

GENERAL CORRESPONDENCE

1879 JAN nd, 1-17

FOLDER NO.

11-16

JAMES J. HILL PAPERS

PLEASE RETAIN
ORIGINAL ORDER

[January, 1879]

[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. HARRIS, Sec'y & Mgr.

MILWAUKEE, WIS.

J. S. HARRIS, President.

H. S. HARRIS, Secretary.

KENOSHA, WIS.

Dated, Jan 1 1879
Received at ST. PAUL, MINN.
To James J. Hill

Winnipeg office telegraphs bank
that will note due Saturday
was not paid answer

To Stephen
B. D. A. C. Co.

[Blank No. 1.]

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. HARRIS, Gen'l Supt.

E. C. SIMMONS, President

¹ KENOSHA, Wis.

Dated.

Received at

To.

Engineering Department Ottawa
Telegraph following what
rate arranged to
be paid for
the delivered Emerson
to whom should
money be paid
what shall I
answer
Jas. Capper
2500 12 Ave St & D

January 3, 1879

[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. HARTMAN, Gen'l Supt.
MILWAUKEE, WIS.

J. S. SIMMONS, President
H. B. HINDSALL, Secretary

Dated, Winning man 7/3 1879
Received at ST. PAUL, MINN.
To Joe J. Hill

Fix Bank of Montreal tomorrow

NB Wells

5 paid 100

St Paul, Minn.
January 4. 1879

James J. Hill Esq
Dear Sir:

In compliance
with your request we submit
the following observations in regard
to the proposed purchase from the
Messrs Litchfield of the stock of the
First Division of the St Paul & Pacific
Railroad Company, and the bonds secured
by the \$2,000,000 mortgage of Dec^r 1.
1870.

We understand that the essentials of
any arrangement with Messrs Litchfield
are 1. That it shall be complete and final,
leaving no unsettled or disputed questions or
claims to embarrass yourself and your
associates.

2. That it place you in immediate
control of the company and its organization.

1. We therefore think it necessary that
in dealing with the Litchfields it should
be definitely stated and known what are their
claims ^{or} the claims of the Stockholders against the
company or against the ~~trust~~ bondholders

whether as president, trustee or otherwise;
what is the nature and amount of
the expenses of the company for legal
or administrative expenses, referred to by
Mr. E. C. Litchfield in his letter to
Mr. Stephen of December 28, 1878; also
any other outstanding claims against the
company which might give you any trouble
hereafter, and provision should be made,
as far as possible, for wholly discharging
the company and the bondholders from
any such claims.

It is understood that Mr Litchfield claims
that only \$1,000,000 of the bonds provided for
in the mortgage of December 1, 1870, have
ever been issued, and that these are held by
him. If this be so the remaining \$2,000,000
of these bonds should be in the hands of the
company or otherwise satisfactorily accounted
for.

In addition to the stock held by the
Litchfields all the remaining stock of the
1st Division company should if possible
be included in the transfer to you and
your associate.

On this point we would refer to the
telegram prepared here on December 8th 1878
and sent to Mr. Barnes, as containing

requirements essential to a complete and final settlement with the Litchfields.

The Litchfields should also release any claims they may pretend to hold against yourself and your associates as bondholders under the so-called Dutch agreement of August 1875, it being understood that you do not recognize the present existence of such agreement or the validity of any claims of Mr. Litchfield thereunder.

2^d As to your immediate control of the organization.

To effect this, provision should be made for the immediate resignation of the officers (including the attorneys) and the directors of the company (or such of them as you may desire) in favor of persons of your own selection, and consents on the part of such attorneys to the substitution in their place, in the suits now pending, of such attorneys as you may name.

These conditions should be specified because the directors could not be removed by you, though you owned ~~all~~ the stock, until the annual election occurring, or before, in June next;

and because in the pending litigation the attorneys appearing therein for the company could not be ^{removed} ~~changed~~ without their consent, and this consent they might perhaps, from various reasons, be unwilling to give if it were asked after the Messrs Litchfield had transferred the organization of the company to themselves.

As mentioned in the telegram already referred to, Mr Dexter should surrender his claim to be a trustee in or any of the 1st Division Company, and his opposition to the pending foreclosure suits.

