

Q. Let me interrupt you, Senator Haydon: I want your answer, not Mr. Sweezey's; do you know how that retainer came about—the circumstances of that \$50,000 retainer?—A. It just was a general clean-up for everything done.

Q. A general clean-up for everything done?—A. As far as I know, and to be done.

Q. But who arranged the value of the services done? Did you or your partner, the Hon. Mr. McGiverin?—A. I suppose he did most of it.

Q. Did you discuss with your partner?—A. Yes, I think I did.

Q. And did you jointly come to the conclusion that \$50,000 was—
—A. Yes, I remember his distinctly saying that it would be satisfactory that they would pay.

Q. Who suggested \$50,000?—A. I think it was suggested—as far as I know personally it was suggested by Senator McDougald. As far as what Mr. McGiverin did, I think—I don't know—I know that it was his view, McGiverin's view, but what they did among themselves, talking and so on when I was absent, I simply don't know.

Q. So that before that amount was paid, in concert with yourself, Senator McDougald and Mr. McGiverin, this amount of \$50,000 was arrived at as being a fair amount for the services rendered; how long before it was actually paid?—A. Oh, perhaps a year.

Q. Perhaps a year before?—A. A number of months. As far as I know it was worked out with reference to the completion of a final company which should gather in the Beauharnois situation, which Company did become the Beauharnois Power Corporation.

Q. It was a generous offer by somebody; is that what I am entitled to say to you?—A. Well it was a proposal, as far as I can remember, to clean up what had been done, and go on and clean up what was necessary still to do, in view of the need for completing a company in this concern which should be a financial company of that undertaking—just one of the many companies concerned with which we had nothing to do.

Q. And, may I take it, that was with a view of vesting in that company some substantial rights to carry on its projects?—A. Oh, it would have to be a company that would gather in all the rights some day otherwise it would not be any good.

Q. And it was in that view that you were retained to the extent of \$50,000, namely, the gathering in of all rights?—A. No.

Q. What was it you were retained for?—A. I have already told you, for doing a lot of things that we had already done for a number of years, and things to be done; what they were was perfectly indefinite, or fairly indefinite, as to time.

Not one bit of work had been done for Beauharnois prior to the arrangement for the retainer.

In addition to the \$50,000, an arrangement was made for the payment of a retainer to the McGiverin, Haydon firm of \$15,000 a year, payable in the amount of \$7,500 each half-yearly, which cheques are Exhibits in the present case. Vouchers show these \$7,500 payments clearly to be semi-annual payments of this sum of \$15,000 over a three year period. The arrangement, therefore, which, as the evidence clearly discloses, was arrived at in the fall of 1928, was that the firm of McGiverin, Haydon & Ebbs should be paid a yearly sum of \$15,000 for a period of three years, and a contingent retainer of \$50,000 upon the passing of an Order in Council which subsequently became P.C. 422.