

APPENDIX No. 1

Q. And the prices charged there for Empire Bond—No. 8, \$1.75; No. 9, \$2.75; No. 10, \$3; No. 11, \$3.50; No. 12, \$3.75?—A. Yes.

Q. They were made out on this?—A. They were made out on this.

Q. And the first intimation they gave that their conscience troubled them was December 23?—A. Yes, that is the first I heard anything of it.

By Mr. Barker:

Q. That account that is referred to there is made up on the terms of the order you sent?—A. Yes, exactly.

By Mr. Hughes:

Q. Have you any assurance that the goods you ship off to these men are properly delivered?—A. I usually go, Colonel Hughes, and inspect it if it is any large shipment.

Q. You have heard the reports that these goods found their way into other camps, lumber camps?—A. No, that would not come to me, that would go to the commission. I would never hear that.

By Mr. Chisholm (Antigonish):

Q. Have you got an invoice of November 24, 1905?—A. Yes, I have it here. (Document produced, and filed and marked Exhibit No. 5.)

Exhibit 5.

‘THE BARBER & ELLIS Co., LIMITED,
‘Paper Dealers,
‘Envelope Manufacturers,

‘TORONTO, November 24, 1905.

‘Sold to Commissioners of the Transcontinental Railway:

‘28,500 M. Empire Bond, 8 envs., \$1.75	\$49 88
26,775 “ 9 “ 2.75	73 63
26,625 “ 10 “ 3.00	79 88
26,925 “ 11 “ 3.50	94 24
24,950 “ 12 “ 3.75	93 75

\$391 20

‘Printed.

‘Order 1203.

‘Requisition 577.’

Q. You met O’Gorman?—A. Yes.

Q. And you agreed upon prices?—A. Yes.

Q. And afterwards you received a letter from him? You knew at that time he was not in the business of manufacturing paper and selling it?—A. I knew that, yes.

Q. You knew he had to get somebody else?—A. Yes.

Q. Afterwards he directed you to the Barber & Ellis Company?—A. Yes.

Q. And then you took the precaution of writing them to see if they were satisfied to do business on the same terms?—A. On the same terms.

Q. And after that you continued your relations with the Barber & Ellis Company?—A. Yes.

Q. That was not an unusual thing was it?—A. Not at all.

Q. It is quite a common thing; in fact the usual way of doing business through the middleman?—A. Yes, you may say it is the usual way.

Q. How did you do in the case of Pennmans? Did you send the cheque direct to Munroe?—A. We sent it direct to Munroe. He bought the goods outright.

Q. The account appears in the Munroe Commission Company’s name?—A. Yes.