In ^{answer} ~~regard~~ to your request for our opinion as to the advantages to accrue to yourself and associates from a purchase of the stock and bonds before mentioned, and the obtaining control of the company and its organization, we submit the following views:

1. As ~~controlling~~ the company and its organization you have entire control of the pending foreclosure suits against it and the pending ejectment suit of the company against the trustees. The latter you can dismiss. The former you can

advance or retard at pleasure. If you desire it, you can obtain decrees in each case in the short time needed to secure a removal of the suits from the Supreme Court to the District Court, ^{say, eight days} and then prepare and enter a consent decree, and the proper proceedings for a sale and reorganization can at once be taken.

If for any reason you may wish to delay the entry of the decrees or the sale of the property thereunder, the roads can continue to be operated by the trustees whose duty it would be to apply the net earnings after providing for prior mortgages, bonds, of the trust line, to the payment of the coupons on the bonds of the senior mortgages in the order in which such coupons shall have become due, and this would include in the payment of ~~and~~ the greater part of the monies now on hand to yourself and associates as the holders of the earliest coupons.

[#] If it is desired that the company under its new organization should resume possession of the road pending the foreclosure suit, there is nothing to prevent the [#] trustees from surrendering such possession to the company.

Having control of the RD Division

[#] the new board of Directors

company, you can at once remove the only obstacle in the way of the immediate foreclosure of the \$5,000,000 mortgage of the St Paul & Pacific Railroad Company, and the proposed reorganization by the purchasers at the foreclosure sale. You could also at once obtain judgment in the suit on the coupons of the \$5,000,000 issue, & thus forestall any further suits by coupon holders against the company.

The great advantage to you, in a financial and business point of view, from the possession and control of the roads and the organization of the company are matters of which you can judge better than we. In view of recent experience in the construction of the extension lines, it will certainly be of advantage to you if you can build the road to Dupes Falls in some other way than under an impracticable order, through the intervention of a receiver, and in the hope - which experience has shown to be somewhat delusive - of obtaining debentures to an amount somewhat over the cost of construction.

Respectfully yours.

R. D. Clarke
Geo D Young

[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. E. BASKINS, Sec'y & Treas.
MILWAUKEE, WIS.

E. G. SIMMONS, President.
E. S. HINGSTALE, Secretary.
KENDOSHIA, WIS.

Dated, *Winnetka Jan 7* 1879
Received at *ST. PAUL, MINN.* *\$ 2.50/4*
To *Jal J. White*

*Nothing will be down next
week with full statement
N.B. Miles*

9 N.B. Miles

Montreal June 7th 1879

Jas J. Still Esq
St Paul

My dear Sir

I ~~was~~ yesterday in receipt
of your letters of the 1st & 2^d inst.

All that part of the former having
reference to the Pembina Branch matter
I had copied and handed to Mr. Pope
who was here yesterday and spent some
time with me discussing matters.

If the contractors are ~~un~~reasonable
the Government will settle up with
them and get rid of them

This, I fancy, will be the best
thing for all concerned

Something must be done to
prevent the Mil & St Paul Co or any

other line, stealing our traffic at Wilman
and Benson or elsewhere.

I wish you could arrange with
Warren to buy wheat on our Road

It is absurd our allowing the
Minneapolis Millers to dictate to us
to our own injury.

I trust you and Mr Farley will
devise some way of protecting our
interests in this matter.

I note what you say in your
letter of the 2^d about the suits on
Coupons, for which McKennedy was
garnished, and will discuss the matter
with Mr Barnes on Friday, when I go
down to New York with Mr Smith.

Your letter of 18th Dec. about the
Harty acceptance never came, but it
is no matter now.

I wired you yesterday that the Willis

note due at Winnipeg on Saturday
had not been paid, but have not
heard from you in reply.

Yours very truly
Geathrother

P.S. Is Mr Reid the only outside
shareholder in the Steamboat?
Let me know. - J

Jan. 10, 1879

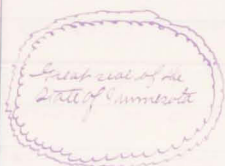
State of Minnesota
Executive Office

It appearing to my satisfaction from the report of John H. Lincoln Esq, Superintendent of the St Paul and Sioux City Railroad, and of Nelson D. Miller Esq, Civil Engineer of the St Paul & Duluth Railroad, who were heretofore by me appointed commissioners to inspect and report upon the lines of the St Paul & Pacific Railroad Company, from Melrose to Alexandria and from Crookston to St Vincent and hence to the international boundary line at Emerson, which report is on file in this office, that the said lines of said St Paul & Pacific railroad have been completed with the cars running thereon in all respects in accordance with the requirements ~~with~~^{of} the acts of congress and of the legislature of this State granting lands to aid in the construction thereof.

