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Appendix to the Schedule of
Documents appertaining to the Memorial of
Lewis Vernet



Copy of original
Draft of Contract
with Lafone
with some observations

A

Extract of the original
Draft of contract, agreed upon
in Montevideo, on the 11th April
1837, between Samuel Lafone
resident merchant at Monteri-
deo and Louis Vernet, resident
in Buenos Ayres (~~about then on~~
~~a visit at Montevideo and on~~
~~the eve of returning to Buenos~~
~~Ayres), which contract was to~~
~~be written out, according to~~
~~said agreement, for signature~~
~~by the former and sent to the~~
~~latter in Buenos Ayres~~



- Art: 1st — That Vernet shall draw
up plans for forming an association
in ^{England} Europe, for the purpose of
carrying on at the Falkland
Islands the whale, seine and seal
fishery, combining with these
objects (if permission can be
obtained from the British Govt)
the establishment of a colony or colonies.
- 2^d — That Mr Lafone shall through
his friends in ^{England} Europe endeavour to
form such a association on the
plans to be proposed by Vernet,
subject to such alterations and
improvements as the Company
may think proper to make. —

3^d- That of all and every re-muneration, perquisite or commission (salaries excepted) which may be allowed by the company to Mr. Lafone or his said friends for the direction & management of the concerns in England, & to Mr. Vernet for the direction and management of the concerns at the Falkland Islands (whether Vernet be required to act in his own name or otherwise), each of the two contracting parties shall cede to the other party one third of such remuneration, perquisites & commissions (salary always excepted).

5th- That any and every advantage or profit arising from undertakings which either of the two contracting parties may make at the Falkland Islands, that do not counteract the interest of the company, according to the plans it may have adopted, shall be divided into three equal parts, namely: $\frac{1}{3}$ for Mr. Lafone, $\frac{1}{3}$ for Mr. Vernet and $\frac{1}{3}$ for Mr. Lafone's friends in England, accepting Vernet's rights to the wild cattle and the lands of the East Falkland Island, as respects those interests, they shall be proceeded ^{with} as stated in article

~~4th That this agreement shall cease at the end of two years, if by that time the company has not been formed or be in a fair train of formation; but if during this agreement shall exist as long as the operations of the company continue, notwithstanding any renewal of contracts, if the same be made at a distance, during year, unless given by the party fulfilling to relate to cause, by a year, notice being given before hand by the party~~

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9 April 1834.

It is hereby agreed upon between Mess^{rs} Lafone
etc^o, on the one part & Mr Lewis Vernet
on the other part.



- 1st That Vernet shall draw up a plan for an
association in Europe for the purpose of
carrying on at the Falkland Islands the whale
Seine, & Seal fishing, combining with these
objects the establishment of a Colony provided
permission can be obtained from the British Govt
- 2^d That Mr Lafone shall through his house in
London Mess^{rs} ~~etc~~ endeavour to form
such application on the plan to be proposed
by Vernet ^{subject to such alterations and improvements} or on such ~~plan~~ ^{make} as the association
may think proper to ~~form~~.
- 3rd That Vernet shall draw up a statement
of the foundations on which he claims the right
of property to the lands and cattle ~~etc~~ on the
East Falkland Island, or an equivalent compen=
sation in Lieu thereof.
- 4th That if Mr Lafone through his friends in England
^{and obtain on their expense} should obtain from the British Govt or through
Parliament the acknowledgement of said claims
or an equivalent compensation, ~~at his own expense~~
~~he shall be entitled to one third of what~~
~~thus be obtained by the other two thirds the remaining~~
~~they may be used to all~~
- 5th That any and every advantage arising from
undertaking which either of the ^{two} Contracting parties
may make at the Falkland Islands, ^{independently}
that it does not interfere with the ^{same} contract the
plan laid out for the Company shall be divided between them

~~parts 10 for 1st & 11th articles 7s for 12th article and 7s for Mr Lafones friends~~

