

J. K. K. & Co.

Chicago Apr 28th 1898

Gentlemen

I enclosed you copy of within
order from Jefferson City and telegraphed you as follows
Judge Dillon has decided that Gov. Thos. C. Reynolds and
Senator Henderson of Iowa be Commissioners
to ascertain necessity and report plan to
some Receiver. Robertson Reynolds we
think will be in N.Y. on Sept. 1st. We think
everything will result favorably. Inform George
Stephens & Co.

On our arrival we found ~~from~~ ^{that} the Northern Pacific and St Paul and Northern Pacific
had both filed protests against the issuance of
any order, but after explaining the matter to
the Judge we soon discovered that he paid
little attention to the protests, while on the other
hand he said it was an extraordinary and unusual
thing he was asked to do - the Court did not like
to undertake the construction of great lines of
railroads. He said that when the order was
issued before he had the assurance of the bond-
holders that a large sum would be raised and
the work pushed ahead to completion and
that having in that case assumed greater respon-
sibility than any Court had assumed before and
~~that~~ no road having been built under it he
desired to be well assured before issuing the
order and also as to what kind of order
should be issued

In three sessions he did not reflect
on anyone, but said the Combined Cir-
cuit Court of Dry Dock Co failed and
the hostile legislation by the State of Minnesota
~~was~~ was sufficient to prevent ~~for~~ ^{the} ~~Representation~~
~~the best at all from having interviews with~~
Judge Dillon in which he showed a desire
to help the bondholders all he could and
intimated strongly that the opposing interests had
~~very little object other than delay in the case to~~
~~be closed suit.~~ ~~said finally as to justice~~
~~the same~~ and was disappointed that the case
was not forward enough to ~~be~~ ^{be decided} ~~seem a decision~~
at June term, and finally ~~decided~~ ^{concluded} to appoint
two wisely chosen and representative men who
would examine the matter thoroughly and
report to him if ~~possible~~ a plan on which
to reverse the decrees - I heard the judge
instruct the Commissioners and from
what I learned afterwards from both of
them, I am sure he desires to have the road
finished, ~~and~~ ^{as} he had already been criticized
for issuing the first order bond in somewhat
time since that "Iowa Central" matter, which
made so much newspaper noise.
Mr Reynolds told me the Judge wanted to
have a good full report of outside parties
appointed by the court upon which to base

3 and avoid any hostile criticism - [4-21-78]

his action. I write thus fully that you may know why we expect everything will result favorably and that we consider the Commission an element of strength to us than otherwise. as the judge has given it to them to report plan ^{and} told them that he desired to see ~~the work~~ done -

~~Governor Reynolds will go to Minn. and Senator Henderson to St Paul ahead and Senator Henderson will be in St Paul about Friday next - when he will be joined by Reynolds, ^{and the joint plan decided upon} and the joint plan decided upon.~~

^{Specially} Governor Reynolds visits Minn. to learn ^{regarding} Sections 2, ~~and~~ 3, 4, ~~and~~ 7, 8, 10 & 12 - and Senator Henderson will in the meantime visit Minnesota to learn the condition of the whole matter in all its bearings.

The portion of Sec 3 as to formal agreement of amount parties will advance ~~and~~ the security of debentures can only be settled when the ~~form & conditions of the debentures is agreed upon~~ ^{at St Paul} and this is understood by ~~Guth~~ Reynolds.

Section 4 is ~~in the same~~ same as Sec 3. Section 5 and several ~~other~~ matters in other sections are put in simply as evidence of care in ~~drawing the~~ ^{drawing the} ~~ordin~~ ^{ordin} - I think that the whole matter resolves itself to ~~be done~~ ^{be done} ~~that~~ ^{that} ~~be done~~ ^{be done}

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into this the Judge wants to help us and
~~not appear to lose sight of the rights of all~~
~~the Bondholders~~ ~~To do so~~ Know that we
have a large majority of the bonds. That
in case he grants the order we will
go on and do the work, and ~~that~~ is that
in case any bondholder who has not joined
in the application should fear that the
debentures ~~would~~ might eat out the bonds.
in the foreclosure, an opportunity should
be given for all bondholders to stand
on an equal footing - ~~and to that end~~
see Sec 8 - It may be necessary
for Mr Stephen to come to St Paul or
possibly after the matters are determined,
to meet the Commissioners in N.Y. or
Chicago - The judge has asked both
Guttmann to use all possible dispatch -
You will find Mr Reynolds anxious to
know everything and also ready to do what
he can to aid matters.

LJA

Chicago, Apl. 21st. 1878

J. S. K. & Co.

Gentlemen:

I enclosed you copy of within order from Jefferson City and telegraphed you as follows:

"Judge Dillon has decided that Gov. Thos C. Reynolds and Senator Henderson of St. Louis be Commissioners to ascertain necessity and report plan to issue Receivers Debentures. Reynolds we think will be in N. Y. on 24th inst. We think everything will result favorably - Inform George Stephen xxx"

On our arrival we found ~~Judge-Dillon~~ that the Northern Pacific and St. Paul & Pacific had both filed protests against the issuance of any order, but after explaining the matter to the Judge we soon discovered that he paid little attention to the protests, while on the other hand he said it was an extraordinary and unusual thing he was asked to do - The court did not like to undertake the Construction of great lines of railroads. He said that when the order was issued before he had the assurance of the bondholders that a large sum would be raised and the work pushed ahead to completion and that having in that case assumed greater responsibility than any court had assumed before and ~~nothing~~ no road having been built under it, he desired to be well assured before issuing the order and also as to what kind of order should be issued.