Now therefore I John S. Pillsbury Governor of the State of Minnesota, do hereby, on behalf of said State, accept the said lines of road as constructed and completed in all respects in conformity with the said acts of congress and of the legislature of this State and I do hereby certify that the said Company has in all respects complied with and performed the terms and conditions of said acts, and is entitled to receive that portion of said land grant pertaining to the said lines of railroad as completed.

In witness whereof I have hereunto
set my hand and caused the seal of said
State to be hereunto affixed this 13th day of
November 1878

J. S. Bellahurny
Governor



Attest
J. S. Ingens
Secretary of State

State of Minnesota
Executive Office

I Pennock Pusey Private Secretary
of the Governor of Minnesota do hereby certify that
I have carefully compared the foregoing Copies
of certificate with the record of the original
hereof in this office and that the same is a
true copy of said record.

In witness whereof I have hereunto set my
hand this 13th day of January A.D. 1879.

Pennock Pusey
Priv. Sec. to Gov.

State of Minnesota
Office of Secretary of State

I, John S. Ingens, Secretary of State of the
State of Minnesota do hereby certify, it

Hal Pennock Pusey
whose signature is appended to the foregoing
certificate is the Private Secretary of the
Governor of the State of Minnesota, having
custody of the records of the Executive office of
said State, and that the signature to said certifi-
cate is his genuine signature



I do witness whereof I have
hereunto set my hand and the
Great Seal of said State this
10th day of January A.D. 1879

J. S. Rogers
Secretary of State

[1-10-79]

State of Minnesota
Executive Office

It appears to my satisfaction, from the report of John F. Lincoln Esq, Superintendent of the St Paul and Sioux City Railroad, and of Nelson L. Miller Esq, Civil Engineer of the St Paul & Duluth Railroad, who were heretofore by me appointed commissioners to inspect and report upon the line of the St Paul and Pacific Railroad Company from Nelson to Alexandria and from Crookston to St Vincent and thence to the international boundary line at Emerson, which report is on file in this office, that the said line of said St Paul & Pacific Railroad have been completed with the cars running thereon in all respects in accordance with the requirements of the acts of congress and of the legislature of this State granting lands to aid in the construction thereof.

Now know all, that John J. Pillsbury, Governor of the State of Minnesota do hereby, on behalf of said State, accept the said line of road as constructed and completed in all respects in conformity with the said acts of congress and of the legislature of this State: and I do hereby certify that the said company has in all respects complied with and performed the terms and condition of said acts, and is entitled to receive that portion of said land grant pertaining to the said line of railroad so completed.

In witness whereof, I have hereunto set

my hand and caused the seal of said State to be
hereunto affixed, this 13th day of November 1878

J. S. Pillsbury
Governor



Attest

J. S. Diggins
Secretary of State

State of Minnesota
Executive Office

I Pennock Pusey Private Secretary
of the Governor of Minnesota do hereby certify that
I have carefully compared the foregoing copy
of certificate with the record of the original
thereof in this office and that the same is
a true copy of such record

In witness whereof I have hereunto set
my hand this 10th day of January A.D. 1879

Pennock Pusey
Governor's Priv. Secy.

State of Minnesota
Office of Secretary of State

I John S. Diggins, Secretary of State of the
State of Minnesota do hereby certify that
Pennock Pusey
whose signature is appended to the foregoing

certificate is the Private Secretary of the
Governor of the State of Minnesota, having
custody of the records of the Executive office of
said State, and that the signature to said
certificate is his genuine signature



In witness whereof I have
hereunto set my hand and the
Great Seal of said State this
10th day of January A.D. 1879

J. S. Dugan
Secretary of State

P. 571

Approval of Completed
Road by Governor for
Minnesota

TREASURER'S OFFICE,
ST. PAUL, MINNEAPOLIS & MANITOBA RY CO.,
ST. PAUL, MINN.

59 WALL STREET.

10 Aug 1879

S. S. Kile Esq

My dear Sir

Will you sign the
inclosed & let the
to do likewise send
them down to the Bank
of Montreal New York.
The \$398,000 represents
a loan standing in the
Books of the Bank
to S. S. Kile in security
of Debt. This note is
merely to hold as ^{behind} ~~the~~

The \$350,950 is the amt
of the indebtedness to the
Bank standing in our
own names. When
notes are received by
the Bank all the
old notes will be handed
over to me & cancelled.
The Debt yet to come
will go to the credit of
this note & will further
reduce any one liability
to the Bk of New
York unless seen with
old L & am to be then



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