

Had these preliminary steps been taken, in conformity with the practice of all other companies, and had it appeared that the "Hen and Chickens" could be made a superior harbor to any of the others, then would the Directors have been justified in deciding upon that point as the terminus of the road.—Then would I and others have had no reason to suspect the integrity of their movements.

A SHAREHOLDER.

Toronto, Jan. 27, 1852.

### LETTER VIII.

*To the Editor of the Patriot:*

SIR,—I now proceed to direct attention to a matter of vital importance to the interests of all concerned, and not undeserving the serious consideration of the public generally. As Mr. Morrison, styled the President of the company, is a lawyer, and I am not, he will be able to set me right in the matter, if I am wrong in what I advance.

In the first clause of the sixteenth section of the "Railway Clauses Consolidation Act"—a statute which now guides and governs all railway companies availing themselves of the government guarantee,—it is especially provided, "*That no person shall be a Director, unless he be a Shareholder owning stock in his own right, and qualified to vote for Directors at the election at which he shall be chosen a Director.*" Yet in the face of this enactment, known and understood by Mr. Morrison himself, the contractors, by their questionable powers, packed or made up, as has been shown, a board of direction at the dictation of Mr. Morrison; which board of direction afterwards elected him President, when it is notorious that he was *not qualified to vote*, and did not vote at the last election of directors. In such case I pronounce, and the law will pronounce, that Mr. Morrison is not duly elected a Director, according to the statute; and, consequently, that he is not legally the representative of the shareholders, or of the Board as President; and that every act, matter or thing done by him in the capacity of President, is unlawful, and in no way binding upon the company, or upon any parties having transactions with the company, whether by negotiations, contracts, bonds, or otherwise.

There are also acting upon this Board of Directors, two other parties, who are absolutely disqualified to hold the office of director, by two several acts of parliament. By the 30th clause of the Act incorporating this company, and likewise by the eighth clause of the sixteenth section of the "Railway Consolidation Clauses Act," it is declared, "*That any person holding office, place, or employment, or be-*