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THREE
LETTERS
TO THE
PROPRIETORS OF STOCK
IN THE
East-India COMPANY.

(Price Six-pence.)



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THREE
LETTERS
TO THE
PROPRIETORS of STOCK
IN THE
East-India COMPANY,
Relative to the QUESTION
to be Ballotted for on *Wednesday,*
January 3d, 1749.

By a DIRECTOR.



LONDON:
Printed for M. COOPER, at the *Globe* in
Pater-Noster-Row, 1749.

THREE
LETTERS, &c.

*The QUESTION to be ballotted for
at the East-India-House, on
Wednesday next.*

THAT THIS COURT IS OF OPI-
NION, THAT THE COMPANY
ACCEPT of Four Pounds per
Cent. per Ann. till the 25th Day of
December 1750; and from the said
25th Day of December 1750, an Inte-
rest of *Three Pounds Ten Shillings per
Cent. per Ann. until the 25th of De-
cember 1757, and after that Time an
Interest after the Rate of Three Pounds*
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per Cent. per Ann. till redeemed by Parliament, upon that Part of their Debt from the Government which carries Interest after the Rate of Four Pounds per Cent. per Ann. being Three Millions Two Hundred Thousand Pounds.—But in regard the Company have greatly suffered, by having been subject to raise the Rate of Interest given upon their Bonds, and may hereafter be exposed to the same Inconvenience; and in order to enable the Company to lessen their Bond Debt, therefore they annex the following Conditions, as the Terms upon which they agree to the Reduction of their Interest.—That the Company be at liberty, at such Time or Times as they shall think convenient, to raise any Sum or Sums of Money, NOT EXCEEDING, in the Whole, THREE MILLIONS TWO HUNDRED THOUSAND POUNDS, by Annuities transferrable, free of Charges, at the East-India-House, carrying, from the Time of creating such Annuities, the several Rates of Interest, and no more,

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more, as the Company, by their Acceptance of the said Proposal, will be intitled to receive from the Publick; the said Annuities not to be liable to be redeemed till after the 25th Day of *December 1757*, and so as all Duties, Revenues and Incomes, which now stand appropriated to the Payment of the said Interest of Four Pounds *per Cent. per Ann.* upon the said Three Millions Two Hundred Thousand Pounds, shall continue and be appropriated and applied to the Payment of the respective Interest *upon all or so much of the said Three Millions Two Hundred Thousand Pounds, as shall be raised by such transferrable Annuities* as aforesaid, AND THE REST THEREOF UNTO THE SAID COMPANY, in the same Manner as they now stand appropriated to the Payment of the said Four Pounds *per Cent. per Ann.*—And that in case the Parliament shall think fit to approve of this Company's Proposal, and to permit them to raise a Sum not exceeding Three Millions Two Hundred

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Thousand Pounds, by transferrable Annuities, upon the Terms before-mentioned, *that the Possessors of the Company's Bonds have the Preference of becoming Subscribers to the said Annuities*, according to the Times and Terms that shall be declared; such Preference to be offered by Way of Lottery, in the same Manner as, by the Resolution of the General Court of the 22d of *December 1736*, the Bonds are directed to be paid off.

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L E T T E R I.

To the PROPRIETORS of STOCK in the East-India Company.

GENTLEMEN,

AS you are this Day to meet in a General Court, to take into further Consideration several Resolutions of the Hon. House of Commons of the 29th of last Month, relating to the Reduction of the Interest of the National Debt, at which Time, in course, the Opinion of your Court of Directors, relating to the said Resolutions, which was laid before your last General Court, and which has since been printed, will be also taken into further Consideration;

I cannot, on this Occasion, forbear communicating my Thoughts, and therefore do declare, *I think the Time*, betwixt the last and this Court, *hath not been sufficient for so deliberate a Consideration on this Affair, as the Nature and Consequence of it deserves*; — nor can

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I conceive any Inconveniency, if you should adjourn it for some further Time; but then let it be done with that Decency and Respect which is due, both to the Hon. the House of Commons, and to your Court of Directors.

