

and St. Lawrence and the Montreal and New York) in strict accordance with the articles of agreement, solemnly and deliberately entered into, or a complete abandonment of the whole terms and conditions of that contract. A middle course, a course which would permit each Company to seize upon and avail itself of the points most favourable to one or the other would never do, the whole amalgamation contract must break down or be observed to the letter.

In the calculation of the value of the stock of the Champlain and St. Lawrence Company, for instance, the Committee of Investigation had reckoned a full dividend upon the new and unpaid shares the same as the old, but they had forgotten to give credit for the instalment coming in from this same source of 10 per cent per annum, and amounting at present to some £25,000, due to the Champlain and St. Lawrence Company, they had also placed a large mortgage on valuable Real Estate owned by the Company, among the Company's debts, without giving credit for the Property on the opposite side, and as this Property was not required and could be sold by the Company and would readily bring the amount of the Mortgage, of course it was a good asset.

It is also stated in the Investigation Report, that the Books of the Champlain and St. Lawrence Company shewed 368 shares more stock than the actual stock held by the Company, and on the other hand the Books of the Montreal and New York Company exhibit 37 shares less than the actual stock of that Company, and "both differences are in favor of the Montreal and New York Railroad Company," the Investigation Report says.—It was hardly necessary to point out that this conclusion was erroneous, as both differences amounting to over £20,000, were in favor of the Champlain and St. Lawrence Railroad Company.

Again it was stated in the Investigation Report, that in order to cover Interest on the Bonds and debts of the two Companies, and pay a dividend to the stockholders, the gross receipts of the two Companies would require to be £400 per day.