

Q. Then Sir Henry (Thornton) told you and he told us that he had some people in mind who would take the property over?—A. Yes, he said he had some people in mind.

Q. Did you get any definite information as to that?—A. No, it was just a casual remark passed at that time as a reason given why we had the right to purchase.

Q. Just a casual remark?—A. Yes.

Q. Did you at any time draw up any papers in connection with anybody else taking it over?—A. Except in connection with the Prudential Trust Company, of which Major Bell has spoken.

Q. We are familiar with that?—A. That is the only one.

Q. You had nothing with any New York gentleman or anything of that sort?—A. No.

Q. That is all I will trouble you with.

By Mr. Kyte:

Q. What is your connection with the Canadian National?—A. Vice-president and general counsel.

Q. How long have you occupied such a position?—A. The Vice-presidency since the first of 1923; general counsel since about 1920. I have been with the Canadian Northern since 1903 but then I was assistant in the early days and went up through the lines.

Q. As general counsel for the Canadian National from the time of its inception?—A. Yes, since the Government took it over.

Q. In such capacity you advise them in all matters submitted to you?—A. All legal matters, and sometimes I butt in on others.

By the Chairman:

Q. You are the Vice-president?—A. Yes.

By Mr. Kyte:

Q. The other day Sir Henry Drayton read a letter in which he had referred to a sinking fund?—A. Yes.

Q. Would you please explain the point which was made by Sir Henry (Drayton) on that occasion?—A. Well, that was this Aronovici letter, which I dealt with in the first part of my evidence, and I used the words "sinking fund," in there because Aronovici dictated it in that way. He was referring to the \$25,000 payment on account of the sinking fund, but we did not treat it seriously because it did not amount to anything. I did not pay much attention to it after we got the "option to purchase" clause put in. The whole advantage of the matter was in our right to purchase. Nothing else mattered at all.

Q. No sinking fund entered into the transaction at all?—A. No sinking fund entered into the transaction at all. I did not take the \$25,000 as being worth anything at all.

Q. So the mare's nest that Sir Henry (Drayton) thought he discovered in that letter turned out to be nothing but an ant hill?—A. Nothing at all.

SIR HENRY DRAYTON: Are you an authority on mares' nests or ant hills?

MR. KYTE: There is some comparison that might be drawn between Sir Henry (Drayton) and that particular body.

By Mr. Kyte:

Q. Who was the solicitor of the Canadian National Railways in Paris, the legal adviser?—A. The solicitor was Mr. Archibald.

Q. What are Mr. Archibald's initials?—A. S. J. He was selected by Linklaters. Linklaters are our London agents and have been for a number of years.

[Mr. Gérard Ruel.]