

ber of the Supreme Court of Canada. The accusations made by Mr. Kyte can be summarized briefly as follows:

That on the 25th day of May, 1915, the American Ammunition Company was incorporated in the State of Virginia with an authorized capital of \$1,000,000, but with only a subscribed capital of \$1,000. The Company was authorized to manufacture shells, cartridges, fuses, etc.

That about two weeks later—June 9th—the International Arms and Fuse Company was incorporated in the State of New York with an authorized capital of \$1,500,000, but with a subscribed capital of only \$3,000.

That neither of the foregoing companies were in possession of a plant, but were organized for the purpose of entering into fuse contracts with the Canadian Shell Committee.

A MILLION DOLLAR RAKE-OFF

That on June 10th, three Americans, E. B. Cadwell, head of the newly organized American Ammunition Company, one B. F. Yoakum, of New York, and E. W. Bassick, of Bridgeport, Connecticut, all connected with one of the above mentioned companies, signed a formal agreement by which they apportioned **TO THEMSELVES A MILLION DOLLAR COMMISSION** out of a contract for fuses which they had been promised by General Bertram, head of the Canadian Shell Committee.

That this agreement for the division of a million dollar rake off was signed on June 10th, 1915, and that nine days later, on June 19th, they got the contract from the Canadian Shell Committee.

That the day the contracts were awarded them the Shell Committee advanced them the sum of \$2,166,000. Within four months they received an additional cash advance of \$1,083,300, making a total advance of \$3,250,900.

The above briefly are the accusations which Mr. Kyte made:

WHAT WAS PROVEN BEFORE THE ROYAL COMMISSION

It is impossible in this small pamphlet to quote all the evidence that was brought out in proof thereof, but we give here a brief summary of what was proven at this investigation.

1. That the American Ammunition Company was incorporated on May 25th, 1915. Certified copy of the letters of Incorporation was put in as evidence before the Duff-Meredith Commission.

2. That the International Arms and Fuse Company was incorporated in the State of New York, with an authorized capital of \$1,500,000, but with a subscribed capital of only \$3,000. A copy of the letters of incorporation was placed in evidence.

It was also proven that on June 19th these two Companies got a contract for fuses and that this order for fuses was given with the full consent and knowledge of Sir Sam Hughes as was proven by a certificate which was attached to each contract signed by Sir Sam Hughes as follows: