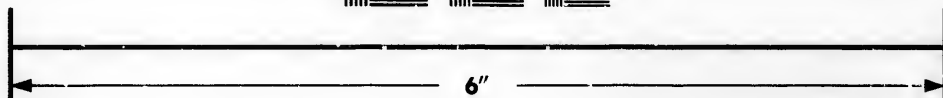
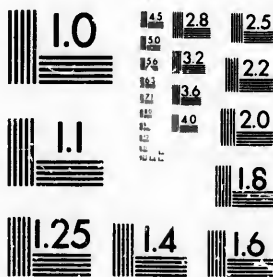


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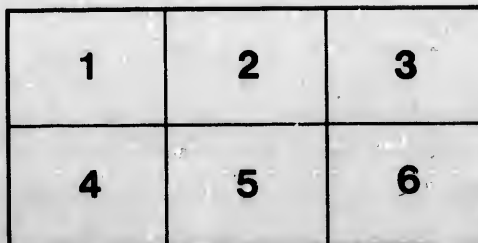
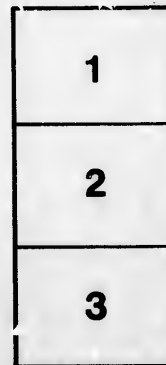
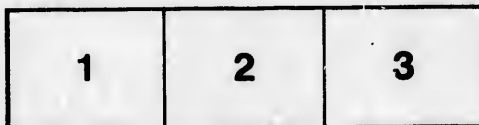
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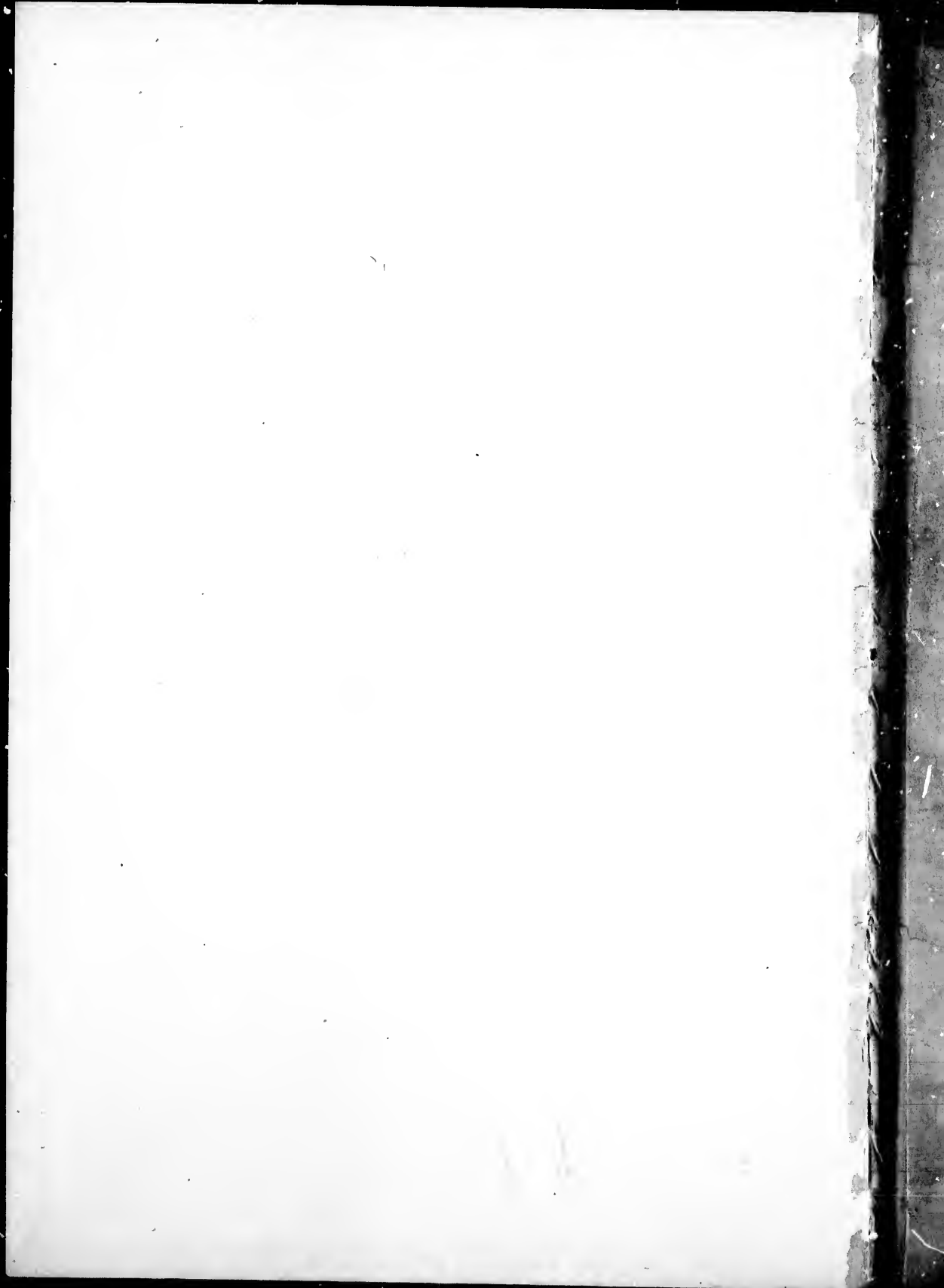
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# THE SILVER QUESTION