Further, I think, in Propriety, *you ought not yet to come to any Resolutions concerning this Matter*; and that if you should, you would be more in a Hurry than is required by the Resolutions of the Hon. House of Commons, *and thereby wanting to yourselves, and to the Interest of the Company*, in not taking a longer Time.—For how stands the Case? To me it appears thus:

The House of Commons, on the 29th of *November*, came to several Resolutions; they then *ordered a Bill to be brought in*, pursuant to said Resolutions; also ordered, for the immediate taking in Subscriptions and Consent, Copies of the said Resolutions to be forthwith transmitted to the Exchequer, and the Three Great Companies.

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At the Exchequer, Bank, and South-Sea-House, Books are ordered to be opened, for receiving the said Subscriptions or Consent; but the *India Company* are not required to open Books; nor are they ordered immediately to signify their Consent, but have the same Time with others allowed them for doing that, (*i. e.*) until the 28th of *February* next.

What I should therefore recommend to be moved, as proper Questions to be this Day resolved upon, would be,

First, That the Thanks of the General Court be given to the Court of Directors, for laying before the last General Court their Opinion on the Resolutions of the Hon. House of Commons.

Secondly, *That the further Consideration* of the several Resolutions of the Hon. House of Commons of the 29th of last Month, relating to the Reduction of the Interest of the National Debt *be adjourned until the Bill* ordered to be brought in pursuant to the said Resolutions

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tions be passed; and that, in case the Act should not be printed immediately after passed, *the Court of Directors be desired to procure a Copy thereof; and that they be also desired then to take the said Act, together with their Opinion on the aforesaid Resolutions of the Hon. House of Commons, into their further Consideration; and to lay before a General Court, at such Time as they may think proper to call one for that Purpose, their Opinion what Resolutions it may be adviseable for that General Court to come to on the same. Besides the Reasons I have abovementioned for postponing any Resolution on this Affair, I have observed by the Votes, that several Amendments have been made to the Bill; but I think it doth not appear in the Votes what those Amendments are;—and I cannot suppose any Answer is expected from this Company previous to the passing the Bill, as it is too late for any Clause to be added (if any was thought of) in their Favour. And I imagine one of the Reasons for the Bill passing*

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passing through both Houses of Parliament with Expedition is, that, when it becomes a Law, it will more effectually put all Parties interested on considering what it becomes them to do.—And in the mean while, as I apprehend, the *India Company*, and all others concerned, are to consider the Publication of the Resolutions of the Hon. House of Commons in the manner as ordered in the Votes, as a Parliamentary Notice of that Date, of what was, and is intended to be enacted into a Law.

London,
Dec. 19, 1749.

A PROPRIETOR.

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L E T T E R II.

*To the PROPRIETORS of STOCK in
the East-India Company.*

GENTLEMEN,

HAVING received the printed Copy of the Opinion of the Court of Directors on the Matter which was under your Consideration at the General Court held the 13th Instant; I have read and considered the same, as well as I am able, and the Shortness of Time will permit; and, as I differ in Sentiments, think it proper to offer my Reasons for your Consideration. But first, I desire it may be understood, that I have the utmost Regard for the Gentlemen in the Direction, and believe they have recommended what they think may be proper and advantageous for the Company; yet, perhaps, they have not had Time sufficiently to weigh all Circumstances.—I further declare, I divest myself of all Bias by Favour or Prejudice,

dice, in regard of the Grand Scheme for reducing the Interest of the National Debt, and *confine myself to the single Object of what is proper for the East-India Company to do, as such.*

First then, please to consider, the Company have advanced at several Times for the Service of the Publick, 4,200,000 *l.* for which they have Parliamentary Security for an Annuity or Annuities of 158,000 *l. per Annum*, subject to Redemption in Manner following, *viz.*

*Upon one Year's Notice to be given by Parliament—Upon the Expiration of the said Year, and upon Re-payment by Parliament, as well of the said Sum of 3,200,000 *l.* formerly advanced, as of the said Sum of 1,000,000 *l.* now to be advanced, amounting in the whole to the Sum of 4,200,000 *l.* and all Arrears of the Annuities;—Then, and in such Case, AND NOT TILL THEN, the said respective Annuities, or Yearly Funds, shall cease, determine, and be no longer payable.*

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After follows a Clause for Payment in like Manner, and on like Notice.