~~the objects stated in the 1st, 2^d, 3^d Article
Contracting however from the sole contractors the wife cattle and
of this Agreement ~~AMENDED~~ which undertaken
the sum of the last Falkland Island, regarding which will be
will be considered as independent of the Company's
proposed as stated further on
further, such action as is not carried on at price
s of the same place as that of the Company's sign.
But if so stated shall be 7s for his part to 10s for 11th &
of the remunerations which ~~either~~ of the two
of the remunerations payable or commission paid except
subtracting parties may not be the
by the Company for the direction which will
to the one in England
to the other at the Falkland Islands, whether
the remuneration to be desired to act in his name
or under the name of another, such remunera-
tions including Commissions, each of the two
Contracting parties shall cede to the other party
one third thereof ~~but any salary is to be paid~~
~~shall be exclusively for the person to whom it is due~~
~~This agreement shall cease at the end~~
~~of two years if by that time the company~~
~~stated in the 1st, 2^d Article of this agreement~~
~~shall not be formed; but if it is formed the~~
~~the agreement shall last ~~as long as the agreement lasts however~~~~
~~not exceeding twenty years unless otherwise agreed~~
~~and in the event of the death of either party survivor of~~
~~either and the years notice left ~~to be given~~ to cease~~
~~after that period the use of stock of a herd shall be for~~
~~the agreement shall be continued by the executors~~
~~for 8th year~~
~~If the right of property to the Land~~
~~& cattle be acknowledged, then to ~~the~~ ~~any~~ ~~law~~~~
~~to be allowed each settler & the necessary cattle~~
~~for tillage & services, at such prices as Mr.~~
~~Lafones friends may agree with them ~~settlers~~~~~~

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8th Of what may be obtained according
to the preceding article one half shall
be destined for the contribution of the
association previous to legacies, funds &c. which fit to do so
~~the company~~ ^{introductory} ~~into the Stock of~~
the Company at the valuation of 3,000 patacas
say 6000th or as much more as ~~they may apply~~
~~they may apply~~
find ^{agreed upon with the Company.}
it is understood that the half thus introduced
into the Stock shall consist of half the time
interest ~~for Lafone's Stock~~ according to the articles
and of half ~~Lafone's rights to~~ 1/2 + 1/2 two thirds
~~of the capital of this agreement~~ ^{there remaining}
thus at the free disposal of ~~each of the contracting~~
~~one half of their respective interest in the result of~~
~~their claim as per 7th article of this agreement~~

9th It is understood that the contracting parties ren-
dering this to themselves 1/2 of their respective interest
in said claim, ~~shall not~~ do so under
the impression that the part which is put into the
Company's stock is fully sufficient for the objects of the
Company, and they moreover engage themselves not
to apply that part ~~to~~ ^{to} which they had
with independence ~~to~~ of the Company to any purpose
which may ~~be contrary~~ ^{contrary} to the interests of the Company.
The only advantage they ~~promise~~ ^{provide} to themselves by
such reservation being the increase of value which
such property will acquire by the colonisation
of the Island.

10th Veneto shall accompany the statement mentioned
in the 6th Article with the special power of Attorney
in favor of don Lafone as the fulfillment of
the right ~~to~~ in the 7th & 8th article of this agreement
may require.

11th This agreement ~~is made~~ ^{is made} in good faith it is
also understood that if its better execution shall require



is provisional and any addition or alteration which the better execution
of the same ~~may~~ ^{desires} according to the spirit and
sense of the foregoing articles shall be made and
inserted ~~in~~ ^{to the} May in good faith require, shall
be added hereto by the two contracting parties
if there should be any ^{differences} ~~in~~ opinion on such addition
or alterations then the parties shall ~~submit their~~ ^{choose} ~~make~~ ^{arbitrators}
and by their award be decided.

Given under our hands this 11th Day of
April 1837 —

- It is hereby agreed upon between Mr
Samuel Lafone on the one part and Mr
Lewis Verney on the other part
- ARTICLE Ist
- X That Verney shall draw up ~~a~~^{forming} plans for an
Apostolization in Europe for the purpose of carrying
on at the Falkland Islands the whale, seal
and seal fishery, combining with these objects
(if permission can be obtained from the British Govt)
the establishment of a Colony or colonies.
- 2^d Of all remunerations ~~prerequisites~~ of commission,
~~being excepted~~ what may be allowed
- 2^e That Mr Lafone shall through his friends
& in Europe endeavour to form such apostolization or
the plans to be proposed by Verney, subject to
such alterations and improvements as the Company
may think proper to make.
- 3^f That of all and every remuneration ~~prerequisite~~
for Commission (Salaries excepted) which may be
allowed by the Company to Mr Lafone or his said
friends for the direction & management of the
concerns in England, & to Mr Verney for the
direction & management of the concerns at the
Falkland Islands (whether Verney be required to act
in his own name or otherwise), each of the two
contracting parties shall cede to the other party
one third of such remuneration ~~prerequisite~~ of Commission
(Salary always excepted). -
- 4^g That this agreement shall cease at the end
of two years & by that time a company has not
been formed or be in a fair train of formation; but



