

1. That the British Empire Trust Company Limited be and they are hereby authorized to conclude arrangements with the Canadian National Railways for their nominees which will secure a distribution of £25 in cash for each £100 nominal of $4\frac{1}{4}$ per cent first mortgage debenture stock of Canadian National Electric Railways now outstanding free from all costs, charges and expenses of every kind and that if and when such arrangements are successfully concluded the trustees be and they are hereby authorized to discharge the said Trust Deed securing the said $4\frac{1}{2}$ per cent first mortgage debenture stock and to release to the Canadian National Railways or their order the whole of the then remaining property and assets comprised in such trust deed and to take all further steps that may seem to the trustees necessary or desirable to the intent that the said £25 of cash for each £100 nominal of the said $4\frac{1}{2}$ per cent first mortgage debenture stock now outstanding be received by the trustees on behalf of the Debenture stockholders clear of all costs, charges and expenses as aforesaid in full and final satisfaction of the principal and interest in respect of the said $4\frac{1}{2}$ per cent first mortgage debenture stock and of all claims by the stockholders of whatever nature in respect thereof, and that the trustees be and they hereby are authorized subject as aforesaid, to execute and do all deeds, documents and things whatsoever which in the opinion of the trustees are reasonably required for giving effect to this resolution.

2. That subject to the arrangements mentioned in resolution No. 1 above being satisfactorily concluded, the trustees be and they are hereby authorized out of the £25 for each £100 nominal of the said $4\frac{1}{2}$ per cent first mortgage debenture stock which will then be available for distribution as mentioned in resolution No. 1 above, to set aside and retain .682 of one per cent on the nominal amount of the debenture stock outstanding i.e., £3,682 and to pay there out to Mr. Alfred Barnard for legal expenses the sum of £1,132, to Mr. Alfred Barnard for honorarium the further sum of £2,000 and to the stockholders' committee for professional services, remuneration and/or expenses, the sum of £550 and that the trustees be and they are hereby authorized subject as aforesaid to execute and do all deeds, documents and things whatsoever which in the opinion of the trustees are reasonably required for giving effect to this resolution.

Hon. Mr. MANION: Would you explain the question of the fees?

Hon. Mr. FULLERTON: Yes.

Hon. Mr. MANION: The second clause in this resolution covers that.

Mr. POWER: That is, approximately £5,500 and some odd were paid for legal fees?

Hon. Mr. FULLERTON: £3,682.

Mr. POWER: Plus £2,000 honorarium.

Hon. Mr. FULLERTON: That is included.

Mr. POWER: And how about the £500 to the shareholders' committee?

Hon. Mr. FULLERTON: Well, the amount is fixed, .682 of 1 per cent.

Hon. Mr. MANION: It works out at about \$18,000.

Hon. Mr. FULLERTON: On the nominal amount of the debenture stock, .682 equals £3,682, and that is distributed.

Hon. Mr. MANION: It comes out of the money paid for the stock?

Hon. Mr. FULLERTON: Quite so.

Mr. POWER: But the Canadian National Railways paid the receiver's fees amounting to approximately \$35,000?

Hon. Mr. FULLERTON: That is correct. That is part of the agreement.

Mr. POWER: What was the total amount involved; what was the amount of the debentures outstanding at that time.

Hon. Mr. MANION: About \$2,000,000.