

Q. If you had entered into a binding agreement with the owners that is quite right, but we have not got that. We have not any evidence of that.—A. You have the letter to Aronovici.

Q. He was not the owner.—A. No, but he controlled the option, which is the same thing.

Q. "The deal was immediately consummated, and simultaneously negotiations were entered into with a responsible syndicate not connected with the Canadian National System, for the purpose of taking over the property, and with a view to our becoming tenants. These arrangements have now been completed, and the syndicate has agreed to take over the property subject to certain details." What were the details left open?—A. As to the form of debentures, signing the various legal documents, the arrangements with respect to taxes, the formation of a company to act in the name of the syndicate, and a lot of things of that sort.

Q. Can you think of anything else? That sounds a lot.—A. No, I think that is sufficient to indicate there were further details.

Q. You say, "a lot of things of that sort." I would like the list.—A. If you put the question that way, I will answer it by saying I have given you substantially an indication of what the list of details would be.

Q. "This arrangement now being completed—" Do you think it is fair to say that, when you have as many details open as that?—A. Yes, I think it is fair to say that; if you have settled the general principles of any proposition you can consider the proposition closed.

Q. Well, sometimes you take chances in such a thing?—A. We must always take chances in this world.

Q. Now, Sir Henry, you have already told me you do not know who the owners were. Have you followed the French press at all?—A. In a general way.

Q. Have you followed the charges in the French press to the effect that there is something very very mysterious and wrong about this deal?—A. Yes.

Mr. KYTE: I would hardly think, Mr. Chairman, that that should go down in the minutes. We do not know anything about the French press. Sir Henry Drayton has made a statement from the information he has obtained from reading French newspapers. Sir Henry Thornton has no knowledge of them, and I hardly think that should be taken down into the record.

Sir HENRY DRAYTON: Sir Henry Thornton has already said he knew of these statements.

The WITNESS: Yes, and I will be glad to tell you something about them, too.

*By the Chairman:*

Q. Do you wish to answer that question?—A. Yes, I do.

Mr. STEWART: For the benefit of the Committee, I think Sir Henry Drayton ought to tell us what he is talking about, before Sir Henry Thornton answers him. We are in the dark as to these statements.

The CHAIRMAN: Perhaps that is correct.

Sir HENRY DRAYTON: I have asked a question as to whether the President knows about these statements appearing in the press, that there was something wrong in connection with the purchase of this Hotel Scribe. I would sooner take Sir Henry's opinion about it.

*By the Chairman:*

Q. Do you care to answer that question?—A. Yes, I do. There are in Paris certain so-called newspapers which consist of an enterprising individual and a typewriter. These publications from time to time undertake to blackmail reputable business men.

[Sir Henry Thornton.]