

W. A. S. --2.

on that day \$100,000. from the Great Northern Railway Co. On the 17th inst. I paid off the loans to Tod and the Central Trust Co., with interest, amounting to \$93.33, and on the same day borrowed from Kuhn, Loeb & Co., \$500,000. Therefore, at the close of business October 17th, Mr. Hill had made himself responsible for loans of \$600,000. and had disbursed \$93.33 in interest. The matter continued in this shape until the 15th, December, when, under instructions from Mr. Hill, I paid to the American Exchange Bank for the credit of W. P. Merriam, Trustee, \$50,000. I am not advised that this was on the same account, but assume that it was. This amount was paid out from funds that I had in hand belonging to Mr. Hill.

On the 31st, December I paid Kuhn, Loeb & Co., interest on their loan, ~~paying on~~ <sup>to</sup> that date to the amount of \$6,166.67.

The matters remained in this shape until January 11th, when the Great Northern Company having funds in hand, I paid off the loan of \$500,000. to Kuhn, Loeb & Co., with interest amounting to \$916.67, borrowing \$500,000. from the Great Northern Railway Co. for this purpose. The situation as it stands at present therefore, is as follows:- Mr. Hill has borrowed from the Great Northern Company, and disbursed for it in the D. & W. matter, \$600,000. On the money borrowed outside he has disbursed from his own funds, and which must be repaid to him, \$7,176.67. He has <sup>no!</sup> apparently disbursed (on Dec. 16th, 1892), \$50,000. more on the D. & W. business of his own money, and of course on this money he is entitled to



W.A.S.--3.

interest from that date to the date of its re-payment to him, if my assumption that it was on D. & W. business is correct.

Mr. Warren suggested before I left St. Paul, that I could settle this matter by crediting on my books the money paid in at St. Paul by the Minneapolis Trust Company, to Loan Acct. and charging ~~over~~ same to the Minneapolis Trust Company. This might do very well provided the amount paid in exactly offset the loan ~~at~~ <sup>with</sup> interest, which you will observe <sup>it</sup> does not.

I have given you, I believe, all the information in my possession regarding this matter, and you will have to take it up in St. Paul and straighten it out there.

I will endeavor in the course of the day, or to-morrow, to get Mr. Hill's Personal Account made up and forwarded to you.

Yours very truly,



Asst. Treas.



*The Saint Paul Trust Company.*  
*Capital \$250,000.*

J. W. BISHOP,  
*President.*  
CHARLES W. EBERLEIN,  
*Secretary.*  
HARVEY OFFICER,  
*Attorney*

*Endicott Building.*

*Surplus \$100,000.*

*St Paul Minn.*

February 7th, 1893.

Mr. James J. Hill,

Great Northern Ry. Co.,

C I T Y .

Dear Sir:-

We have your note of August 19th, 1891, in which you say you propose to contribute to the Macalister College debts \$15,000.00 of which \$5,000 had then been paid, and you say "The balance will be paid in two installments of \$5,000 each, at one and two years hence, respectively, provided the other subscribers to this fund will pay their subscriptions."

*\$5000.* This is to advise you that on the \$100,000.00 of the subscriptions held by this Company for collection, \$25,367.18 in cash has been collected up to this date, and that one certain of the said subscriptions *(for)* which was payable by delivery of a certain real estate mortgage and note, has been so paid. A good many of these subscription notes provided that the payments may be deferred at the subscriber's option, to the maturity of the last installment; he to pay, however, 6% interest annually until it is fully paid. Some of the subscribers have taken advantage of this privilege and are thus paying interest on deferred installments.

With this statement of the situation, if the collections already made are such as to justify the payment of your second installment at this time, you may send us a check for the amount.

Yours very truly,

*J. W. Bishop*  
.....  
President.



*Ackd. Feb 5/93*  
GREAT NORTHERN RAILWAY COMPANY.

40-42 WALL STREET,

P. O. Box 756

NEW YORK.

Feb. 7th, 1893.

James J. Hill,

St. Paul, Minn.

Dear Sir:-

I beg to hand you herewith statement of your account to date, with vouchers to cover disbursements so far as I am able to furnish them.

You will note "Loans Outstanding" amount to \$600,000. being the amount borrowed from the Great Northern Railway Company to cover the amount placed in the American Exchange Bank of New York, on the 14th of October last, in the D. & W. matter. This is a nominal obligation of yours to the Great Northern Railway Company, which obligation as I understand, has been paid off, in part at least, by the payment to the Great Northern Railway Company in St. Paul, of some \$590,000. by the Minneapolis Trust Company. I should judge under the circumstances, that there need be no adjustment of interest on this \$600,000. between yourself and the Great Northern Company, but the Great Northern Company should pay to you the sum of \$7,176.67, which ~~is~~ by the account enclosed, and by previous accounts rendered, you will see is the amount disbursed by you as interest on money borrowed outside, for the purpose of making this payment to the American Exchange Bank. In addition to this \$600,000. nominal loan <sup>due</sup> to the Great Northern Railway Com-



J.J.H.2.

pany, I paid to the American Exchange Bank for account of W. R. Merriam, Trustee, on December 16th, last, the sum of \$50,000. from your current funds in my hands. If this was on the same account as the \$600,000. as I assume it was, the Great Northern Company should pay you \$50,000. with interest thereon from December 16th, to the date of payment. I have preferred to leave the matter in its present position until I hear further from you, or Mr. Stephens to whom I have written this morning very fully on this matter.

The 250 shares of the U. S. Mortgage Company paid for on the 16th of January, will be received by me from the Company to-morrow, and I will then give you the numbers of the certificates.

The \$500,000. St. P. M. & M: Consols placed with Kuhn, Loeb & Co., as collateral to the \$500,000. which you borrowed of them October 17th, 1892, are still in their hands, and I will take them up at the earliest possible moment and return them to your vaults, giving you at that time the numbers of the bonds returned.

The payment for the United States Mortgage Co's stock was made by the New York Guaranty & Indemnity Co. on January 16th, and I have treated that payment in my account as being made directly by me, and offset by the same amount borrowed from the Guaranty & Indemnity Company. That loan was paid off yesterday, as per voucher enclosed.

I have found everything here in excellent shape. Our friends are all anxious to see you and look for your presence here next week.

1st statement of J.  
2nd statement of J.  
3rd statement of J.  
4th statement of J.  
5th statement of J.  
6th statement of J.  
7th statement of J.  
8th statement of J.  
9th statement of J.  
10th statement of J.



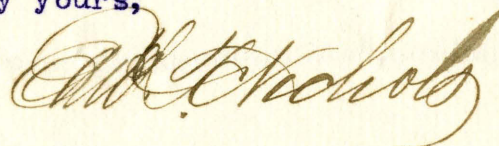
[2-7-93]

J.J.H.3.

If you do not care to keep all your stock in the United State Mortgage Company, I should be glad to take ten shares of you at cost and interest. I do not know what the stock is selling at, but it is of course very much higher than the subscription price.

With kindest regards to yourself and family, I am

Very truly yours,

A handwritten signature in cursive script, appearing to read "E. M. Nichols". The signature is written in dark ink and is positioned to the right of the typed phrase "Very truly yours,".



# Minnesota Historical Society

Copyright in this digital version belongs to the Minnesota Historical Society and its content may not be copied without the copyright holder's express written permission. Users may print, download, link to, or email content, however, for individual use.

To request permission for commercial or educational use, please contact the Minnesota Historical Society.



[www.mnhs.org](http://www.mnhs.org)