Continued
Part II

if formed this agreement shall last as long as
the operations of the company lasts, not exceeding
twelve years, unless renewed by mutual consent
or it shall not cease but by a years notice
being given before hand by one party ~~not less than~~
~~one year~~ to the other party. ~~said notice shall be given~~

5th That any and every advantage or profit
arising from undertakings which either of the
two contracting parties may make at the
Falkland Island, that do not counteract
the interest of the Company according to the
plans it may have adopted, shall be divided
into three equal parts, namely: $\frac{1}{3}$ for Mr Vernet
 $\frac{1}{3}$ for Mr Vernet & $\frac{1}{3}$ for Mr Lafone's friends
in Europe. Excepting ~~any sum~~ ^{the most modest number might fit} from such dividends
less, the wild cattle and the land of the East
Falkland Island ~~as respects to their interests there~~ shall be proceeded
as stated of the ~~island~~ in article 7th & 9th of this contract

6th That Vernet shall draw up a Statement of the
foundation on which he claims the right of property
to the Lands and Cattle on the East Falkland
Island, or an equivalent compensation in case
thereof.

7th That Mr Lafone shall ^{see to} such Statement being
laid before some able lawyer in London & to obtain
the opinion of the same, ^{which shall be transmitted to Vernet} for his information.

8th That Mr Lafone will endeavour, by himself or
by his friend in England, ~~at his expense~~, to obtain
from the British Govt or from Parliament the

ESTATE GENERAL DE LA REUNION

acknowledgment of Verney's said claims or the best compensation he may be able to obtain in view thereof. ~~For the whole amount of his demands~~
~~and to the value of the same to this~~
~~date, in respect of the same.~~

It is further agreed that the half of all that may according to the foregoing article be obtained, shall be dedicated to the formation of the Company provided Mr Lafone or his friends should think it convenient so to do, by introducing it in that case into the stock of the Company at a valuation of 30,000 petacons say thirty thousand Petacons or £6000.^L ~~or £1000~~ say six thousand pounds Sterling or as much more as they may agree upon with the company. — It is understood that the half thus introduced into the Company's stock shall consist of one half of Mr Lafone's and one half of Mr Verney's interest in the same according to the 8th article of this agreement. If the company make it a fine upon the introduction of the whole of the cattle it shall be done with the addition of 10th £1000 say 10,000 petacons or two thousand pounds Sterling.

It is understood that each of the two contracting parties, reserving always to themselves half their respective interests in said claims, do so under the impression that the sum which is to be put into the Company's stock, actually sufficient for the object of the Company, and they engage themselves not to apply the parts they have thus reserved to any purpose which may be contrary to the interest of the Company. The only advantage they provide to themselves by said reservation, being the increase of value which is likely to result to such property by the Colonisation of the Island. —

Mr Verney shall accompany the statements of his claims mentioned in the 6th article with such

Special power of Attorney as the execution of this agreement may require.

12th This agreement shall admit of such additions and alterations, as its better fulfilment according to the principles laid down, may require in good faith, and if there should be any difference of opinion on such additions or alteration, such differences shall be left to a fair arbitration. — And by such arbitration shall be decided all and every difference which contrary to expectation might arise in further in the prosecution of this agreement.

13th

Vernet

N° 37-Syphax



Acc't pending against Galt & Co. of 20000 Pounds Sterling Dollars
produced at Falkland's worth fr 15. to 23000.
first deposit

To Samuel Laffone Esq:re

Sir, I hand you for your perusal the following Statement:

Statement of my private rights & privileges at the Falkland Islands as far as regards
the Government of Buenos Ayres.



In August 1823 I obtained from the
Govt of Buenos Ayres on joint account with
Dr. Jorge Pacheco a grant of the wild cattle
in the East Falkland Island. —

In December we obtained from Said Govt
a Grant of Thirty square leagues of land on said
Island also on joint account. — The Island
contains upwards of one hundred square leagues
of Land usefull either for agricultural or herding
establishments. —

Soon after obtaining the grant of the cattle
Mr Robt Schofield made a contract with us regard
the cattle, he having to catch the cattle at his expence
and to pay us 20 reals for each head of grown
animals and one Dollar p^t head for the small
cattle. — Mr Schofield was to pay ten thousand
Dollars in advance — A penalty of 10,000 off
was stipulated in case of nonfulfilment on
either side. — Mr Schofield further more
purchased from us said grant of Land for
ten thousand Dollars. —

Mr Schofield began to fit out an expedition
with three vessels, incurring into great and useless
expenses, and his means were exhausted to such a
degree that he was unable to fit out the last
vessel which took him & his family to the Island.

2) The sanguine expectations we had formed of his
ultimately succeeding in his enterprise, of the
advantages we expected to derive from the
fulfilment of the Contract, induced us
to give him every assistance — The advance
of which he had paid 8700 Dollars, was soon
laid out again for his account & by my stand
Bordes, security for several debts which were preventing
him from proceeding on his voyage, & my brother
in law Coronel Peck standing guarantee for the freight
of the last vessel, he at length reported on the
1st March 1824 indebted to us ten thousand
Dollars or rather to me, Packets having no property
I made all the disbursements.

For our security against the strange
behaviour of Mr D. who had taken to drinking
very hard, he was to be apportioned in the direction
of the undertaking by my brother. But
such was the extravagancy Mr Shoffield
conducted that if he had tried his best to
ruin the undertaking, he could not have done
more to that effect. — He had hardly been
one month at the Island when he set sail
taking with him all the supplies of leaving
his people on the Island almost destitute
& without the means of doing any thing —
He arrived with the Antelope at Patagonia where
I happened to be, there he was prosecuted by a dozen
of mechanics whom he had engaged in New Ayres at
150 £ per month of who having managed to come away from

the Island in the same vessel with him, claimed
their wages & should have got him into jail had
I not taken his part. — Schofield was still
daily intoxicated; but even in his sober moments
his departure from the Islands appeared to him
as a dream of which he had lost a faint
recollection. He could give no answer to my
enquiries and frankly acknowledged that he
knew nothing of the matter.¹¹ In August
following, from 5 to 6 weeks after his
arrival for the Islands he got back to New
Yorks, and a few days after the people who had
remained on the Island, from absolute want,
returned also. Thus ended Mr. Schofield's
enterprise, with the total loss of the Capital
employed & besides loaded with debts, which he
could never pay. — I was the greater loser of
all the dividends, for Peñasco could not pay me
his part of the loss of his testamentaria remains
owing me about seven thousand Dollars since
the year 1824. — Which will never be paid
unless it were with their half of the 30 leagues
of land or their half of the cattle on the Island;
but if the British Govt dispute the validity
of these grants as it does, then that matter
is of course of no value whatever. — The
Bill of Sale of the land to Schofield had never been
made out, because he had not paid for it.

In July 1826 an association of friends
under my direction got a copy of Peñasco's half

4 of the Cattle on the Island, on condition of reserving
for himself one half of the calves, the company
having to keep at his disposal & tame, the half
of the Calves that were ^{to be} caught.

Toward the latter part of 1827 I purchased
the shares of all the partners & have since
then been alone in the business.

In Jan'y 1828 I proposed to the Govt.
of B.R. to establish a colony at my expence
provided they would grant me as my property
for ever the remainder of the waste lands of
the Island, the privilege of the fisheries for myself
and the Colonists and the exemption from taxes,
Contributions and duties for 30 years — My propo-
sal was accepted, the property of the land granted
forever, but the privilege only for twenty years,
and the Colony was to be established within
three years. — Which having religiously fulfilled
on my part, said property of the lands & the
privileges, has become, as far as regard the Repub-
lic of Brazil firmly established.

The Colony was destroyed in 1831 wantonly, by
Captain Duncan of the Lexington, because I
had obeyed the orders of the Govt of then Govr.

