

October 8th., 1915.

My dear Mr. Morgan,

Your telegram of yesterday came to me last evening and after long distance telephone talk with Mr. Lamont today I wired you as follows:

"Confirming our conversation over telephone this noon. Statement is all right with exception of last clause where the income of the two nations is given at twenty billions. This covers the income of the people of both nations and as stated might be construed as the income of the governments of the two nations. All right to sign my name to statement with this correction. I think the discussion of further public loans through the press should be discouraged".

I think it is important to make the change to prevent any misunderstanding and to avoid giving the active Pro-German writers any chance for unfavorable criticism. There have been published some newspaper comments looking to an early issue of a further loan. This is unfortunate as creating the impression that higher rates may be looked for later. Investors, generally look to their bankers for information and advice as to what they shall buy. When the loan was announced the Northwest was flooded with circulars and telegrams from brokers and bond houses east and west, as well as personal solicitations from local agents, etc. The effect of this was to create the impression of great anxiety on the

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part of the syndicate to get rid of the loan, and that later prices would be lower. Several customers of our banks held off until it was too late to secure participation. My individual subscription went forward through the bank and Mr. Bailey, President, has notified you that we will withdraw from the syndicate \$2,400,000, leaving \$600,000 with the syndicate for sale. Also that we will pay for the entire subscription of \$3,000,000 on the date of first payment which will, I hope, be satisfactory.

I have been somewhat under the weather since my return from the East but am about over my trouble. If I can serve you at any time or place I hope you will let me know.

Yours faithfully,

Mr. J. P. Morgan,

C/o Messrs. J. P. Morgan & Company,

New York City.