

company: (1) Mr. Henry's technical engineering knowledge and experience; (2) Senator McDougald's assistance as a person able to furnish capital when required, and (3) particularly the removal of the obstacle that stood in the path of the company by reason of the prior application of the Sterling Company for the diversion of waters, etc., which prior rights, had same been acquired by other inimical interests, might have prevented his company from proceeding in the carrying out of his plans."

60. (1) It would appear that in 1928, when the deal between Sterling and Beauharnois was made, Senator McDougald, himself, being then financially interested in Beauharnois, as well as a part owner with Henry of the Sterling Company, was not only bargaining to sell Sterling and its rights to Beauharnois, but was also marketing to Beauharnois "Mr. Henry's technical engineering knowledge and experience" for the personal gain of himself and Mr. Henry.

(2) That although from time to time there is evidence in this inquiry Senator McDougald sought to create the impression that he did not interest himself much in the Sterling Industrial Corporation, and that it was of little or no value, the statement above quoted is conclusive that he always considered it to be of substantial value, because of its priority of application at Ottawa for diversion of water and for the other reasons he mentioned.

THE SIFTON INTERESTS IN BEAUHARNOIS.

61. (1) As already mentioned 800 units, or part interests of the First Syndicate were in the name of L. Clare Moyer for Sifton.

(2) It is alleged that those units were being held by Moyer for Sifton.

(3) Senator McDougald says that he purchased the Sifton interests in May 1928, fixing the date as the 18th, when the deal was closed and the purchase money was paid.

(4) And that he let them remain in Moyer's name until December 2nd, 1928, when he had them transferred to