AS SEEN FROM

## THE INSOLVENT COURT.

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### EVIDENCE AND PAPERS

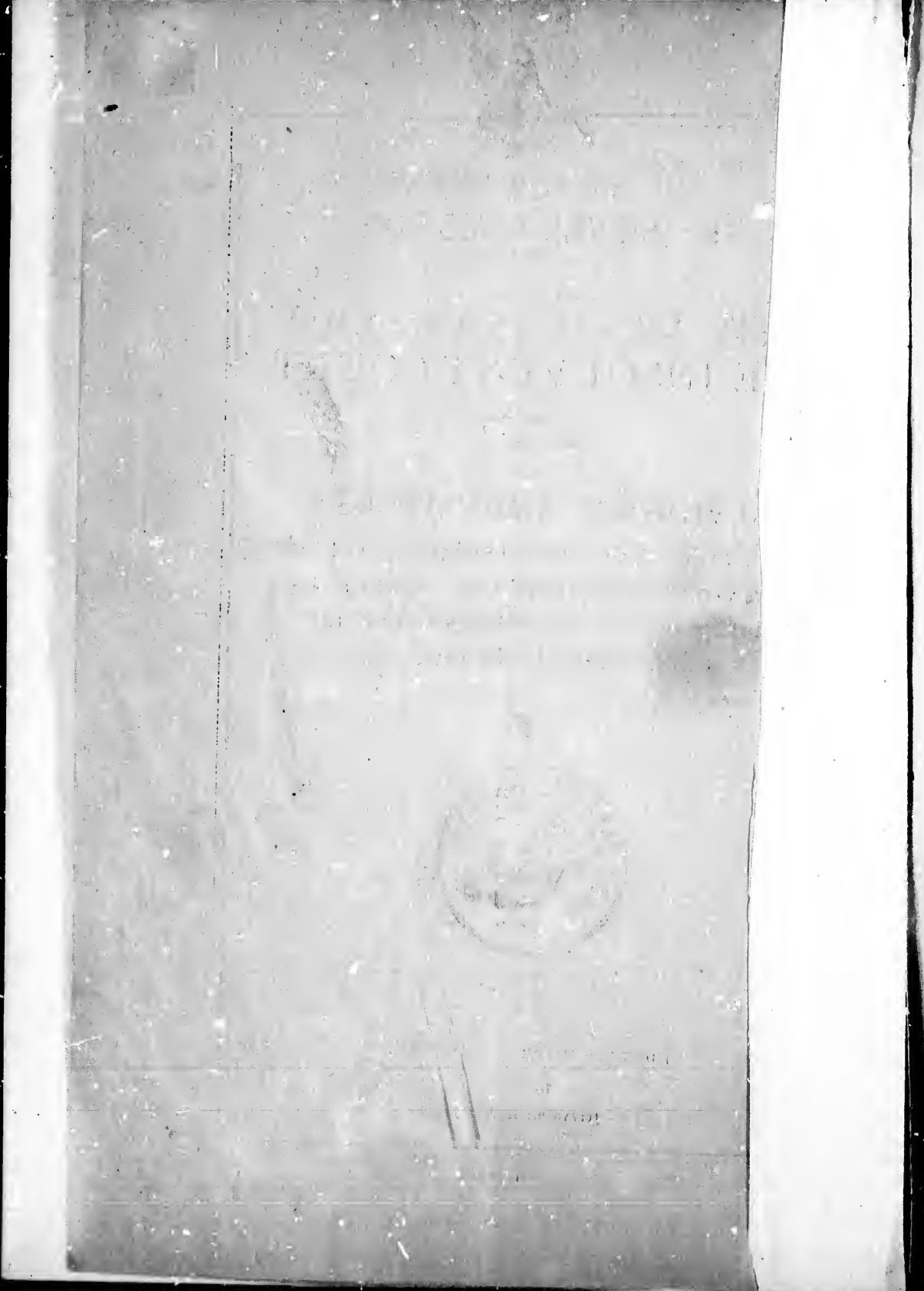
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and which also throw some light on the  
nature of Government Contracts and  
Confidential Appointments.



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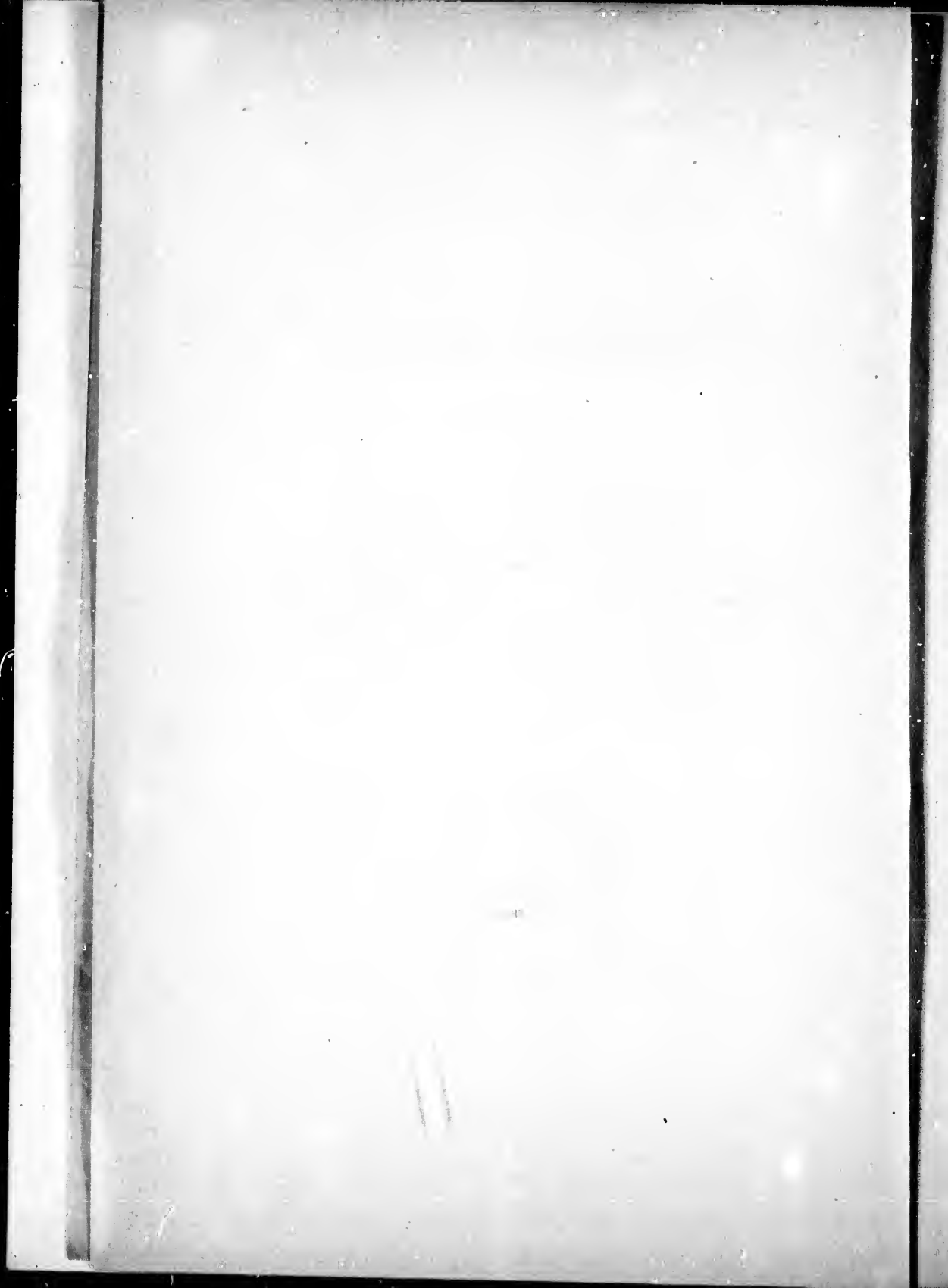


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TO  
The Hon. the Minister of Finance,  
SIR FRANCIS HINCKS, K.C.M.G.,  
AND  
His Confidential Agent,  
MR. WILLIAM WEIR,

In Recognition of Assistance  
*Given to Creditors, at a sacrifice which will be apparent to the reader;*

AND  
In Gratitude for Testimony  
*Offered with a frankness which may not be so apparent;*

ALSO,  
As a Memorial of a Friendship  
*Based on the Country's good, and evinced by a touching regard for the  
public purse;*

THIS PAMPHLET IS DEDICATED  
(WITHOUT PERMISSION)

By  
THE EDITORS.

