corporate name this sixteenth day of January, 1897.

(Signed) UNION TRUST COMPANY OF NEW YORK,
by EDWARD KING,
President.

[SEAL]

Attest

(Signed) J. V. B. THAYER,
Secretary.

STATE OF NEW YORK, }
CITY AND COUNTY OF NEW YORK. } S.S.

On the 16th day of January, in the year 1897, before me personally came Edward King, to me known, who being by me duly sworn, did depose and say that he resides in the City of New York; that he is the President of the Union Trust Company of New York, the corporation described in and which executed the above instrument, and that he knew the seal of the said corporation; that the seal affixed to said instrument was such corporate seal; that it was so affixed by the order of the Board of Trustees of said corporation, and that he signed his name thereto by like order.

(Signed) PETER PALMER,
Notary Public, Kings Co.

(Notarial Seal)

Certificate filed in N. Y. Co.

January 27th, A. D. 1897.

Minutes of a meeting of the Provisional Directors of the Columbia and Western Railway Company, at the head office of the company at Trail Landing, Province of British Columbia, on Wednesday, the 27th day of January, A. D. 1897.

Present, Herrman C. Bellinger, F. P. Gutelius, Frederick E. Ward, and the Hon. E. Dewdney; F. A. Heinze, and A. P. Heinze being represented by their proxy F. P. Gutelius. A waiver of their right to notice of this meeting signed by F. A. Heinze, A. P. Heinze, Charles Warfield, and Chester Glass, the remaining Directors, was produced and ordered to be filed.

In the absence of the Chairman, upon motion duly made and unanimously carried, Mr. F. E. Ward was elected Chairman of the meeting. In the absence of Mr. Chester Glass, the Secretary, upon motion duly made, Mr. G. D. Cochrane was unanimously elected Acting Secretary for the purposes of this meeting.

It was then moved by Mr. F. P. Gutelius, seconded by Mr. H. C. Bellinger, and unanimously carried: That whereas the "Columbia and Western Railway Subsidy Act, 1896," required the Company within six months from the passage of the Act, namely, the seventeenth day of April, 1896, to deposit with the Provincial Government good and sufficient security to the satisfaction of the Lieutenant-Governor in Council in the sum of fifty thousand ($50,000) dollars, not as a penalty, but as liquidated and ascertained damages due to Her Majesty in right of the Province of British Columbia in case default is made in the condition that the line of railway from Trail to Penticton should be built within four years from the date of the passage of the Act;

And whereas the said period of six months has been extended by the Lieutenant-Governor in Council, and whereas the company have issued a certain series of first mortgage bonds, and have secured the same by a first mortgage over all their railway rolling stock, etc.;

And whereas the Lieutenant-Governor in Council has signified that the deposit of certain of said bonds, to aggregate at face value the sum of seventy-five thousand ($75,000) dollars, will be good and sufficient security to the satisfaction of himself and Council, to be deposited with the Provincial Government in accordance with the above-recited enactment;

Now be it, and it is hereby resolved that the secretary of the company, and he is hereby instructed and authorised to deposit forthwith with the Provincial Government as the security required by the above recited enactment, certain of the bonds of the said series, amounting in the aggregate to seventy-five thousand ($75,000) dollars, face value, which were authorised to be issued at the special general meeting of the shareholders of the company held at Trail, B. C., on the ninth day of December, A. D., 1896, as appears by the minutes of such meeting.

Certified correct.

(Signed) GEO. D. COCHRANE,
Acting Secretary.

(Seal Col. & W. Ry. Co.)

Telegram, Hon. J. H. Turner to F. Aug. Heinze.

VICTORIA, 4th Feb. 1897.

Bonds have not been received. Very important. Should be here.

Telegram, John MacGinniss to Hon. J. H. Turner.

BUTTE, February 5th, 1897.

See Baker's code. Mr. Heinze is east. We have wired his brother, New York, to send typewritten bonds. He thinks guarantee Union Trust Co. mailed Mr. Eberts sufficient, but is rushing engraving. Is it?

Telegram, Hon. J. H. Turner to John MacGinniss.

February 6th, 1897.