My loss of Capital employed is about
200 000 Dollars hard money, the loss of much tail
time and anxiety of mind. — If the Govt of
Brazil relinquish voluntarily their rights to
the Island they must indemnify me for my
losses sustained on account of their having given
me grants of land and privileges which they had
no right



(5)

no right to grant: — If they maintain their ground
they must support me in their claim against the
U. S. Govt for the wanton destruction of my
Colony which having been a private property of mine
~~ought~~ on no considerations to have suffered, even
if the H^o A^o Govt had no rights to detain those
reps^ls — I could bring the claim forward
myself without the interference of the
B^o A^o Govt, but the latter is preferable,
especially if the long promised Minister
goes to the U. S.

— This however valuable and just my
claims against the U. S. or the B.^o A^o American
Government may be, the movements of Govts
are so slow that being as I am without the
means of pushing on matters, they may ^{be} of
little avail to me for a long time.

In the collection of official documents published
in B^o A^o in 1832 you will find in the
note to the American Minister dated 14th August
towards the latter part of it, that the Govt of H^o A^o
intended indemnification to be made me for the losses
sustained in the destruction of the Colony. — Two
months after this G^ro^c Alvear was appointed minis-
ter to proceed to the U. S. for that purpose, afterward
Moreno was ordered to go from London to the U. S.
but a singular coincidence of circumstances has
always impeded the realization of the mission. —
In the last message Gov^r Rosas again promises to send a Minister

Statement of my position with regard to the British Government.

I was a bona fide possessor of the East Falkland Island at an enormous expence of Capital time and labour, and the British Govt tacitly consented during Six years, at the end of which, that Govt sent in a protest through Mr Parish Dated November 1829 claiming the Island, as part of the Dominions of the British crown (which was not known to me until 1831.)

The British Govt could not but know what I was engaged in, since the year 1823, and having tacitly consented being also according to British law become responsible for the inevitable consequences of such tacit consent.

In the year 1820 Colonel Jewitt then in the naval service of B.R.A. took possession of the Falkland Islands in a regular form in the presence of British and American Vessels, and by Captain Weddell in his celebrated voyage toward the South pole, published in London soon after, gives a circumstantial account of the act of taking possession - Weddell became celebrated because he went farther south than any other navigator, wherefore his work attracted the notice of the British Admiralty & the Govt & the whole nation - The act of taking possession was moreover announced in the public papers, and there was not the slightest

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objection started by the British Govt. Under
these circumstances was it possible to ~~conceal~~
imagine that those Islands belonged to England?
Almost all historical & geographical works
which had been published in England stated clearly
that those Islands had been ceded to Spain
by England about the year 1771.

Further the grants obtained in 1823 from
the Govt. of Buenos Ayres, were legalized by
the British Consulate, for the purpose of being
more respected at the Islands by strangers who
might touch there but not know the signa-
tures of the Buenos Ayrean Notaries.

Dr Pablo Argüello was made Comendante of
the Island in 1823.

In Jan'y 1828 I showed to Mr Parish
the grants I had obtained then for the establishment
of a Colony at my expence, he asked me for
a translation of the documents to send to the British
Govt. I gave it, ~~and~~ and the originals were
then certified by the British Consulate as the
former were.

In June 1829, being then in B.A., the Govt
appointed me Govr. for the Islands, that same month
I proceeded thither, and remained there until the
end of 1831, when I came to B.A. with one
of the detained vessels, for the purpose of attending
to their trial - & while thus engaged in B.A., and the
trial only just begun - the American Corvette
Cresta & destroyed my settlement.

In Sept 1832 being then unable to reestablish the settlement at my expense, the cost of £82 P.A. sent the M.R. of War, Tarrandi with a garrison and some settlers, & a provisional Govr to rule until I might be disengaged to return to the Islands —

In Jan'y 1833 H.B.M. Sirs Clio Capt. Oslow, drove away the Tarrandi and garrison took possession of the Islands in the name of H.B.M. — My private agent as well as all such of my people who wished to remain were permitted so to do, & were moreover told that all labor & occupations could continue as heretofore & private property was to be respected; but to this day it has not been distinctly stated, what is considered private property. —

My agent was then put in charge of the British flag; no man of war remained nor left any garrison. —