In these remarks he did not reflect on anyone, but said the combined circumstances of Jay Cooke & Co. failure ~~and~~ the hostile legislation by the state of Minnesota etc. were sufficient to prevent the ~~Receivers-from-building~~ subscription of money.

We had in all four ~~hearings~~ interviews with Judge Dillon in which he showed a desire to help the bondholders

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all he could and intimated strongly that the opposing interests had ~~very~~ little object other than delay in the ~~Gen-~~
~~test~~ foreclosure suit ~~and finally so as to justify the~~
~~issue and~~ was disappointed that the case was not forward
enough ~~to be issue a decree~~ be decided at June Term, and
finally ~~decided~~ concluded to appoint two widely known and
representative men who would examine the matter thorough-
ly and report to him ~~if favorable~~ a plan on which to is-
sue the debentures - I heard the Judge instruct the Com-
missioners and from what I learned then & afterwards from
both of them, I am sure he desires to have the road fin-
ished ~~and~~ as he had already been criticised for issuing
the first order and is somewhat timid since that "Iowa
Central" matter ~~which made so much newspaper noise.~~

Gov Reynolds told me the Judge wanted to have a good
full report of outside parties appointed by the Court up-
on which to base his action and avoid any hostile criti-
cism - I write this fully that you may know why we expect
everything will result favorably and that we consider the
Commission an element of strength to us than otherwise,
as the Judge has given it to them to report plan etc. and
told them that he desired to see the work done -

~~Governor Reynolds will go to N. Y. and Senator Hender-~~
~~son to St. Paul at once and Senator Henderson will be in~~
~~St. Paul about Friday next -- where he will be joined by~~
~~Reynolds as soon as possible and the final plan decided~~
~~upon~~ Governor Reynolds especially visits N. Y. to learn
specially regarding sections 2, and 3, 4, 5, 7, 8, 10 & 12-
and Senator Henderson will in the meantime visit Minnesota
to learn the condition of the whole matter in all its bear-
ings.

The portion of Sec. 3 as to formal agreement of amount

[4-21-78]

parties will advance on the security of debentures can only be settled when the form & conditions of the debentures is agreed upon at St. Paul and this is understood by Gov Reynolds. Section 4 ~~is-in-much-the-same~~ same as Sec. 3. Section 5 and several ~~others~~ matters in other sections are put in simply as evidence of care in ~~guarding all points in~~ drawing the order - I think that the whole matter resolves itself ~~to-know-that-we-have-the-bonds~~ into this; The Judge wants ~~to-help-us-and-not-appear-to-lose-eight-of-the-rights-of-all-the-Bondholders-to-be~~ to know that we have a large majority of the bonds, that in case he grants the order we will go on and do the work, and ~~he-is-that~~ in case any bondholder who has not joined in the application should fear that the debentures ~~would~~ might cut out the bonds in the foreclosure, an opportunity should be given for all bondholders to stand on an Equal footing - ~~and-to-that-end~~ see Sec. 8 -

It may be necessary for Mr. Stephen to come to St. Paul or possibly after the matters are determined, to meet the Commissioners in N. Y. or Chicago - The Judge has asked both gentlemen to use all possible dispatch. You will find Gov Reynolds anxious to know everything and also ready to do what he can to aid matters.

(signed) J. J. H.

[Blank No. 1.]

The North Western Telegraph Co.

The rules of this Company require that all messages received for transmission shall be written on the message blanks of the Company, under and subject to the conditions printed thereon, which conditions have been agreed to by the sender of the following message.

C. H. HASTING, Gen'l. Sec'y.

E. C. SIMMONS, Pres.

W. S. HINSDALE, Sec'y.

Dated,

Received at

To

St. Paul, Minn.
April 22
1878
St. Paul, Minn.
Gen. Jas. J. Hill
Ready to leave this afternoon
Shall telegraph you on journey
Thos. C. Reynolds
Collect

R

GEO. L. BECKER,
President.

R. M. NEWPORT,
Secretary and Treasurer.

Western Rail Road Company

OF MINNESOTA.

St. Paul, Minn. 20 April 1878

P. H. Kelly Esq

Sir:

The Board of Directors have called a meeting of the Western Rail Road Co of Minnesota for the purpose of deciding the extent of the stockholders to the terms of the proposed lease to the Northern Pacific R R Co.

The stockholders will meet at the offices of the Co 103 Jackson Street in this city on Monday April 15th 1878 at noon.

A full representation of the stock is desired.
Very Respectfully Yours

Geo L Becker
President

Bank of Montreal

Montreal 26th April 1878.

Dear Sir,

I am in receipt of your favor of the 18th instant, with enclosures as stated.

M^r. Stephen having been shown the securities, desires me to remind M^r. Hill & you of certain Mortgages that were to be transferred to him in trust.

I have had frequent opportunities of conversing of late with Mess^{rs}. Kennedy and others in relation to St Paul & Pacific matters and have been gratified to observe the very substantial progress that is being made on all sides by the Associates.

H. H. Kittson Esq

St. Paul.
Minn.

Yours faithfully

M. Piquet.
Genl. Manager



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