

*By Mr. Kyte:*

Q. Something like The Axe in Montreal?—A. I should not go that far, nor have I any desire to discuss The Axe nor The Hook nor any of these things with which we are all familiar. They make a practice, and their usual practice is this. They will call upon some reputable business man or some company, and they will intimate to him that they have certain information. Whether it is accurate or inaccurate is relatively unimportant, except that it is generally inaccurate. They say, "If you could find it convenient to make a certain contribution to our newspaper, we would find it equally convenient not to publish the article in question." Sometimes there is a practice gallop or a practice canter in advance, in which they will put out something that is not very definite, but is intended to be indicative of what they will do to you in the next issue if you do not "come across." Now, in this particular instance that newspaper—and I have forgotten the name at the moment—

*By Sir Henry Drayton:*

Q. Is it not "L'Amerique Latine?"—A. I do not remember the name, but I can probably find out. At any rate, a certain so-called newspaper in Paris tried it on with me, and they published the article in question. Not only was it a scurrilous article, but it referred also to the brother of a dear old friend of mine, one of my best friends, who is now dead, having died as a result of his efforts in the war. This article was published for the attempted purpose of trying to get us into the payment of blackmail. I reported the matter to Mr. Archibald, our Attorney in Paris, and he said, "Pay no attention to it. If you ever deal with these people in any way or recognize them even to the extent of talking to them, then you have opened the door to all sorts of complications." As far as this particular article is concerned in this particular newspaper he said, "We all understand the position. It is a thing to which every business man in Paris is from time to time subjected," and he said, "My advice to you is to pay no attention to it whatever."

Q. Do you remember the name of it?—A. No, but I can get it for you.

MAJOR BELL: I saw the article and talked it over with Mr. Archibald. It is one of these papers that is here to-day and gone to-morrow.

*By Sir Henry Drayton:*

Q. That is not the paper I am talking about; I will have to get you the article. That is all you know about it?—A. I treated the thing with all the contempt which I thought it merited, on the advice of our lawyer in Paris.

Q. Then I think you did know about the taxes and that sort of thing, on April 30th, did you not?—A. The approximate extent, probably. I do not know that I can answer that question precisely in that form.

Q. We will turn up the letter and see. You say in your letter of April 30, "12 per cent of this amount payable to the Government of France". That was right, because that would be 3,600,000 francs, so your information was correct there. Do you remember what the taxes were that were paid in that originally?

Major BELL: It is on file there, Sir Henry.

Mr. KYTE: You gave that information yesterday, did you not?

Major BELL: Yes. The purchase price of the property was 28,000,000 francs, the actual amount paid, and the registration fee on that was 3,360,000 francs, as established by the documents.

Sir HENRY DRAYTON: Was there not something paid for the mortgage also?

Major BELL: Yes, for the mortgage, 750,000 francs. That was a separate tax.

Sir HENRY DRAYTON: What were the Government taxes paid in connection with the transfer from Aronovici to the company?

[Sir Henry Thornton.]