

OFFICE OF

JOHN A. ARMSTRONG,

Dealer in Wood and Coal.

Minneapolis, Minn. July 2nd 1877

E. A. Saunders Esqr
St Paul

Y^r Sir

Enclosed please
find freight bills for two Cars Cement
\$62.⁵⁰ and check for \$81.²⁵ being
the amount you owe as per your statement
enclosed please receipt and return -

Int Rec'd car #1118. + 2502

62.50

OK

81.25

Rec'd July 3/77

\$143.75

Respectfully yours &

J. A. Armstrong

GREEN BAY & MINNESOTA RAILROAD CO.

GENERAL FREIGHT AND PASSENGER DEPARTMENT.

DAN ATWOOD,
Gen'l F't and Pass. Agent. }

Green Bay, Wis. *July 2* 1877

O. M. Saunders Esq
St Paul Minn
W. J. S.

Will you kindly quote me a
cost for D.W. of Port Byron Line
laid down at St Paul & Minneapolis
based on cost at Port Byron &
River ft added

Yrs Truly
Dan Atwood

95¢



Utrecht July 2nd 1877.

John S. Barnes Esq.,
New York.

Dear Sir,

I wrote to your firm on the 18th ult. and thereby explained our difficulties to do anything on this side towards the raising of the necessary funds for the Breckenridge cut off.

By Messrs. L. R. & Co I received notice of the message of your firm of the 12th inst and fully agreed with what you say about the importance of this line and the trouble it will cause if we fail to build it this summer.

Nobody can be more convinced than I am of the necessity of this line but notwithstanding I am obliged to say that I can, not see any possibility to build it under the present circumstances.

The complications under which we are still laboring are such that even if the Committee had the funds at hand, ready to be disposed of, - they could not accept the responsibility to spend it, when some day or another our antagonists might get possession of the Trust Division Company and thereby kill the prospects of the connection at Breckenridge.

In the letter of Mr. Farley addressed to your firm which joined your message of the 12th, he says that Mr. Kitten, refuses to

Carry out his proposition for the building of the line, for
fear that Mr Sitchfield may get the control of the 1st Division
M.P. & P. M. for in such case he would not invest five cents in it.
We heard thereby that neither the parties in M. Paul nor Mr.
Farley consider the position as quite safe and certainly the
Committee might not spend the money of the bondholders and,
but they were convinced that they could do so safely. This
argument is so clear that it will not need much explanation.

From the M. Paul newspapers I have seen what the N. P. and
Sitchfield people are doing towards the building of the Branch
line and as I cannot understand how they can build this line
unless the Branchline be in the hands of their friends, I am
thereby induced to believe that this people feel confident that
the Branchline will return under the control of Becker & his
friends.

I wish to say confidently to you that I feel very uneasy
about the condition of things for I fear very much that we
have made a mistake by underestimating Mr. Sitchfield's power.

You know my great anxiety this winter to compromise with
Mr Sitchfield, as well as you know the great pressure that was made
upon me by the committee, and you know also that Mr Kennedy
felt so strongly confident in his possession of the property, that he
was most strongly opposed to any dealings with Mr S.

So the negotiations were thus interrupted but at the same time it was understood that they should be resumed as soon as possible after the reorganization plan should be accepted. This now has been obtained and from your cable I have learned that the plan has been presented to Mr. Sitchfield but that he declined to accept it. I am still in hope however that this refusal is not decisive especially as the plan contains in Article 21 such provisions as may be necessary to create additional securities. A failure to compromise with Mr. Sitchfield will of itself involve a failure to build the Buckenidge Cut-off and if his party might succeed to turn the trustees out of the possession of the property the position of the committee and their agents vis-a-vis the public becomes very embarrassing. I beg you will excuse my urging so strongly upon a compromise with Mr. Sitchfield but I am so thoroughly convinced that if we have only to rely upon American justice we may continue our troubles for many years, make still an enormous amount of expenses and ruin our position and credit, that I should prefer to pay a liberal sum to Mr. Sitchfield to the continuance of any such policy. -

We have been awaiting with much anxiety Judge Dillon's decision in the Extension foreclosure suit, and expected this decision to be obtained in the June term of the Court, but as

until now we have no information I fear very much that no judgment is obtained.

Messrs. L. R. & Co. have communicated to you Messrs. Kirtson & Hill's offer for the Committee holding of 1 Division and Extension Bonds. We have received your cable that you had an interview with Mr. Hill about the subject, and await your further communications. On the 22nd ult. I cabled to Mr. Kirtson in relation to this matter requesting him to telegraph me if we were authorized to name the parties he mentioned, namely the Bank of Montreal, Messrs. Stephen & Smith, but until now I did not receive any reply, which seems very strange to me. I do not expect much result from this offer unless we fail to reach a satisfactory compromise with Mr. Litchfield. A sale of the property will always be considered by our public as a failure of our policy and will be ruinous for the credit in ^{Holland} of the Committee and of anybody connected with it, so far as the conduct of American business is concerned, especially it will be ruinous to my own reputation. I have no doubt about this.

In relation to the Breckenridge cut off I still want to mention that our Counsel has advised us that we are not authorized, even under the present powers of the Committee, to pledge the bonds and coupons for the purpose to secure the building of any other railroad, so you will observe that there is no possibility to do anything before we have settled with Mr. Litchfield.

[7-2-77]

So for written, I receive your favor of the 20th ult.
and see thereby with much pleasure that Mr. L. however unsatis-
fied with the reorganization plan has expressed his wish to compromise.
I am much in hope that negotiations are pending now and if
you might succeed to reach a settlement in the course of this month,
things could be arranged in such a way that we could open subscription
for Breckenridge cut off at once. - Under an arrangement with Litchfield
the board of directors could be changed - our interest and the control of
the property be returned to the board by the trustee. Thereafter the new
board could enter into a contract for the lease or operation of the
Breckenridge link. - You will please keep in view that we cannot
succeed to obtain the required funds here unless we can show some
source where the interest will come from. I do not doubt that
it will be possible to raise the money here, if you may succeed to
place us in a position to give proper assurances. If the trustee
are willing to make a contract, after an arrangement with Litchfield
is obtained, - it will be also satisfactory. - I believe that if we
cannot succeed to build the link before this winter, we
must at least succeed to raise the necessary funds for it, so
that we may be able to prove in the next legislation that we have
the money at hand and are ready to go on if they give us favorable legislation.

You will please be kind enough to keep us
advised when anything new comes up or when your
dealings with Mr. Litchfield are progressing. In the present
uncertain condition of things we are continually very anxious to
get some information.

Earnings are very low, especially the mainland shows an
enormous difference with last year. I regret this very much,
also for Mr. Farly for whom it will be disagreeable.

I remain Dear Sir Yours very truly

J. Carp

J. Carp
July 21 1877



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