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PROVINCE OF QUEBEC }  
DISTRICT OF MONTREAL, } INSOLVENT ACT OF 1869.

No. 1. SUPERIOR COURT.

IN THE MATTER OF

WILLIAM WEIR,

Insolvent;

AND

ANDREW B. STEWART,

Assignee.

BEFORE THE HONOURABLE MR. JUSTICE BERTHELOT.

On this, the second day of April, one thousand eight hundred and seventy,

Personally came and appeared, William Weir, of the City and District of Montreal, Broker, an Insolvent, in obedience to an order of the Honourable Mr. Justice Mackay, of date, the twenty-ninth day of March last; who, being duly sworn, deposeth and saith:

I made an assignment of my estate and effects, under the Insolvent Act of 1864 and its amendments, to Andrew B. Stewart, of the City and District of Montreal, Official Assignee, on or about the seventh day of April, eighteen hundred and sixty-nine. The assignment was voluntary. The assignment was not made at the request of any of my creditors, but was made by myself, because I was unable to meet my engagements, in consequence of being largely engaged in the exportation of silver coin, and to facilitate the settlement of large amounts of money that I had borrowed at interest on the security of silver coin and other securities, which interest was rapidly eating up my estate. I have never furnished to the Assignee a complete list of my liabilities at the date of my suspension, as owing to the numerous transactions in which I was engaged, it has been a work of time, and it was, as far as I understood from conversations with the Assignee, with his consent, that the matter has been delayed in the interest of my estate. The largest claim (that of the City Bank) I had only an opportunity of examining yesterday, and am prepared to furnish a statement as soon as some other claims have been verified.

Question.—Please state, as nearly as you can, the various claims against your estate at the time of your suspension, with the amounts.

Answer.—I am not prepared at the moment to give a correct statement of my liabilities at the time of my suspension, but can prepare a statement within three days; but will, if it is desired, give from memory an approximate statement of such liabilities.

The creditors hearing that Insolvent had been appointed confidential agent of the Finance Minister, resolve to interview him. On the proper official invitation being handed him, he appears.

*Entente cordiale* between Insolvent and Assignee.

Anxious for adjournment of examination.

Question.—Please mention the names of creditors you can call to mind.

Answer.—Including creditors who were secured, and some of whom have now ceased to be creditors, were the Bank of Montreal, the City Bank of Montreal, the Banque du Peuple, Merchants' Bank, Molsons Bank, the Banque Jacques Cartier, the estate of John Henry Evans, James Allan, Wills & Mooney, Adams, Kimball & Moore, R. Latham ; at the present moment I cannot recollect any others.

Question.—Please enumerate, to the best of your recollection, the amounts of the claims of the said several creditors, enumerated in the last answer, at the date of your suspension, on the seventh day of April last.

Liabilities too large to be remembered.

Answer.—As the total amount of my liabilities, secured and unsecured, was upwards of, or about three hundred thousand dollars, it would be absolutely impossible to state from memory the several claims, nor could I very well furnish a correct statement of them without having my statements verified by reference to the books of the respective Banks.

Question.—What was the amount of the claim of the City Bank of Montreal at the date of your suspension ?

Answer.—That Bank only filed its claim yesterday, and I have not had time to have it verified.

Question.—At the date of your assignment, had you or had you not any idea of the amount of your liability to the said City Bank ?

Cannot remember his liability to City Bank. Frequently warned that Bank to take care of him.

Answer.—I had a pretty correct knowledge of the direct liabilities to that Bank, but did not keep a very close watch on the indirect liabilities, as I relied very much on the judgment of the Cashier in discounting paper for my account, and very frequently told that gentleman to be careful, as I was not able to stand a heavy loss.

Question.—State the approximate sum of your direct liabilities to that Bank at the time of your assignment.

Answer.—I cannot state from memory what was the amount of my direct liabilities to that Bank, as I did a very large business there, and had several accounts on which advances were made to me.

Question.—Have you no idea of the approximate amount of the City Bank's claim against you on the said seventh of April.

Assignee leaves insolvent's books in his possession. Particularly anxious for adjournment.

Answer.—I would not like to give even an approximate idea from memory, as I might be a good deal astray ; I would prefer to look at my books, which I placed at the disposal of the Assignee, but who voluntarily left them under my charge, as I was most anxious to assist in making the most of my estate. I can refer to them and give a statement on Wednesday.

Question.—Do you remember a conversation that you had with the Cashier of the City Bank on the sixth day of April, eighteen hundred and sixty-nine, the day before your assignment ?

Answer.—I cannot recollect any such conversation, but might do so if any incidents that came up at such conversation were mentioned to me.

Question.—Which was your largest creditor at the date of your assignment ?

Answer.—The Bank of Montreal was the largest creditor, but the City Bank was much the largest unsecured creditor.

Question.—Is it a fact that you cannot remember the approximate amount of the claim of your largest unsecured creditor at the date of your assignment ?

Answer.—It is.

Question.—Is your memory defective with respect to the available assets of your estate at the date of assignment ?

Thinks memory not at all defective. Appears to remember every thing but what he is asked.

Answer.—I do not think my memory is defective either as regards assets or liabilities.

Question.—Mention your available assets at the date of your assignment.

Answer.—They would be about three hundred thousand dollars of silver coin, and some thousand dollars worth of United States notes and bonds,

about twelve hundred dollars in cash, good promissory notes and office fixtures, and also some St. Patrick's Hall stock, and a small quantity of household effects. This is all I recollect at present.

The wife, the fortunate possessor of the bulk of household effects.

Question.—Where was the three hundred thousand dollars of silver coin?

Answer.—It was deposited at the different banks which had advanced money upon it.

Question.—How came you into possession of this silver?

Answer.—By buying it.

Question.—Please state the nature of the contracts for the delivery of silver to you for exportation?

Answer.—I could not do so from memory, but I can furnish a copy on Monday.

Question.—In general terms, explain the nature of the contracts which you made in the course of your business with various persons for the delivery of silver.

Answer.—The contracts made in my ordinary business for the purchase and sale of silver were generally made at the Brokers' Board, of which I was a member.

Explains nature of a silver contract.

Question.—Explain the general nature of a silver contract, such as those used in the ordinary course of your business, and more especially with regard to the contracts formed by you with a view to the exportation of silver.

Answer.—Silver is purchased at the Brokers' Board either for immediate delivery or at so many days option, and is in all cases paid for on delivery. The contracts made by me for the exportation were different, as, on payment to me of certain sums of money, I was bound to take from parties a certain amount of silver coin, and to export it from the country.

Question.—Did you act as a broker in the generality of these transactions, or as an ordinary purchaser of silver on your own account, acting as your own broker?

Answer.—In Montreal, exchange brokers are not, properly speaking, brokers, but money dealers. They buy and sell silver themselves, and hold it with their own capital, or the capital of the Bank with which they do business, till they find a purchaser. Those who simply buy and sell on account of other parties are generally called street brokers.

