

Lima, Jan. 31, 1881

Extract from PREVOST & CO.'s letter Original filed in PERU BANK NOTE Packet

We can in consequence, only promise to use our best efforts towards recovering at as early a date as possible from the Junta Fiscal and from the Post-Office Department, the amounts of pending invoices on their respective accounts, without being able to fix with any degree of certainty, the time when we shall have actually effected these recoveries.

We have the assurance, however, of Mr. Munoz and of the gentlemen forming the Junta, all of which remain at their posts, that they will not delay paying us beyond the time absolutely indispensable in force of actual surroundings. We shall, on our part, press them to the utmost.

The invoices, pending at date, are four on account of the P.O. Department, representing respectively \$55, \$ 365.7.7, \$ 1415.8.4 and \$1254.80; and one on account of the Junta amounting to \$ 221. It is perfectly well understood with both institutions, so far as the shipments now detained on the Isthmus and those hereafter to be dispatched from New York are concerned, that your responsibility ceases in Panama and that all risks thence are exclusively on their account. We again mention this fact, already alluded to, in our previous respects, in reply to your remarks on the subject in your favors before us in order to dissipate all anxiety on your part in this score.

We regret that your underwriters should have taken the ground which you report in reference to the notes and stamps seized by the Chilians. There seems to us to be no reason for their demurring payment in face of the documents which you have placed before them. The diplomatic claim is something entirely between them and

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the Governments who have authorized the seizures. We shall not only be too happy if they succeed in recovering their money from such quarter, but are willing to aid them as much as possible, if so desired, in obtaining this end. We do not see at all, however, why you should be made to wait for the result of their efforts in this direction and we believe that you should not have admitted their pretension to act thus, the more so as the Junta refuses point blank to pay for the value of the 24 cases notes, alleging that their contents can never be returned by the Chilian authorities since they have been all issued by them in payment of their expenses on our coast. We enclose a certificate of the U.S. Consul in this city acknowledging this fact which is of public notoriety and we trust that in sight of same there will be no further difficulty in the way of recovering the value of the postage stamps as, under existing circumstances, it would most probably be time entirely lost to attempt to get the Post Office Department to pay for them.

We anxiously await to hear from you in reply to our foregoing remarks on so important a point and sincerely trust that your advices may be of a satisfactory nature.