Mr. Eberts has received no guarantee from Union Trust Co. Very important that bonds should be here quickly; were promised by Mr. Heinze by 25th January.

DOMINION OF CANADA,
PROVINCE OF BRITISH COLUMBIA.

$1,000. 1.

The Columbia and Western Railway Company First Mortgage Six per cent. Gold Bond.

The Columbia and Western Railway Company, a corporation duly created and existing under the laws of the Province of British Columbia, and hereinafter called the Company, for value received, hereby promises to pay to the bearer or the registered holder hereof, if registered, the sum of one thousand dollars in gold coin of the United States, of the present standard of weight and fineness, on the first day of July, 1926, at the fiscal agency of the Company, in the City of New York, or at its option, in the City of London, with interest thereon from July 1, 1896, until maturity of said principal sum, at the rate of six per cent. per annum, payable at said office semi-annually on the first days of January and July of each year in like gold coin, upon the presentation and surrender of the annexed coupons therefor as they severally mature.

This bond is one of an authorised series of seventy-five hundred bonds of even date and tenor herewith.

Of the said series, twenty-five hundred bonds are each in the principal sum of one thousand dollars, and are numbered consecutively from one to twenty-five hundred inclusive. The remaining bonds of the said series are each in the principal sum of five hundred dollars, or one hundred pounds sterling, or twenty-five hundred francs, and are numbered consecutively from twenty-five hundred and one to seventy-five hundred, inclusive.

Payment of the principal and interest of all of said bonds equally and alike is secured by a general mortgage or deed of trust of even date herewith, duly executed by the Company to the Union Trust Company of New York, as trustee, conveying to the said trustee the property of the Company mentioned in said mortgage or deed of trust, to which reference is hereby particularly made for a description of such property, the rights of the holders of the said bonds, and the terms and conditions upon which the same are issued and secured.

Both the principal and interest of this bond are payable without deduction for any taxes which the Company may be required to pay or retain there from under or by reason of any present or future law, the Company hereby agreeing to pay all such taxes.

This bond may be registered in the owner's name on the Company's books at its office in the City of New York, or in such other city as the directors may appoint, such registry being noted on the bond by the Company's transfer agent, after which no transfer shall be valid unless made on the Company's books by the registered owner, and similarly noted on the bond, but the same may be discharged from registry by being transferred to bearer, after which it shall be transferable by delivery, but it may be again registered as before. The registry of the bond shall not restrain the negotiability of the coupons by delivery merely.

This bond shall not become obligatory for any purpose until it shall have been authenticated by a certificate hereon indorsed by the trustee under said mortgage deed.

In witness whereof, the Columbia and Western Railway Company has caused these presents to be signed by its President or Vice-President, and its corporate seal to be hereunto affixed, and attested by its Secretary on this first day of July, 1896.

THE COLUMBIA AND WESTERN RAILWAY,
by F. AUG. HEINZE,
President.

[SEAL.]
Columbia and Western Railway.

Attest:
CHESTER GLASS,
Secretary.

Bond indorsed as follows:—

Number
1.
The Columbia and Western Railway Company,
First Mortgage Six Per Cent. Gold Bond.
$1,000.
Interest Payable Semi-annually,
January and July,
Principal payable July first, 1926.

Trustee's Certificate.

This bond is one of the series of bonds described in the within mentioned mortgage or deed of trust.

UNION TRUST COMPANY OF NEW YORK,
Trustee.
By J. A. W. OGILVIE,
Vice-President.

NOTE:—

Attached to bond are coupons Nos. 1 to 60 inclusive, for $30 each, No. 1 payable on 1st January, 1897, and each successive number payable six months later; No. 60 being payable 1st day of July, 1926.

$30.00. COUPON. $30.00

1.

The Columbia and Western Railway Company will pay to bearer on the first day of January, 1897, at its fiscal agency in the City of New York, or, at its option, in the City of London, thirty dollars in gold coin, being six months' interest then due on its first mortgage gold bond No. 1.

VICTORIA, B. C.:
Printed by RICHARD WOLFENDEN, Printer to the Queen's Most Excellent Majesty.
1897.