Question.—Please indicate in the case of street brokers the amount of commission usually charged.

Answer.—In small transactions, one-eighth of one per cent; in sums of ten thousand dollars or over, it is generally done for one-sixteenth of one per cent.

1-16th the usual commission for large sums !!!

Question.—What is the maximum and minimum commission charged by respectable brokers in Montreal?

Answer.—Such as I stated above in reference to the silver, but this does not include any counting, risk or handling, but simply reporting sales. The commission that money dealers charge is, from a quarter to a half of one per cent.

Question.—Have you delivered your books of account and documents to your Assignee, to wit: the books showing your business transactions anterior to your assignment on the said seventh day of April?

Answer.—I placed all books and documents in the hands of my Assignee, but he has not withdrawn them from my charge, as I have been engaged with his permission, in looking after the interests of my estate, both here and at other places.

Question.—Do the said books and documents indicate clearly the nature of your several contracts in the course of your business, and the nature of your transactions with the several Banks of this city from which you obtained advances on silver?

Answer.—My books have not yet been closed, as I wished to corroborate them with the accounts rendered by the Banks. In cases where the Banks were not specially authorized to sell the silver on which they had made advances, the Assignee authorized them to do so. The nature of my contracts with the Banks to advance on silver is clearly shown in my letter-book.

Question.—Is it not a fact that the bulk of the silver purchased by you at a certain rate per cent. discount was afterwards sold at a profit, which profit would accrue to the benefit of yourself or estate? If so, as a general rule, what was the rate per cent. discount at which you purchased and at which you sold?

City Bank increases Insolvent's liability. Insolvent, of course, not responsible for that

Answer.—If you refer to the silver held by the Banks, on which they had made advances to me at the time of my assignment, I have to state that it was not sold at a profit, but at a very serious loss, in consequence of the decline in the value of silver when I ceased shipping. This loss was made worse by the City Bank declining to accept an offer made to it by the Bank of Montreal, to transfer a quantity of silver coin, and which action on the part of the City Bank increased my liability to that Bank, I think, about eight hundred dollars.

Question.—Does the loss referred to in your last answer apply to the three hundred thousand dollars in silver spoken of in the earlier part of your examination as pledged with the different Banks in this City for advances made on it?

Answer.—The depreciation mentioned in my last answer was on the silver on which the Banks had made advances. The loss caused by the action of the City Bank was on silver certificates held by the Bank of Montreal. My letter-book will explain the nature of the transaction. The City Bank sometimes loaned me silver and silver certificates for current funds.

Question.—Have you collected any thing due the estate since your assignment, and accounted for the same to your Assignee?

Answer.—I have.

I forgot to mention that I also handed over to the Assignee, I think, between five and six hundred dollars worth of small promissory notes belonging to the Silver Exportation Guarantee Fund, but only a portion of which is really due to the estate. My estate has also claims against a large number of persons for small amounts, but I have not yet furnished any list of them to the Assignee, and I cannot make an approximate estimate of their value just now.

Question.—Is it not a fact that you have not yet obtained your discharge under the Act?

In his zeal for the interest of his creditors, does not think of his discharge.

Answer.—As I made an assignment in what I believed to be the interest of my estate, and not for the purpose of obtaining a discharge of my indebtedness, I have taken no steps towards obtaining a discharge, nor do I intend to do so until I am able to make such settlement, either in full or by compromise, as will be satisfactory to a large majority of my creditors.

Question.—Have you been carrying on business since your assignment? If so, explain in what manner.

Answer.—I have given a good deal of time in looking after the interest of my estate. I have not carried on any regular business, but have purchased considerable quantities of silver, which I have sold in Canada for exportation, and I have lately been almost exclusively engaged in connection with the recent action of the Government for the removal from circulation of the American silver coin.

Question.—Is it not a fact that you have been carrying on business in your wife's name under the designation of "E. S. Weir"?

Mrs. Weir carries on the business, which is principally managed by the son.

Answer.—When I made an assignment, I proposed to the Assignee to carry on the business for the benefit of the estate, but he explained to me that that could not be done. He stated, however, that it would be quite



competent for my wife to take the lease from the Assignee and carry on the business. As to continue the office closed would have entailed expense on the estate for rent, and would further injure my estate by depressing the price of silver belonging to my estate, which was not then sold, I consented to this arrangement. I have little connection, however, with the business, which is managed by my son. It is a fact that the business is my wife's, and is principally carried on by my son.

Question.—Who signs the documents, brokers' notes, or other papers connected with said business of your wife?

Answer.—My wife gives no brokers' notes. Any document requiring a signature is signed by herself, or by any one in the office representing her, according to the nature of the document and the usage and custom among merchants and brokers.

Question.—Is it not a fact that numerous papers issuing from said office are signed "E. S. Weir," "p. p. W. Weir."

Answer.—There are no papers to my knowledge issuing from my office so signed. My son's name is W. H. Weir. I noticed, some time ago, that the signature of some documents signed by him appeared to be so signed—the letters had so many flourishes. I called his attention to it, and explained that, properly speaking, the two "p's" should be used only by a Power of Attorney, of which fact he was unaware. I am aware that he had full authority to grant receipts and sign other documents.

Question.—How were the silver warrants issuing from your office signed?

Answer.—The silver warrants for delivery of silver to the Banks on Government account are signed either by me or by my son, who has a Power of Attorney to sign for me.

Question.—Have you any relations or contracts with the Government of the Dominion of Canada, or with the Finance Minister thereof?

Answer.—I have been entrusted by the Dominion Government with authority to make certain arrangements between the Banks and the Government, and the Express Companies and the Government, for the removal from Canada of a quantity of silver coin, and the Finance Minister has intimated to me his intention to recommend to the Government that a certain percentage on the silver exported be applied to cover the Bank commissions, Express and agency charges incurred in connection with the removal of said silver coin.

Question.—Is it not a fact that there is a specific arrangement between you and the Finance Minister of the Dominion respecting the rate of remuneration you are to receive for your services in the matter of the export of the American silver coin in circulation in the Dominion?

Answer.—I consider the recommendation of the Finance Minister as meaning a positive agreement, unless the item was struck out in Committee of Supply; but the remuneration to me will depend entirely upon the rate at which the Banks will continue to do the business, other expenses connected therewith, and also by the amount exported. The action of the Assignee in notifying the Government and the Bank of Montreal in such manner as to give annoyance, may cause the withdrawal of my agency in the matter, and very seriously injure my estate.

Question.—Is it not a fact that you stated to a Broker in this city that your contract with the Government respecting the export of the American silver coin was worth twenty thousand dollars to you, or words to that effect?

Answer.—I have no recollection of having done so, but should be glad if it was so, as I should not remain long in the Insolvent Court, as my entire liabilities, direct and indirect, are now not very much over that amount.

Question.—What amount of silver money has been purchased by you to this date on account of the Government of the Dominion of Canada?

