

Florida Land & Colonization Co. Ltd.

13 Austin Friars, London

December 23rd 1884

Mons^{rs} H. S. Sanford

Château de Lingelou

Belgium

Dear Sir,

I have to enclose copy of minutes of a Board Meeting held yesterday and to acknowledge receipt of your letter to me dated 20th inst: giving cover to Indentures duly signed, cancelling Clause 5 of the Agreement between you & the Company of 7th September 1880 & I now enclose the duplicate executed by the Company.

Documents for Mr. Taubmann. I again submitted to the Directors your request for the Annual Report &c. to be sent to Mr. Taubmann and they confirmed their previous instructions to me that these documents, being of a confidential nature, should be issued to Shareholders only, adding that the land sales statement has never gone beyond themselves.

Hughey Tract. I am writing to Mr. Trafford to have a new deed prepared for your signature. The information

given in my letter of 15th inst was founded on the following extract from the Agents Minute no 86 dated 12th September 1884 viz:

'Judge Welbourn came in last week with a letter
'from General Sanford to Mr. Phelps directing him
'to give me the deed from General Sanford to the
'Company of the 80 acres - the Hughey purchase - and
'to ask me to report to the Board that the deed was
'in our possession'

The Company's Agent has since sent me copies of all deeds in connection with the Powell Grant omitting only copy of deed from you relating to the Hughey Tract.

The New Lands, which at your express wish Mr. Trafford has been authorized to purchase, have so far been restricted to 20,000 Acres only at an estimated cost of £5,000 - of this amount £2,000 has already been placed at his credit + £3,000 is required on the 30th of this month.

Finance. The Directors desire me to express their regret that you have not indicated to them some practical means of raising money to meet the above requirements & the Debentures shortly falling due. You do not seem to be aware that the authorized

amount of First Mortgage Debentures ^{of £50,000} is all issued, and with regard to your suggestion to issue a further amount, the Board do not consider they would be justified in proposing to issue a second series, ranking after the first. It needs to be borne in mind, that these Debentures have not been taken by the public, but have been placed from time to time through the personal influence of the Directors with their friends, & this not without some difficulty.

You mention that there are some £20,000 to £25,000 in land notes on the other side, and that this amount may be increased before 30th June by £10,000 to £20,000. The exact sum at the end of October in notes on the other side was \$57,367.20 equal to £17,976.15.10 @ £s 4.86 and efforts to discount these notes have so far failed. On this side, as you are aware, the Directors raised £2,000 on the security of these notes in order to pay the last dividend, but they do not see their way to raising a further sum upon them, and to anticipate amounts for next season would be most irregular.

The financial position is this, the Company has an immediate necessity for £3,000 in cash & Debentures falling due as follows:

July	1885	£ 26,100
January	1886	2,250
July	"	2,400
January	1887	4,000
July	"	7,550
January	1888	<u>7,700</u>
		<u>£50,000</u>

With regard to your suggestion that the Company should communicate with the various holders of the Debentures ascertaining their views as to renewal, this would not help us to the £3,000 cash, and the Directors feel it would be unwise to do so until the Company has to some extent strengthened its financial position. When this is done the communication you suggest might be addressed to the Debenture holders and, with it, a proposal to reduce the rate of interest to 6%.

With this explanation of financial requirements, the Directors hope that you may concur in their decision to at once endeavour to issue some new shares to place the Company in funds. In the first instance they will be issued to the Shareholders in proportion to their holding, and, failing their acceptance, personal influence will have to be used to get them taken up elsewhere.

In future, I will send you, as requested a copy of the Agents' Minutes. At present, probably owing to Mr. Trafford's absence on land selections, the accounts and Agency advices are delayed and no sales have been reported since the end of October.

As regards the Hotel, Mr. Trafford was instructed when here to invite offers and he is fully alive to the importance of disposing of it, whenever a suitable offer can be had.

Yours faithfully,

A. W. Macfarlane

Secretary

As it is too late for registration tonight - the Indenture advised will be forwarded you tomorrow

A. W. Macfarlane
Secy

Board Meeting held on 22nd December 1881

Resolution

The Secretary's letter to Mr. Sanford of 15th December and Mr. Sanford's reply dated 20th inst were read, and as Mr. Sanford does not offer any alternative proposal for raising the funds needed for the new land purchases & towards payment of debentures falling due next year, & efforts to raise money upon security of the land notes in the Manayunk Bank having been unsuccessful,
Resolved -

"That the issue of shares be at once proceeded with, as passed at the Meeting of 24th November 1881, but that £10 per share be called up in two instalments, one of £5 on allotment and £5 in not less than 3 months after date of first payment. The Company's Bankers in London to be requested meanwhile to provide necessary ~~funds~~ credit for Mr. Trafford in anticipation of receipts from New Stock."