Any Sum not being less than 500,000 l. in Part of the said Capital Stock or Debt of 4,200,000 l. See Act 17 of his present Majesty, Pag. 368 and 369.

Now altho' there be two distinct Debts, one of 3,200,000 l. at 4 per Cent. the other of 1,000,000 l. at 3 per Cent. by the before-mentioned Act of Parliament, they are summ'd up into one Debt of 4,200,000 l. and no Part of the 4 per Cent. is liable to be paid off, but on Condition, that a proportionable Part of the 3 per Cent. be also paid off: Therefore, as the Parliament, (as I apprehend) have joined the two Debts into one, I see no Reason for separating them, but do consider the Whole as one Debt of 4,200,000 l. carrying an Interest of something more than 3 l. 15 s. 2 $\frac{1}{2}$ d. per Cent. per Annum, on an Average.

For what Reason then should the Company accept the Terms proposed? As to the Inconveniency or Loss the Company may have heretofore sustained, by

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by being obliged to advance the Interest on their Bonds; that Consideration is, I think, a Reason they should avail themselves of the Profit they may make in Futurity, by receiving upwards of 3 4ths per Cent. more than they are like to pay. As to supposing a Chance of being obliged to raise the Interest again on their Bonds, if it has any Weight at all, it must be more against the Question than for it; for if that be supposed possible, it may with equal Reason be supposed possible, that the Bondholders will not accept the Favour proposed them, but insist on their Money, and perhaps place less Credit in the Company, on account of their changing their Terms and Security.

The Case may then possibly be, that the Bondholders may demand their Money, and the Company be obliged to make Calls on their Proprietors, or to sell the proposed Annuities at such Rate as they will fetch, let them be at what Discount they will; and the Company can receive no Benefit, should the

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the Annuities bear a better Premium than the Bonds, because then the Bondholders would surely take them. Besides, they, (i. e. *the Company*) *will not, in the proposed Way, ever get rid of the 1,000,000l. at 3 per Cent.* until the Parliament think proper to pay them off, and in the mean while, they give up the *3 4ths per Cent.* on said 1,000,000l. (which they now are intitled to until paid off) *and must continue their Bonds for the same Value, under the Hazard of being obliged to pay more Interest for the same.* Therefore I am for remaining as we are.

Bath,
Dec. 16, 1749.

A Proprietor and Bond-holder.

N.B. The Act of Parliament being printed, (as in the second Resolution of the first Letter was suggested might probably be) 'tis apprehended there is a Clause in that Act, which it had been highly proper to have taken into Consideration

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tion, before any Question had been formed for a Resolution on an Affair of such Importance; which Clause will be found transcribed in the subsequent Letter, Page 20.

L E T T E R III.

*To the PROPRIETORS of STOCK in
the East-India Company.*

GENTLEMEN and LADIES,

FOR to you Ladies I must now address myself, equally with the Gentlemen; your Properties and Interest being concern'd, in proportion as you are possessed of Stock in this Company, and you certainly have an equal Right to assent to, or dissent from, any Question wherein your Interests are concerned, tho' indeed Custom prevents your having the Opportunity of doing it, except where a Ballot is demanded.—

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It has so happen'd, that you have Time to consider the Consequence depending upon the Success of the intended Ballot. For my own Part, I am well pleas'd that this Opportunity offers, of laying before you an Account of my Conduct relating to this Matter, for your Judgment and my Vindication, which if the Ballot had been proceeded on the next Day, as one zealous Gentleman moved, and another seconded, (or if even a Week only had been allowed) I could not possibly have done.