Answer.—The silver is not, properly speaking, purchased by me, but by

Singular usage and custom among merchants and brokers to have documents signed by their wives or any one in the office.

Domestic style of doing business. Unlimited power and limited liability. Everybody signs for everybody else, and no one is bound. Safety in flourishes and one P.

Wife Post. Document Nos. 2 and 3.

Gratulations for share in Insolvent's lucrative contracts, probably worth more than \$20,000.



He is precise, the Banks with which arrangements have been made by the Government through me ; that is, some of the Banks have arranged through me, and some of them directly through the Government.

Question.—What is the actual amount of the silver delivered to the Banks under the arrangement referred to on account of the Government for the purpose of exportation up to the present date ?

Insolvent desires to have the handling of his creditors' money, and to account afterwards.

Answer.—I could not, without authority from the Government, give any information as to transactions between the Government and the Banks with which I have made arrangements to ship silver on Government account, but I am prepared to give full information to the Assignee, as he may require it, of any sums of money coming to me after all expenses have been paid.

Question.—What is the amount of money due to you at the present time by the Government on account of your services in connection with the said silver transactions ?

Answer.—As this is the first month in which returns have been made, and as they are yet incomplete, and as I cannot yet tell the expenses to be incurred before any thing will be coming to me, I cannot state what there is coming to me, or that there is any thing positively coming to me so far.

Question.—What is the rate per cent. agreed upon between you and the Government, or the Finance Minister on account of the Government, on the silver to be exported by virtue of the arrangement, already referred to, as remuneration to you for your services in the matter referred to ?

No fixed rate of remuneration for his services. But Finance Minister will recommend a fixed sum, which Insolvent dare not divulge.

Answer.—There is no fixed rate of remuneration agreed upon for me, as I have already explained. My remuneration will entirely depend upon the terms upon which the Banks continue to receive and forward the silver, the cost of storing, selling and other charges ; the Finance Minister, as already stated by me, having agreed to recommend a fixed sum to cover these expenses.

Question.—What is the fixed sum that the Finance Minister has agreed to recommend to cover all expenses, including your remuneration ?

Answer.—I cannot answer that question without the authority of the Government, and even had I the authority of the Government, it would, in my opinion, be most injurious to my estate, as the Banks might then advance their charges, and leave me with little or no remuneration whatever.

Question.—Please produce all the books of accounts, documents, papers, letter books, &c., now in your possession.

Answer.—I will produce them on Monday morning at eleven o'clock.

And further the Insolvent saith not at present, and this his examination is continued till Monday next, at eleven o'clock. And this part of his deposition having been read by him, he declares that it contains the truth, and nothing but the truth, persists therein, and hath signed,

Declares that deposition contains nothing but the truth.

(Signed,) W. WEIR.

*Sworn, taken in part and acknowledged at* } (Signed),  
*Montreal, the day, month and year first* }  
*above written, before me.* }

J. A. BERTHELOT,  
J. S. C.

And on this, the fourth day of April, eighteen hundred and seventy, re-appeared the said Insolvent, William Weir, and his examination was continued as follows :—

I now produce a blotter, silver and American account books, letter book, cash book and ledger ; the Bank book is in the hands of the Official Assignee.

Question.—Do any of the books now produced indicate the nature of your transactions since your assignment ?

Answer.—Not so far as I know, except that they show a small amount of money collected by me, and handed to the Assignee ?

Question.—What books or documents in your possession indicate your transactions since your assignment on the seventh of April last ?

Answer.—I have kept no regular books since my assignment, except in connection with the books which have been kept by me as Government Agent for the exportation of silver coin. I must also have some memoranda and letters relating to such transactions.

Question.—Have you any letters or despatches or telegrams which would indicate the nature of your arrangement with the Government of the Dominion respecting the exportation of the said silver coin? If so, please indicate what they are.

Answer.—I cannot without the sanction of the Government indicate any such arrangements.

[At this stage of the proceedings a long discussion took place before the Court; Creditors' Counsel contending that the Assignee had a right to all books, documents, &c., appertaining to the Estate; that the earnings of the Insolvent, until the obtaining of his discharge, were his creditors'; that he was bound to place everything in the hands of his Assignee; that any lucrative contracts he might have made were really vested in his Assignee; that the departments of Government were not above the law; that in contracting with an undischarged bankrupt, Government subjected itself to the obligations of the law respecting its communications, as long as their being divulged did not jeopardize the public safety; that the Insolvent was bound to answer truthfully anything which had relation to his Estate, and produce documents indicating in any way the nature of contracts made by him before his discharge.

Insolvent's Counsel strenuously opposed these pretensions; but the Court ruled he must answer, His Honor Mr. Justice Berthelot explaining with much patience to the Insolvent in what respect he was, and was not, bound to answer. The Insolvent pretended that the ruling of the Court was that the examination should be adjourned, and was only convinced of his error when again brought before the Judge.]

**The Court having been applied to, orders that the documents be named by the Insolvent.**

Question.—Please answer the foregoing question.

Answer.—Letters and telegrams indicate that the Finance Minister proposes to recommend that a certain percentage shall be paid to me to cover all Bank commissions and all other charges connected with removing such sums of silver coin as may be delivered to the Government for exportation. After all commissions and expenses have been paid the balance, if any, will be paid to me; and I am ready from time to time, as the Assignee may direct, to furnish a statement under oath of any such profits.

[Creditors' Counsel now raised the question whether the Insolvent, being before the Court for examination, was entitled to the assistance of Counsel, the practice of the Court in Montreal not generally allowing it. Whereupon, on the application of Insolvent's Counsel, the succeeding questions are submitted in the presence of the Judge.]

Question.—Within the last few days have you received any telegrams from the Finance Minister of the Dominion respecting any money due you under any contracts with the Finance Minister?

Answer.—I have received telegrams respecting the payment of moneys to Banks and other parties, which I had arranged on behalf of the Government should be paid to them, acting as Agent for the Government of Canada.

Question.—Did any one of the said telegrams mention the rate per cent. upon the silver already purchased, or about to be purchased by the Government, through you, for exportation, which was to constitute the remuneration for your services in the matter?

Answer.—The telegrams mention a percentage to cover certain commissions and charges on the silver, connected with its exportation. My own remuneration depends upon whether the sum proposed to be appropriated by the Government will cover all charges and leave me a profit.

Question.—What was the rate per cent. mentioned?

Answer.—The telegram referred to mentions three quarters of one per cent. to cover certain commissions and charges.

Question.—Is that the only rate mentioned in the telegrams?

Answer.—I would require the telegrams before giving particulars.

Question.—What charges was the three-quarters per cent. to cover?

Telegrams so short that they escape even a memory not defective.

Answer.—All charges connected with buying, selling and handling the silver, brokers' and banks' commissions for selling, and all agency charges, advertising, and also to cover any advance in the rate of commission which the Banks might charge over the present arrangement between the Banks and the Government, also risks of bad, short and defaced silver, and for all travelling expenses.

