

premium in the English Market, and could, as the said Mayor knew or believed, be negotiated there at par or a premium; if what he knew or believed to be the proper means for that purpose were taken. That the City could have negotiated the same, even in Canada, at a higher rate than for Eighty per cent. on the amount thereof. That, however, the said Mayor, being desirous of making a profit out and by means of the said Debentures, and to facilitate the purchasing, legalising and paying for the same, secretly proposed to, and prevailed upon the Honorable Francis Hincks, who resides in the City of Quebec, in Lower Canada, out of the jurisdiction of this Honorable Court, and then was and is still Inspector General of the Province of Canada, and a Member of the Parliament and Executive Council respectively thereof, to join him in the purchase of such Debentures as the City would issue to the said Contractors, and that half the profits of the transaction should be paid to or retained by the said Hincks for his agency in the matter.

That afterwards, and on the 28th day of June, 1852, a By-law was passed by the said Council, embodying the effect of the said two resolutions, but not providing any rate for the payment or redemption of the said Debentures, and without the prior publication of such By-law, as the law required, and though the attention of the said Mayor and Common Council had been called, before the passing of the said By-law, to the illegality thereof by reason of the said circumstances, and though some members of the Council objected to the passing thereof on the ground of such illegality. That on the Thirtieth day of June aforesaid, the said Contractors, in pursuance of the said negotiations with the said Mayor, addressed a letter to him at his request, proposing to sell to him £24,000 of the said Debentures (to which sum thereof they supposed themselves to be immediately entitled under the said By-law,) he paying them Eighty per cent. therefor on the deposit of the said Debentures in such Bank in the City of Toronto as he might designate. That the said Mayor secretly accepted the said proposal, in his own name, but really in pursuance of the said arrangements between him and the said Hincks, and communicated the said letter and acceptance to the said Hincks. That the intention and agreement of all parties to the said sale were, that the whole of the Debentures to be issued