On August 1833 my agent (Capt. Matthew Brisbane, he who commanded in 1820 the Cutter Beaufoy that went in company of the Jane Capt. Weddell's vessel, on the before mentioned celebrated Voyage) was assassinated, and four of his assistants by some officers who took advantage of the defenseless state the few remaining settlers were in. — I had but shortly before reestablished the cattle business, which had been destroyed by the American Corvette, and now every thing was

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in greater ruin than ever. — In Jan'y 1834
H. B. M's Ship Challenger touched at the Settlement
& placed Lieut Smith there as Govt — thus the
two settlers who had saved themselves from the massacre
by being five months on a small Island in the
Bay, were relieved, & the affairs taken under
Govt. — The assassins were sent to England, but
never tried, or at least not punished, for ultimately
they were sent out again and landed in Montevideo
at full liberty, unknown to the authorities
here. —



There was then but three gauchos on
the Island, which are too few by far to carry
on the business properly — Lieut Smith
found Capt Brishane's papers & my instructions,
by which Lieut Smith was. Kind enough to
guide himself by, & follow up the business of
catching cattle & sealing with a couple of boats
for my acct — but it no being compara-
tive with his public character to transact
business he set for his son, whom he
appointed as my agent, until such time
as I might go there myself & send some
person in my place. — On his arrival there
he found on his & seal skins to the value of
about four hundred pounds Sterling, and according
to a letter I rec'd from him dated Decr 1835, the
value of hides had increased to about double that
amount. — I then immediately endeavoured to
get assistance to make an importation of gauchos and

40 and new horses to the Island to reestablish
that business properly - and the first person I
found willing to assist was Gent Lavalleyja
who undertook to pay all the expenses on certain
shares being given him of the profits of the
undertaking. — A sinister interpretation
appears to have been given to Lavalleyja's
intention, as compromising the safety of the plan,
and in consequence thereof, to prevent the
execution of my agreement with Lavalleyja,
my right to the cattle was denied me by
the British Govt. — This unfortunate contract
with Lavalleyja has thus done me much injury
and may require much correspondence to do
away the false impression — It is
evident that when Boslow took possession,
there was no intention of denying me the
Cattle, nor for a long time after, since
the Lieut himself continued the cattle business
and also the sealing for my acct —

The Cattle was originally sent there
from Buend Ayres by the King of Spain & can
therefore not belong to the English Crown if
even the Islands do; but to me as obtained
the caption of them by a special grant from
the Govt which is now in the place of the Spanish
Govt. —

My case with regard to the British

~~on nothing less than upon~~
Government is a claim founded upon
~~and~~ ^{the} bona fide possession and tacit consent of the owner,
In equity my rights must be confirmed or a
an equivalent compensation ought to be given
me.

The destruction suffered in 1837 by the appri-
priation of my agent & principal people under the
the British flag and for the want of due protection
forms also a claim against the British Govt altho'
it is only a minor claim.



It is evident by what I have stated,
that I was proprietor in bona fide of the grants
made me by the Baquiño Agustín Govt, and known
to the British Government as such bona fide, no person
and even treated as such by the man appointed Govt
of the Island. If after all this, the British Govt,
from a founded or an unfounded jealousy, of the intentions
of Gen^o Lavallega in his connection with me (which conjecture
has long since ceased), shorts from motives of policy
very and persist in denying my private rights as
proprietor of the Lands & cattle, they can not in justice
deny me an equitable compensation for such
dispossession.

An equitable compensation could I therefore
think, not be less than what is due to a man
who has built his house on an other man's ground
believing it to be his own ground & not having
met any opposition from the real owner. This
man is at least entitled to the value of the Capital
and labour he employed in building it. — The same
would be due for Capital and labour employed in
any other usefull object such as the Colony, in my
present case, which an trouble I would have never

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if the British Govt had acted as it ought to have done, namely to have warned me or given me notice that the Island on which I was establishing myself belonged to the British crown - If after this I had persisted in my purpose there would have been no responsibility on the part of the British Govt. All this is so evident as to require no further explanation. But unfortunately my ruin occasioned by the Lexington in 1831 and by the massacre in 1833 has been so complete that I could not undertake a voyage to England else I would long since in all probability be reestablished in my rights or obtained a compensation which would have been a fortune to me. — However, this delay has not only been occasioned by a want of funds for the voyage & subsequent eventual expenses necessary for putting on my affairs before Govt or Parliament, because had I directed all my attention to this object I might have obtained the necessary assistance from friends; but the delay has principally been occasioned by a variety of circumstances which I could not foresee namely:

1st the gradual postponement in the departure of a Buenos Ayrean Minister for the U. S.