Question.—Is not the rate of commission to be charged by the Banks already fixed? If so, state the rate.

Fears lest his Estate, for which he is exclusively working, may lose a part of the commission which he cannot remember

Answer.—The rate for the present, for simply receiving, counting and delivering the silver in New York, is one quarter of one per cent, and I think that most of the Banks will not raise the rate. The Bank of Montreal, however, strictly stipulated that it would have the right to advance the rate of commission if the rate named at first was not found satisfactory, and as that Bank is doing more than half the work, and is being put to a great deal of trouble, I have reason to fear that it will advance the rate, to the detriment of my Estate, and may decline to act at all if annoyances, to which the Manager is threatened to be put, are continued.

Question.—What is the rate per cent. to be allowed for Express charges?

Answer.—I have no interest in that rate, and decline to answer without the sanction of the Government.

Being directed by the Judge to answer, I say that for the present it is three-eighths of one per cent. on the Canadian Express line, and two dollars and three quarters per thousand on the American Merchants' Union line.

Question.—Are those the definite rates agreed on between you and the said Express Companies?

Answer.—These are the rates at present.

Question.—Upon what sum of money have you a right to claim, or do you claim, the commission already indicated at the present time?

Answer.—Two hundred and fifteen thousand dollars.

Question.—Has any telegram recently been sent by the Finance Minister, authorizing the payment to you of any sum of money on account of the said silver transactions?

Answer.—Not to my knowledge.

Question.—Are you alone to derive all the benefit of the balance of the commission after deduction of the charges referred to?

Answer.—The balance will all undoubtedly belong to my Estate?

Question.—Is the three-quarters per cent. commission spoken of, the highest rate mentioned in the telegrams, or in the correspondence between you and the Finance Minister?

Answer.—The correspondence shows that by a former arrangement a varying rate per cent. was named on the first, second and third millions proposed to be exported if it was delivered to the Government, but by a later arrangement a uniform rate of three quarters per cent. was named.

Question.—Are the original agreements cancelled?

Answer.—The original agreement is cancelled.

Question.—Is not the rate of three-quarters commission, the rate agreed upon, clear of certain charges?

Answer.—It is to cover all the charges already mentioned in a former answer.

Question.—Will you swear that the advertising charges come out of that three-quarters per cent. commission?

Answer.—All such charges, except the Proclamation of the Government itself, fixing the rate at which American silver coin shall be legal tender after the fifteenth day of April next, with which advertising I have had nothing to do on behalf of the Government.

Question.—Do you swear positively that the three quarters per cent.

commission referred to, is the total authorized rate of commission agreed upon between you and the Finance Minister?

Answer.—The three-quarters commission, referred to in the telegram, is spoken of in my agreement with the Government as agency charges, and is the total amount proposed to be appropriated to cover all the items already mentioned by me, namely, all charges connected with buying and selling the silver, brokers' and banks' commission for selling, all agency charges, such as rents, salaries, books, warrants, travelling expenses, advertising, and also to cover any advance in the rate of commission which any of the Banks might charge over the present arrangement, also storage. It is not, therefore, properly speaking, a commission.

Question.—What was the total percentage proposed to be appropriated, as commission or otherwise, on the said silver?

[At this stage the Court was so outraged at the evasion and unwillingness of the Insolvent to divulge his true position, that the Judge spoke in very grave language to him, remarking that he never in his experience had met with one so unwilling to speak out the true facts of the case, reminding him at the same time that he was bound to speak the truth.]

The Insolvent appealed to the Judge, stating that his caution arose from anxiety lest the Government secrets should be divulged, and threw the responsibility upon the Judge, who remarked that he knew his duty to the Government, and would take care that it was in no way injured. "But do not imagine," said his Honor, "that the heavens or the Government will fall because you have to answer a simple question and produce a telegram." The Insolvent, after exclaiming, "Oh my! that is a very difficult question to answer," replied:

Answer.—No appropriation has been made as yet, but it is proposed by the Finance Minister to appropriate for Bank commissions, for receiving and delivering, one quarter per cent.; agency charges, covering all the charges already mentioned, three-quarters per cent.; express, and all other charges, not to exceed one-half per cent. The positive and definite amount of commission and charges, to cover all bank and brokers' commissions and charges, and all other charges, except express charges and handling, is therefore one per cent.

Question.—Have you in your possession the letter of the Finance Minister which shows the nature of the agreement with you respecting the said silver transactions? If so, produce the same.

Answer.—I have. I now produce the said letter. It is to the following effect:

### Finance Department.



OTTAWA.

"OTTAWA, 26th February, 1870.

SIR,

"With reference to the correspondence which has taken place between us, on the subject of your commission for effecting the removal of the American Silver. I have to acquaint you that I think it desirable that instead of a varying commission on the first, second and third million of dollars, there should be a uniform commission of one per cent to cover bank commissions and your own agency charges, the Government bearing the express charges, bags, &c., in fact all the charges to which it was liable in the last silver operations with the Bank of Montreal, such charges not to exceed

Three-quarters per cent. to cover everything,—by no means a commission.

Other three quarters per cent. —perhaps this is the commission.

Finance Minister's letter sufficient to remember. The true commission discovered being one and one-half per cent.

one-half per cent. I shall be glad to have your consent to this arrangement.  
I have the honour to be, Sir,

Your obedient servant,

W. WEIR, Esq.,  
Montreal.

(Signed) F. HINCKS,  
Minister of Finance.

Question.—Did you reply to this letter?

Answer.—I replied, accepting the same.

Question.—Did you recently attempt to get money from the Finance Minister? If so, what amount, and on what day?

Answer.—I recently requested the Finance Minister to put me in a position to pay certain accounts for bank commissions, express and other charges that were coming in to me for adjustment on behalf of the Government. There was no amount fixed. A copy of the telegram I will produce in the morning.

Declares that  
he is telling the  
truth, and nothing  
but the truth.

And further the Insolvent saith not at present, and this part of his examination having been read to him he declares that it contains the truth and nothing but the truth, and this his examination is continued to to-morrow, the fifth instant, at eleven o'clock, and he hath signed.

Sworn on the second day of April, eighteen hundred  
and seventy, before the undersigned, Hon. J. A.

Berthelot, J. S. C., and acknowledged the fourth  
day of the same month and year, at Montreal  
before me,

(Signed) R. MACKAY, J. S. C. (Signed) W. WEIR  
(Signed) J. A. BERTHELOT, J. S. C.

[An attempt was now made by the Insolvent to come to some arrangement with his creditors, and stop the examination. After laying the nature of his proposal before the Assignee, he requested him to bring it before the creditors. Mr. McCulloch, the principal creditor, had the proposition submitted to him, and not being acquainted with the facts elicited on the examination of the Insolvent, and believing Weir's representations, consented to take, with the Bank of Montreal's guarantee, four-fifths of one-quarter per cent., which the Insolvent made out was the whole commission that would come to him after the deduction of all expenses.