Wednesday the 13th Instant being appointed for the General Court, on the Evening of the 12th, and not before, I was made acquainted with what was to be recommended to that Court; I was greatly surpris'd,—objected to it,—and pointed out the Clauses of Redemption in the Act of Parliament of the 17th of his present Majesty, referred to in the foregoing Letter from *Bath*; conceiving there could be no Time for Debate in the Court of Directors to be held the 13th, previous to the General Court,
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and that the proposed Scheme was agreeable to such of the Directors as I had seen, and that my Opinion was diametrically opposite, I purposely absented myself from that Court of Directors: But when the General Court was sitting, and had entered on Business, I went in, and that being over, assisted at the Court of Directors. Before the next General Court, which was held on *Tuesday* the 19th Instant, the foregoing Letters were wrote and published in the *General Advertiser* of that Day: What pass'd at that Court is too recent to need any Recital; it is sufficient here only to mention what I said at the Court, after the Chairman had declared my Dissent, *viz.*

“ That I never had approved of that
“ Opinion of the Court of Directors;
“ that I would not take up so much of
“ their Time, as would be necessary for
“ giving the Reasons of my Dissent,
“ they might be seen in the *General*
“ *Advertiser* of that Day, in the Letter
“ from *Bath*.”

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But I must here remark, that at the General Court on the next Day, when the Minutes of the preceding General Court were read, what I had said on that Occasion was misrepresented, and on my objecting to it, the same was altered in Court.

As well from the Dislike I have to make myself singular, as from the Regard I pay to the rest of the Directors, I proposed my Dissent should be recorded in their Minutes of the 19th, previous to the General Court; which being objected to, as not regular, I then desired it might be reported to the General Court; which was accordingly done by the Chairman, in a very obliging Manner.

I am far from thinking the Court of Directors did not proceed on Motives they thought right, and for the Advantage of the Company, though I have dissented; and cannot persuade myself, but it was the Uprightness of their Intention made them so desirous to carry it into Execution; yet notwithstanding

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standing they might think themselves right, it is hoped what is now going to be offered, may not only help the out-door Proprietors, but also be considered by the Directors in the Determination of this Affair. While the Bill was depending, if any Proposal could have been thought of by the General Court, beneficial, or even not hazardous on the Company's Part, and which the legislative Power should have thought proper to have consented to, perhaps the same might have been provided for by a Clause in the then depending Bill: *But that Bill being now passed into a Law, no other Terms can take place, but by a New (or a Clause in some future) Act.*

It being obvious to every Director, and, it is presumed, to every Proprietor, that, from the Condition annexed to the proposed Question, the Company cannot, in their present Situation, accept the Proposition offered by the Resolutions of the House of Commons; What then can be the Advantage of

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carrying the Question now? What may be the Consequence? I do not know of any Benefit that can accrue to the Company, if it should be now carried. The Disadvantage the Company will be under, in such Case, seems to me as obvious as the most established Axiom. *If the Question is carried, and the Parliament accept the Conditions, the Company is tied down, and consequently deprived of any future Opportunity, that may otherwise offer, for their greater Advantage, should any other Scheme be thought of.* If the Question be not carried, it is apprehended no ill Consequence can arise; for by a Clause in the Act, it seems as if there was no preclusive Point of Time. The Clause runs thus, *viz. Be it therefore Enacted, by the Authority aforesaid, That the said several and respective Books shall constantly be opened at the said Receipt of Exchequer, and other the Publick Offices aforesaid, for that Purpose, every Day, Sundays only excepted, until the said*
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28th Day of February 1749, inclusive, and no longer; Subject Nevertheless, to such further Directions, with respect to the taking in or receiving such Subscriptions, or Consents, from the Proprietors of the said Annuities of 4 Pounds per Cent. per Ann. as shall or may be given by the Commissioners of the Treasury, or any Three or more of them now being, or the High-Treasurer, or any Three or more of the Commissioners of the Treasury for the Time being, for the Benefit and Advantage of the Publick.

Is it not probable therefore, that if other Terms can be thought of better for the Company, and acceptable to the Legislature, an Act or Clause may be obtained for such Purpose, either before or after the 28th of February? Would not the Scheme in the Question be better for the Proprietors, if instead of Transferrable Annuities, the Company should be empowered to issue new Bonds (under the Conditions consistent with

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with the Resolutions of Parliament) in lieu of the present; as this, it may reasonably be presumed, will be more agreeable to the Bond-holders, having many Conveniences not attendant on Transferrable Annuities? But it is not conceived, that these are the best Terms that may be reasonably asked, therefore better ought to be endeavour'd at. If any new Agreement be proposed to Parliament, and if it be thought of such *great Consequence* to the Company to get clear of their Bonds, WHY NOT OF THE OTHER MILLION, for which they can receive no more than 3 *per Cent*? — Why should the Debt on the Two First Loans amounting to 3,200,000 *l.* which is the Company's Capital Stock, be alone paid off? Why not the other Million at 3 *per Cent.* which is a subsequent Loan, and what the Company borrowed to lend the Government, by which they have been the greatest Sufferers.