2^d In fruitless attempt to get assistance from the British Admiralty for carrying on or rather reestablishing properly my cattle business, which once effected would have given me means for attending to my claims in England & America. The assistance required of the Admiralty was to be repaid in cattle to H. B. M's Shipping & by the sale of some of my stone buildings for the use of the

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garrison - but the Admiral referred my Comm-
munication to his Govt and three years elapsed
before I had an answer, and that was an answer
not at all to the point, merely stating that
as the Island were part of the Dominion of
the British Crown, no claims of Mr Verost
garrisoning from grants of the Bd of Govt
must be admitted. —



3^o A long correspondence with Mr W. P. Whittington
of London who had offered to bring my claims
before Parliament & had partly formed an
association for establishing a colony, kept me
one year and a half in suspense, and ended
in Mr W's bankruptcy. —

4^o No claims pending against the Govt of Bd of
being accounts of expences I have been at
for public service one for about 20000 paper.
Doll 21 the other for about 60,000 — The former
was presented four years ago, and is only now
moving towards a favorable conclusion the
other I fear will take a long time yet. —

5^o Collecting by law Suit several old outstanding
debts which have hitherto served for my main-
tenance. —

All these dilatory affairs & want of means
will naturally obliged me to remain long
inactive in the pursuit of my more impor-
tant claims against the British & the U. S. Govt
but now that I have my right of property

14 attacked by the former Govt, and that the
appearance of Mr Burrows in this City induced
me to commence steps in the U.S., I must
follow both matters up with energy, and
"beat the iron while it is hot".

In short the time is come that I must
exert myself, that I must seek the means
of attending personally to my affairs in England
& in the U.S. or to connect myself in respect
thereof with some influential Commercial
house, that it may do the needfull in London
for me while I pursue personally my business
with the U.S. Govt. — To induce the commercial
house to interfere in my behalf, I propose
the formation of an Association in Europe, under
the direction of such houses, ~~to~~ ^{for the} esta-
blishment of a Colony at the Falklands & the
establishment there of various productive bran-
ches of industry guided by my experience of
those islands. — You have met me half
way, and if I can come to a recipro-
cally advantageous arrangement with
you, I shall go no farther, I shall not
seek other connections and await with patience
the results of your endeavours, provided I
can hold out long enough. —

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My position in relation to my creditors is
the following:



According to an agreement with my creditors which was entered into by the Consulado of Bs^a A^m I have no further obligations toward them than to give up to them one half of what I may recover from the U. S. Govt, upon which I am entitled to a discharge in full, no matter whether such recovery be considerable or inconsiderable — Therefore all business which I may otherwise undertake, my creditors have nothing to do with — However in the presumption that the Land of the East Falkland Island belongs to me, I had mortgaged one half of those lands as a guarantee to my creditors. Wherefore, if the U. S. Govt. should contrary to expectation, not make me an indemnification for the wanton destruction of my Colony by one of her naval officers, in that case my creditors would have a hold of half those lands, but of nothing else.

The British Govt. give me permission to go and fetch away the property originally deposited there, which as said before is worth 400£ Hh, but the 400£ accumulated since & which was delivered by the Lieut. to his son, as my agent, (regarding which I have the correspondence) is doubtful whether it will be delivered to me, and in that doubt it was not prudent to go to the expence of a vessel to fetch away 400£ worth of bills, and never so as I was always on a point of prosecu-

16) ding to the Island for the greater objects of re-
establishing the cattle business - However last
October I wrote to my agent there for the Cleopatra
to send my property to George Wilder & Co: London
or John Campbell Liverpool or to Boston
Brothers Rio Jan^o or Stanley Black Mourt^r for
first opportunity which might present itself.
I have since had no letters from there and
am consequently also in suspense regarding
this matter.