After an interview with the Counsel, and examination of the evidence, Mr. McCulloch addressed the following letter to the Assignee :—

[Copy.]

CITY BANK,  
MONTREAL, 4th April, 1870,

Sir,

Since you were with me to-day, I have seen the partial examination of Mr. Weir before one of the Judges, and have therefore reason to think that the statement of figures shewn me by Mr. Weir, of the cost of the moving of the silver is incorrect. I must beg of you not to move any further in the business until the conclusion of Mr. Weir's evidence.

Yours truly,

(Signed) F. McCULLOCH,  
Cashier.

A. B. STEWART, Esq., }  
Official Assignee. }

Mr. McCulloch's consent to this settlement was consequently withdrawn, and the examination was continued.]

And on this fifth day of April, eighteen hundred and seventy, re-appeared the said William Weir, the said Insolvent, and continues his deposition as follows :—

Wishes to clear  
himself.

I have brought the copy of the two telegrams referred to in my last answer yesterday, but as they refer to the business of the Dominion Government, I decline to produce them without a direct order from the Court, as I wish to clear myself from all responsibility in their production.

Question.—Do they refer to a lucrative contract between you and the Finance Minister, of importance to your creditors?

Answer.—They refer to certain disbursements by the Government, in



connection with removal of American silver coin, under an arrangement with me, which, if successfully carried out, will be of great benefit to my creditors.

Question.—Has the telegram from the Finance Minister been shown to any person?

Answer.—The telegram has been shown,

Question.—Does the telegram in question contain matters solely referring to the transactions relating to the silver contract referred to in the former part of your examination?

Answer.—I so understand it.

Question.—Please produce it.

Answer.—I have already declined to do so, and still decline without a direct order from the Judge, as I wish to clear myself, as I have already stated, from all responsibility in their production.

[This objection again led to a lengthened argument before the Judge. Counsel animadverting on the opposition offered to the elucidation of the truth, and on the attempt made to stop proceedings. The Judge himself, during the argument, remarking that he had met with instances in which an Assignee and an Insolvent had conspired to conceal things from the creditors of an estate. This remark of the learned Judge was drawn forth by a specious argument of the Insolvent, that divulging the rates of his remuneration would cause the Banks to raise their charges, and thereby damage his estate, and that his principal creditors and the Assignee were actually willing to settle with him on the basis of his proposition to Mr. McCulloch. Mr. McCulloch's letter being read, the Court apparently attached little weight to the Insolvent's arguments, and ordered him to produce the telegram.]

Being ordered by the Court to produce the same, I produce a copy of my telegram to the Honorable the Finance Minister, and his answer to it.

MONTREAL, 1st April, 1870.

Hon. Sir Francis Hincks, C. B.  
Minister of Finance, Ottawa.

Please instruct Bank of Montreal to place to my credit, as Government Agent, one and one-half per cent. on all silver received and exported on Government account, to enable me to pay bank commissions, freights, other commissions and charges as per agreement. I will furnish vouchers and express accounts receipted.

The telegram that escaped Insolvent's memory.

(Signed) W. WEIR.

To which telegram I received on the same day the following reply:—  
1456 2 No. of Message 171.

MONTREAL, 1st April, 1870.

By telegraph from Ottawa.

To Mr. Wm. Weir.

Will issue warrants in regular course for the following claims:—Banks, one-quarter: you, three-quarters; other charges when presented,—cannot deal by telegram in such matters. Will advise Mr. Angus of our intentions, and he will, no doubt, arrange for cashing your warrants. Show him this.

The Finance Minister says:—“You, three-quarters.”

(Signed) F. HINCKS.

The foregoing was from the Montreal Telegraph Company.

Question.—Were any warrants issued?

Answer.—No warrants were issued, as I did not understand that I had authority to settle in that way. I have, however, certified to the correctness of a number of accounts.

Question.—The telegram says, “will issue warrants in regular course,” &c., does not said expression refer to the issuing of warrants by the Finance Minister?

Answer.—Yes.

Question.—Were any warrants issued by the Finance Minister?

Answer.—Not to my knowledge.

Question.—The latter part of the telegram is as follows:—“Will advise Mr. Angus of our intentions, and he will no doubt arrange for cashing your

warrants." Did Mr. Angus to your knowledge receive such advice ; if yes, for what amount was he authorized to honor your warrants ?

Answer.—I have no knowledge of the advice or instructions sent to Mr. Angus by the Finance Minister, therefore I cannot answer the second part of the question.

Question.—In your own telegram to the Finance Minister you ask that the Bank of Montreal be instructed to put to your credit one and one-half per cent. on all silver received and exported on Government account. Do you swear positively that you were not aware that your request was complied with ?

Answer.—I swear positively that I was not ; on the contrary the answer of the Finance Minister shows that he proposed to adopt a different course, and arrange the details in accordance with the regulations of the Finance Department.

Question.—Did you never attempt to get money from the Bank of Montreal after your receipt of the Finance Minister's telegram ?

Answer.—On receipt of the Finance Minister's telegram, I applied to Mr. Angus to arrange for the payment of bank and express charges, and other disbursements for which accounts were being presented for settlement.

Question.—What was his reply to your application ?

Embarrassing letter from Assignee. Insolvent thwarted in his efforts on behalf of his creditors. Document No. 2 post.

Answer.—Mr. Angus showed me a notice which he had received from the Assignee of my Estate, which he stated was embarrassing to him, as he could not overlook it, or words to that effect ; and I think that he recommended me to see Mr. Stewart about the matter.

Question.—What was the amount of silver received, and the amount of the silver exported on Government account at the date of your dispatch, to wit, the first of April, upon which you ask one and one-half per cent. to be placed to your credit ?

Answer.—The amount of silver exported and sold, and on which the Government was bound by their arrangement with me to pay all the charges incurred, was, to the best of my knowledge and belief, two hundred and fifteen thousand dollars. As I think that I have no claim on the Government for any remuneration on any silver which may have been received by the Banks, until I have completed my contract by the sale of the silver, I decline to answer that part of the question. I did not understand that any money should be placed to my personal credit ; but simply that the Bank of Montreal be instructed to pay commissions and charges on presentation to it of proper vouchers and receipted accounts. I so understood the dispatch sent by me.

Question.—Please to state, without any evasion, the amount of silver received, and the amount of silver exported at the date of your dispatch to the Finance Minister.

The Insolvent having declined to answer the foregoing question, and having stated his objection to the Judge, was ordered by the Judge to answer the same, to the best of his knowledge, and replies :

Answer.—I cannot from memory answer that question ; but will give the figures to-morrow morning.

Question.—Have you any other telegrams or dispatches relating to the contract already referred to ; if so, produce them.

Answer.—I am not sure, but will look over my dispatches, and if I have any such, will produce them to-morrow.

Not sure whether he has any other telegrams or dispatches.

Declares above to be the truth, and nothing but the truth.

And further, for the present, the Insolvent saith not ; and this part of his examination having been read to him, he declares that it contains the truth and nothing but the truth, and this his examination is continued to to-morrow, the sixth instant, at eleven o'clock, and he hath signed.

