

The Syndicate, on the other hand, agreed to subscribe at \$1 per share for 1,000,000 Class A Common shares of the Company.

(19) It was resolved that this memorandum of agreement be approved and executed on behalf of the Company.

(20) The Directors present at this meeting were O. F. Howe, and D. K. McTavish, barristers of Ottawa, and the Misses Belle Fraser, Lyla Brennan, Edythe H. O'Malley, Bessie Conniffe, Lillian Dell, Elsie M. Burritt, Gwen Gunderson, Kathleen Havey and Mary H. Kelly, stenographers, all of the City of Ottawa.

(21) At this same meeting, according to the minutes, there was authorized a proposed agreement, dated the 31st October, 1929, between Beauharnois Power Corporation Limited of the first part and Newman, Sweezy & Company, Limited and the Dominion Securities Corporation of the second part, providing for the creation and issue of thirty year 6 per cent collateral trust sinking fund bonds of the Company to the authorized principal amount of \$30,000,000 and for the sale to Newman, Sweezy & Company, Limited and the Dominion Securities Corporation of the said bonds, together with 770,000 Class A Common shares of the Company for the price of \$27,000,000 and accrued interest of said bonds. This agreement was subsequently ratified by the shareholders at a meeting held on the same day and at the same place, the above named Directors being all of the shareholders and all being present.

(22) The agreements were subsequently executed and carried out. The Beauharnois Power Syndicate was dissolved as of the 17th December, 1929, its tangible assets at the time consisting of the amount paid in—aggregating for the two Syndicates \$1,561,000. This includes unpaid balances of subscriptions which on the final settlement were deducted from the amounts payable to the individual members, and \$20,000 par of units issued to Robert in part payment for Robert's rights.

(23) The tangible consideration received in respect of the 25,000 part interests issued by the Beauharnois Power Syndicate may be shown thus:

Particulars	Part Interests	Amount
		\$
Issued to members of Beauharnois Syndicate for the acquisition of the under-taking of that Syndicate.....	10,000	261,000
Issued for cash consideration.....	13,000	1,300,000
Issued for the capital stock of Sterling Industrial Corporation Limited.....	2,000
	25,000	1,561,000

For purposes of exactness, it should perhaps be noted that the above amount of \$1,300,000 includes \$20,000 in respect of 200 part interests of Beauharnois Power Syndicate issued as fully paid to the Robert heirs in part consideration of the purchase of the shares of Beauharnois Light, Heat and Power Company, etc.

(24) As a result of the agreement above mentioned, the Syndicate members receive for each part interest \$150, and 40 Class A shares of the Beauharnois Power Corporation Limited, which Class A shares are set up in the books of the Company at \$1 per share and have had a market value as high as \$17 per share, the low price being \$4 per share.

(25) On the above basis the cash profit paid to the members of the Syndicate would amount to \$2,189,000, to which should be added 1,000,000 Class A shares, which were purchased by an additional \$1,000,000 part of the consideration for the transfer of the Syndicate assets. The above mentioned