Objects for an association for establishing
a Colony at the Falkland Islands

- 1st The advantages which the Govt may grant in recompence of such establishment to the Company.
2. The gain arising to the Company in the repayment of their outlays on the transportation & subsequent accommodation of the settlers, independent of good interest on their money. Which gain and interest will be guaranteed by the prosperity of the settlers, which prosperity is certain under proper management.
3. The gain arising to the Company from the whale fishery, the seal fishery & the seal fishery, all which fishery can be carried on at less than half the expence that such fisheries cost generally, because the existence of the labourers or rather fishermen on the Islands save the employment of vessels to carry them & the provisions that are otherwise consumed on long voyages, & if the usual mode of carrying on the fishery in these seas by vessels fitted out in Europe give a profit to the undertakers, then the fishery carried on by the Islanders will give much larger profits, and as it admits of larger pay to the labourers their prosperity will be the more fomented.
- 4th The vessels fitted out for the fishery want only some additional provisions to enable them to bring out settlers, so that the passage money charged to the settlers will leave a very great profit.

18/ ^{He} The profits arising from a naval store house
& on the supplies sent to the Colonists.

If we agree I shall make up
a plan for the Company, founded on the
the knowledge I have acquired of these
matters.

The Advantages for ourselves are numerous
and can not all be foreseen & depending
principally upon the less or greater extent the
Company wishes to embrace in the different
branches of industry — the principal advantages
may be made to be the following:

- 1st = The reservation or rather the occupation of some
of the best seal rockeries for our own account.
- 2^d = The trade with the Indians on the coast of
Patagonia & Straights of Magellan.
- 3^r = A petty trade of great profit with the fishermen
of articles they are fond of, giving them credit to
be paid by them in articles which they acquire
as their shares of the fishery, & cheap.
- 4th = Various contracts to be made with the Company
for a variety of purposes & of certain positive advantage
such as ^{1st} the furnishing the settlers with the necessary
wood for building from the Straights of Magellan
^{2^d} Salt for the fishery — ^{3^r} Sheep from the Riverplate.

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to obtain the confirmation of my right
of property to the cattle, there will be the
advantage arising from provisioning the Indians
with tamed cattle for their farms & also for getting
further the selling of beef and pork in barrels
for the shipping which touch thence to or from
the pacific. — but to obtain half the advantage
arising in case of the cattle being acknowledged as
my property it would be necessary to give me
about half of what we might appreciate
this property as it now stands, taking the chances
for and against a confirmation or for and against
a compensation for losses thereof, which the British
Govt might grant. — The same I say regarding
the right of property to the land, that part which
is not mortgaged.



When I obtained the land or the cattle on
both, the whole may enter into the Company's
stock as so many shares which we hold.

Or we may fix a value on the land and
cattle to cede it to the Company previous to the
right being clearly determined, letting the company
run the chances of the claim — which cession
if made should be made at a far higher rate than
that which we may fix now between ourselves. —

I am willing to allow you 25% to
on the value of my rights if obtained through
Parliament or through Govt — you understanding
yourself with your friend in England on the
subject. —

You or your friend will of course
endeavour to get from the Company the best compen-
sation they can for their direction of the affair in our

20) And if I am to be employed in directing the concern
at the Islands, I expect they will do their best
to secure me as good a pay as they can, for I
should think, the least that such a situation would
be entitled to would be 1000[£] a year. — Because
the other advantages ^{than existing} between ourselves, are quite
independent of the trouble & responsibility of directing
such extensive concern as ~~that of the Islands~~ as
that of the Company. —

In case of my not obtaining the directorship
at the Falkland I would expect a share of
of the advantages arising to you & your friends from
managing the concerns of the Company in Europe, as
a compensation for my having proposed the scheme.
The other private advantages arising to myself
individually from the scheme, each should be
entitled to one half thereof. —

After you have read this we must
have another interview, and come to a fixed
understanding. — I am going in the packet
to morrow for Buoy & Fynn — but shall do
myself the pleasure of calling on you this
evening, when we can draw up a short
agreement of from Buoy & Fynn & can set
to writing all the particulars of the scheme
and a "prospectus" for the formation of a
Company. —

Montg 9th April 1837. — Excuse the errors which
haste may have occasioned.

I am in haste

Sir J. M. O. L. S.

Lewis Vernon