

## MEMORANDUM

Upon Mr. Merritt's application on the part of the late private Shareholders in the Welland canal.

7 Vic. Cap. 31.

THE Private Shareholders represented by Mr. Merritt in their Memorial contend, that under the Act of 1843, they are entitled to claim six per cent per annum, upon the amount of their paid up Stock, from the time the same was paid in until the year 1852, when the revenue of the Canal reached Forty-five thousand pounds, notwithstanding that the principal was paid off, by Debentures bearing 6 per cent interest, dated the first day of January, one thousand eight hundred and forty-three, they also submit the legal opinions of several eminent professional gentlemen both of England and the United States proving their claim.

It appears from a statement made by the Deputy Inspector General that the sum of £107,373 4s. 1d. being the back interest at six per cent on £117,800 (the paid up stock) to the first of January 1843, has been paid to the Private Shareholders in full and the amount they yet claim is £65,113 3s. 4d. being interest at six per cent on the same amount from the first of January 1843 the date from which the Debentures issued to pay off the principal bear interest. This claim if admitted would entitle the Shareholders to receive *twelve per cent* during that period, the *legal rate* of interest during the whole period having been six per cent per annum and no more.

4 & 5 Vict. Ch. 48.

The preamble of the Act of 1843, recites at unusual length the provisions of the Act of 1841, which sets forth, that the object of that Act was to place the Canal under the exclusive control of the Government, and for that purpose to purchase the Stock of the Private Shareholders, amounting to one hundred and seventeen thousand eight hundred pounds, on account of the Province, by the issue of twenty years Debentures to the Private Shareholders for the amount required, bearing interest at two per cent for the first two years, three per cent for the third year, four per cent for the fourth year, five per cent for the fifth year and six per cent for the sixth and following years; and that whenever the Tolls collected on the Canal should annually amount to thirty thousand pounds, other Debentures bearing six per cent to issue to the Stockholders, for such sums *as would make up six per cent interest*, upon the amount of Stock paid in by them from the time the same had been actually paid.

Under the repealed Act of 1841, Debentures were to be issued to the Stockholders to the amount of the principal monies paid on their respective stocks bearing the lower rates of interest until the sixth year