Seeing then nothing can be done but by a subsequent Act or Clause, if a Scheme of this Kind should be thought
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most adviseable, should it not be for the whole Amount of 4,200,000 *l.*?

May it not be reasonable to desire a saving Clause, in behalf of the Company, to the following Purport; That so much, and no more, of the Debt due to the Company, shall be thereby discharged, as shall be equal to the Amount of the Bonds, which shall be brought in to be marked for that purpose, within a limited Time; and for the further Sum the Company may be afterwards able to raise by voluntary Subscriptions, for Bonds, (on the Terms that may be agreed on with Parliament) within a further limited Time. By which means, the Company will avoid any Risque.

On recollecting what pass'd at the General Court of the 19th Instant, if I mistake not, some Gentlemen took great Pains to represent the Bond holders in a disagreeable Light: If those Gentlemen really thought they deserv'd what they said of them, they should, to act consistently with themselves, ballot against
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the Question, in order to mend the Clause which gives Preference to the Bond-holders; and should they ballot for the Question, it will demonstrate, they only represented the Bond-holders in that Light, to prejudice the Minds of the Proprietors then present in Favour of the Question.—As to Instances given of one or two Persons, who at Times, when the Bonds were at Discount, first purchas'd them, at great Advantage, and then carried them into the Company to be mark'd for Payment: These are mean Actions, and with which the Body of Bond-holders ought not to be reproach'd.

As to Bonds being brought in for Payment for Goods sold at the Company's Sales, a Proprietor then present rightly observ'd, the Company did not suffer a Loss in proportion to the Discount they were at, because the Company sold their Goods proportionably at a better Rate; but it is plain from the Compliment the Court of Directors are desirous of paying

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ing the Bondholders, they do not look on them in so bad a Light as they have been represented; it is evident they look on them as Friends to the Company and indeed many of them are of the Body, and is any Proprietor the worse Member because he credits the Company and gives Premiums to be possessed of their Bonds? Every one who thinks coolly and has the least Notion of the Nature of Credit, must know, that the Rise and Fall, whether of Premium or Discount, is govern'd by the Circumstances of the Times, and fluctuates like other Securities. If we may judge of future Events, notwithstanding all that has been said, I think there is more Reason to expect a Profit to arise from the Bonds than a Loss, for you have now in View a Profit of 32,000 *l.* per Ann. arising from the Bonds, not a trivial Matter, and I think a greater moral Certainty of being able to pay them off before you can sustain any Loss by them, than you have of not being a Looser by

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purchasing the propos'd Annuities, and leaving yourselves burthen'd with the 1,000,000 *l.* at 3 *l.* per Cent.

If any Gentlemen can produce sufficient Reasons for the Company's accepting the Terms offered by Parliament, on the Conditions contained in the Question, it were to be wished, they would exhibit them in such a manner, as the Proprietors in general may have an Opportunity of considering them deliberately, before the Day of the Ballot.

Should the Question be carried, it may perhaps be a Leader to the grand Scheme for Reduction of the Interest on the National Debt; but why the Company should become UNDERTAKERS, on such Conditions as I believe would not induce the most sanguine in Exchange-Alley to accept, I cannot conceive.

To conclude, I do declare, That, according to the Oath I have taken as a Director, (which occasionally I was put
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in mind of, by a Gentleman at the Court of the 19th Instant) *I have given my best Advice and Assistance, for the Support and good Government of the Company, and that faithfully and honestly, according to the best of my Skill and Understanding.* I am,

GENTLEMEN *and* LADIES,

London,
Dec. 29, 1749.

Your most humble Servant,

A DIRECTOR.

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