

Stephen, George

April 11, 1878

[as this letter is already almost illegible but still decipherable by one much accustomed to JJH's style & handwriting, much of the actual wording occurs below:]


Hill to Stephen

Matters at Ottawa per your telegram satisfactorily closed. Nor. Pac. has been two-faced. Recent Supreme Court decisions of this state have pretty much decided all the issues outside the actual foreclosure suits. The Litchfield suits based on the agreement of Aug. 3, 1875 and the ejectment suit against the Trustees are virtually settled in the late decisions, & there is a demurrer still to be decided, which, if in our favor, will compel Trustees to apply funds now in their hands & those hereafter earned, to the

payment of past due coupons of \$1.2million and \$6 million bonds rate [redacted] on [their assets?]  
All locomotives & cars are in use & today we hired 2 additional locomotives from St. Paul & Duluth Co. We urge that we should get control of outstanding Branch Line bonds as early as possible. Of course we do not wish to run up the price of these bonds or do anything that will prevent the holders from selling, but the earnings of the line will [?] unless we lose no time in getting control of them. There are outstanding of the Branch Line bonds outside of our holdings about \$420,000 of the \$1,200,000 issue of which nearly \$240,000 are held in U.S. & the balance in Holland; of the \$2,800,000 issue about \$530,000 outstanding outside of our holdings nearly all of which are held in Holland (see next card)

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Knuppe has offered to sell us certificates or bonds of all the classes but we tell him we have all we want at present.... Of the amount of the 12/m bonds held in this country Upham holds abt \$50,000 & we think we can count safely ... on his cooperation in our suits... Depend upon it the Branch Line with its terminal property & shops in St. Paul is worth & will sell for more than its bonded debt & Litchfield's only hope now is to delay the suit until [ --?] bonds for lands & the natural increase of the traffic the roads would be paying its interest on all outstanding bonds & to this end they are straining every nerve to prevent  getting a personal

judgment against the First Division for the deficiency on the Extens. Mortgage... We should not be surprised to learn of Litchfields desire to settle, but he will wait until he gains some trifling point if he can.

JJH Letter Book, 4/11/78 - 1/16/79, p. 2