

pany, all the shares in which were owned by W. H. Robert and other members of the Robert family, some 2,000 shares. At page VII, under the heading "The Robert Interests," in section (5) there is this:—

(5) W. H. Robert and the other Robert Heirs received for the 2,000 shares of the Beauharnois Light, Heat and Power Company and such other rights, if any, as were then outstanding in them

(1) Cash \$1,520,000.

(2) 200 fully paid part interests in the Beauharnois Power Syndicate.

(3) 21,000 Class A shares of the Beauharnois Power Corporation.

(4) 100 fully paid part interests in the Beauharnois Syndicate transferred from R. O. Sweezey account, which became 200 part interests in the Beauharnois Power Syndicate.

Now, I must say that the report there may be confusing, because it has anticipated itself away beyond 1927. What happened was this, that negotiations went on between Mr. Sweezey and the Roberts. The original proposition between Mr. Sweezey and the Roberts was not to give them this large sum in cash and these part interests and this stock, because at that time Mr. Sweezey had not in his mind projected or thought of or worked out the incorporation of the Beauharnois Power Corporation, which was a corporation that came into being only in 1929. Mr. Sweezey, of course, had an agreement with the Roberts, the details of which it may be necessary to reveal later. On the 3rd February, 1927, Mr. H. B. Griffith, who was also examined as a witness at the inquiry, became a Director of the Beauharnois Light, Heat and Power Company. Remember, Mr. Chairman, that as I said a moment ago, the Beauharnois Power Corporation had not been conceived at that time in any shape. In 1927 there was an application made to amend the charter of the Beauharnois Light, Heat and Power Company, and on the 17th March, 1927, it is important to note, an application was made for an Order in Council approving of a power canal from Lake St. Francis to Lake St. Louis "which can be readily adapted for 30 feet navigation requirements" and use of the necessary water not to interfere with navigation. Now, that application was not pressed in March 1927.

The CHAIRMAN: To whom was that application made?

Mr. MANN: It was filed on the 17th March, 1927, but it was not then pressed.

The CHAIRMAN: Filed where?

Mr. MANN: With the Department of Railways and Canals, asking for an Order in Council. The application is referred to on page VII of the Committee's report. In May 1927 Mr. Sweezey had got far enough along to determine that he would form the first syndicate, and here is really the beginning of all the important circumstances. He organized what he called the Beauharnois Syndicate, which was an unincorporated syndicate with by-laws which are of record in the Blue Book, and with agreements to be signed by members who joined the Syndicate. The whole details will be found on page XII of the report. That Syndicate which was organized on the 12th May, 1927, went out of existence on the 4th April, 1928. I shall speak of that date, the 4th April, 1928, in few moments when I come to the new syndicate, known as the Beauharnois Power Syndicate, or the second Syndicate.

Right Hon. Mr. GRAHAM: Was this one unincorporated?

Mr. MANN: Both of them were unincorporated. At page XII of the Committee's report there appear the names of the subscribers to the Syndicate organ-