

of inconsistencies and he therefore found her guilty. She was sentenced to six months' imprisonment and ordered to pay a fine of \$200 or in default of payment to serve an additional month. This conviction was later affirmed by the British Columbia Court of Appeal.

In passing sentence on Herman Elliott,

His Honour took into consideration the fact that it was the accused's first conviction under the Opium and Narcotic Drug Act and that his record since 1923 had been good. He was sentenced to two years in the penitentiary and ordered to pay a fine of \$200 or in default of payment to serve an additional six months.

R. v. Fellger

Foreign Exchange Control Board Regulations—Power of Attorney Given to Non-resident—Securities Valued at \$40,000 or Over Involved

A letter written to a bank in Culver City, Cal., was the spark that touched off a volley of repercussions involving Charles Gottlieb Fellger, German-born resident of Magrath, Alta, who attempted to circumvent Foreign Exchange Control Board regulations.

The letter, written on Jan. 3, 1941, by A. Gladstone Virtue, K.C., a lawyer in Lethbridge, directed the bank to forward \$100 for travelling expenses from his client Fellger's account there to the American immigration officer at Eastport, Idaho, where Fellger would pick it up upon his entry into the United States. Fellger intended to visit his daughter in Spokane, Wash.

These written instructions were intercepted and examined by the District Director of Postal Services at Vancouver, B.C.

The Enforcement Section of the Foreign Exchange Control Board referred the matter to the R.C.M.P. for investigation. Upon being questioned closely, Mr Virtue stated that he was not aware of any legislation requiring that a person declare foreign currency to the Foreign Exchange Control Board. He accepted full responsibility for advising his client regarding the letter written to the bank in Culver City.

It was revealed that Fellger had neglected to declare the account in Culver City when on Nov. 13, 1939, and June 5, 1940, he submitted to the Exchange Board statements of his holdings and securities in the United States. Further

investigations uncovered that Fellger had additional holdings which he did not declare, including another bank account in Spokane, Wash. It was also learnt that on Nov. 23, 1940, a Power of Attorney was drawn up for Fellger in favour of his daughter Mrs Yvonne Lyons of Culver City.

It was subsequently discovered that on Apr. 3, 1941, a lawyer in Culver City, acting for Mrs Lyons, launched an action against Fellger, alleging that the securities had always been the property of his daughter. Fellger denied he knew anything about the action, but further investigation brought to light a letter purporting to be from Fellger assigning the case to Mr E. A. Tompkins, a lawyer in Culver City, and instructing that no defence be entered to the claim. Fellger claimed he had not written the letter and that his daughter had robbed him.

On Jan. 15, 1942, before the inquiring officer of the Foreign Exchange Control Board, Fellger admitted that when foreign exchange control came into effect he owned U.S. securities valued at \$40,000 which he did not declare. This amount is believed to be the largest ever involved in a similar breach of the rulings set up by the Exchange Board.

On June 30, 1942, the accused appeared before Police Magistrate Arthur Beaumont, K.C., at Lethbridge, charged with: