

effort of the Messrs. Allan to make this enterprise successful that they have become owners of so large a proportion of the stock, and have been called upon to pay so large an amount of money as they have invested in the Company.

The Chairman further stated that the first mortgage Bondholders absolutely refused to invest in bonds upon any portion of the line not in the Province of Manitoba. This is incorrect, as the 180 miles, upon which the Bondholders security now exists, extends some distance beyond the limits of the Province, and into the North-West Territories.

The Chairman stated that within his knowledge the gentleman counselling the late Sir Hugh Allan at the time the present Bonds were being negotiated advised him that it was impossible to float Blanket Bonds in England covering the road then built and to be built.

I can only say in answer to this statement that Sir Hugh Allan died in the year 1882, and the Bonds were sold in England in 1886.

The Chairman further stated that the Allans were the principal stockholders in the Company, holding shares to the extent of £930,000, on which no very large percentage had been paid; that in 1886 they had received the proceeds of the £540,000 loan; that in June, 1893, default had been made in payment of the interest, and that on the Company being required to deliver up possession of the First Division of the Railway, the Messrs. Allan had replied,—I quote the Chairman's words, from the printed proceedings of the Meeting,—“No; we have got your money; we ridicule the powers of the Trust Deed, they were ultra vires of the power of the Company to confer, and they must be ignored or upset. We have made a bad speculation, and you, the English Bondholders, must share that speculation, although you had no shares and no reversionary rights in the Company. (Cries of shame), and that he presumed the Allans had “decided on a policy of defiance, and of