

INDEBTEDNESS

We have ascertained the indebtedness of the Old Spanish Trail Association as best as we could from the files and present herewith a detailed schedule of such indebtedness marked "EXHIBIT C" showing the total amount of such debts to be in the sum of \$2,155.59. We understand that there is an indebtedness due the Johnson Printing Company for printing certain "Log Book" the exact information as to which we did not find in the files and the same is not included in the list of accounts payable under Schedule G. There is in the files a certain statement of R.B. Thompson showing an amount due him of \$806.16 which has not been proved as yet and which is not included in the list of indebtedness.

ORGANIZATION

There appears to be a very indefinite status obtaining with reference to the administration of the affairs of this Association. Conflicting opinions prevail in the minds of different officers of the association as to jurisdiction, authority and management. As a result of this condition the entire organization has functioned in a manner not uniform as to any two or more employees throughout the organization. We have undertaken to ascertain the contracts under which various employees are operating but find insufficient information in the files to determine accurately the contracts outstanding. It appears that Mr. Shreve operated on a contract or understanding whereby he was to receive 75% of the receipts from advertising on "Log Books" and 25% of memberships. He was to be furnished a car and himself to pay for marking and printing Log Books. We are not able to state the territory over which he was to operate. Mr. Thompson was to receive 25% of memberships and furnish his own car and to operate, as we understand, West of Orange, Texas, to the Pacific Coast. Mr. Redderick was employed to solicit between San Antonio and Del Rio and to receive 33 1/3% of receipts. Mr. J. W. Francis appears to have been engaged as "Publicity Manager", in some arrangement that contemplated the publishing of a magazine. The exact details of his contract, as we understand, had not been finally determined, it being understood that details of the contract would be more definitely worked out after developments. The files indicate that a check has been given by Mr. Francis for \$50.00 on Lake Charles written "No Account". This may involve a further liability of the Association. There is a further misunderstanding as to who is actually managing the affairs of the O.S.T. Association. Mr. D.E. Colp has been for some time in charge of the office in San Antonio operating upon the idea that he was acting directly under Dr. Johnson, the president, in charge of all the affairs of the O.S.T. Association West of Orange Texas, and that there was an understanding that this line of action was to be carried out in conjunction with H. B. Ayres having charge of the affairs of the Association "East of Orange Texas" and that this arrangement should obtain until the next annual election of members to be held in November 1922, at which time the management of the entire affairs of the association would be determined upon. Mr. H.B. Ayres did not so understand such an arrangement and entertained the idea, as we understand it, that he is Managing Director of all of the affairs of the Association and as such would have the entire charge of administering upon affairs of the O.S. T. Association.

It will obviously appear without our presenting the proposition that a definite theory of organization and administration should be determined upon and that uniform policies should be adopted and carried out with reference to furthering the purposes