(Signed)

W. WEIR.

Sworn on the second day of April, eighteen hundred and seventy, before Mr. Justice Berthelot, and

this part of his examination acknowledged the fifth day of the same month and year, at Montreal, before me.

(Signed) R. MACKAY, J. S. C.

And on this seventh day of April, eighteen hundred and seventy, re-appeared the said Insolvent, William Weir, and continues his examination as follows:—

Question.—At the latter end of your examination, on the fifth of this month, you were asked the following question:—"Please to state, without any evasion, the amount of silver received, and the amount of silver exported at the date of your dispatch to the Finance Minister;" please to state if you are now in a position to answer that question precisely. If yes, do so.

Answer.—Advices from the different bank agencies are yet incomplete, at the date mentioned, say the first of April, the reported receipts footed up to four hundred and sixteen thousand six hundred and fifty eight dollars and twenty cents. An approximate of the shipments amounted to about three hundred and fifty thousand dollars.

Question.—In your answer, on page eleven, to the question, "what was the rate per cent. mentioned," you answer, "the telegram referred to mentions three-quarters of one per cent., to cover certain commissions and charges, and subsequently, on the production of the Finance Minister's telegram, it becomes evident that a much larger commission is agreed to by the Finance Minister; how can you explain this discrepancy?"

Answer.—The telegram referred to, taken in connection with the Finance Minister's letter, also produced in the evidence, shows clearly that there is no discrepancy whatever between the statement made by me and the telegram referred to.

Question.—On consultation with experienced brokers about the nature of your commission to be allowed you under the said contracts, I have been informed that such a rate is enormously lucrative, and that respectable brokers could be found who would do what is required by you under said contracts, and give security, and consider themselves well remunerated, for one-quarter of one per cent.; how do you explain this, if such be the fact. Have you one or more persons interested with you in the contracts, or is the three-quarters per cent., which appears unmistakably to be your remuneration, to come to your Estate without any reduction by payments to other parties or party?

Answer.—There are no experienced brokers in the matter of exporting silver coin from about seventy bank agencies, situated in all parts of the Provinces of Ontario and Quebec, from Quebec to Sarnia, and none consequently that have any idea, or are capable of speaking with any knowledge of the subject, as to the costs incurred in conducting transactions of such magnitude. The only party that I know of able to give even an approximate estimate of the costs to be incurred is the Manager of the Bank of Montreal; that institution having made a shipment for Government account some time ago, equal to about one-third of the amount now proposed to be exported. I have shown that gentleman an estimate of the charges to be incurred in carrying out the work which shows a clear profit to me of about one-quarter per cent., provided none of the banks raise their rate of commission. This amount I have already tendered to my creditors through the Assignee of my Estate, less one-fifth as an allowance to me for my services, which offer I am authorized by the Manager of the above-named Bank to say to my principal creditors he considers very fair. If other respectable brokers are disposed to give their labor and their brain without fair remuneration, I am not willing to do so. All parties employed by me in assisting to carry out the contracts and my creditors are interested, as well as the country at large, I suppose also the Government feels interested in the success of the movement. There is also a large number of brokers and manufacturers interested the other way; there are, however, no party or parties whatsoever interested directly or indirectly,

Memory treacherous as to amount of silver exported: twice as much as he thought.

Commission much larger too.

There is, of course, no discrepancy.

Respectable brokers would do the work for 1/4 p.c.

Insolvent the only experienced broker in silver matters. As he lived in the States for some time immediately after one of his numerous failures, he might have said he was the only broker in Canada who knew any thing of fractional paper currency? Gratifying inference that there are other respectable brokers. The country interested in the success of the Insolvent! The City Bank was, to its cost, of very great assistance in the formation of the insolvent's silver exportations. Insolvent appears to have forgotten this fact. Would it not have been of great



advantage to the insolvent had the bank forgotten him?

The Manager of the Bank of Montreal, the only person (except insolvent) who can form even an approximate estimate of the cost of exporting silver in large amounts.

Delicate patronage!

Persists in declaring that this part of his examination contains the truth.

either by promise or understanding, in the three-quarters per cent. referred to, except those already mentioned as entitled to receive payment or remuneration for their services.

Question.—Is it not a fact that, as a general rule, that chartered banks pay for the transmission of silver to New York one-quarter of one per cent, there being no duty on the exportation of silver?

Answer.—It is not; if reference is had to the places from which the Government is exporting the silver.

Question.—Do you, or do the bank or banks ship to New York, and what is paid for the shipment?

Answer.—The arrangement shows that I have no interest whatever in the rates paid by the Government. In fact, the Government pays for the shipment.

Question.—The Finance Minister has announced that a large quantity of silver currency is in course of being coined in England, are you to receive any remuneration, direct or indirect, by reason of the issue of the same in Canada. State what interest, if any, you have; what are your relations with the Government of Canada or the Finance Minister, with respect to the Canadian metallic currency?

Answer.—No; and I have no relation with the Government in connection with the Canadian metallic currency.

And further for the present the Insolvent saith not; and his further examination is continued to an ulterior day, of which due notice shall be given him, and this part of his examination being read over to him, he declares that it contains the truth, persists therein, and hath signed,

(Signed) W. WEIR.

Sworn on the second day of April, eighteen hundred and seventy, before the Honorable Mr. Justice Berthelot, and this part of his deposition acknowledged this seventh day of the same month and year, at Montreal, before me,

(Signed) J. U. BEAUDRY, J. S. C.

(True copy) (Signed) HUBERT, PAPINEAU & HONEY, P. S. C.

We, the undersigned Prothonotary, in the District of Montreal, of the Superior Court for Lower Canada, do hereby certify that the foregoing is a true and exact copy in every respect of the deposition made and given by William Weir, in cause No. 936, in the matter of William Weir, Insolvent, and Andrew B. Stewart, Assignee, before the Superior Court, sitting under the Insolvent Act of 1869, on the second, fourth, fifth and seventh days of April instant, (1870), and as attested by the respective Judges before whom the same was duly sworn and acknowledged, Montreal, this 12th day of April, 1870.

(Signed) HUBERT, PAPINEAU & HONEY, J. S. C.

The embarrassing letter.

No. 2. INSOLVENT ACT OF 1869.

In the matter of

WILLIAM WEIR,

An Insolvent;

AND

ANDREW B. STEWART,

Assignee.

To the Manager of the Bank of Montreal, Montreal:

SIR,

You are hereby notified that William Weir, of the City and District of Montreal, Broker, made an assignment to me of all his estate and

effects, under the Insolvent Act of 1864 and amendments thereto, on the seventh day of April last, to wit: April, 1869.

That the said William Weir has not obtained his discharge under the said Act and amendments.

That, under and by virtue of the said Act, "all books of account of the Insolvent, all vouchers, accounts, letters and other papers and documents relating to his business, all moneys and negotiable paper, stocks, bonds and other securities, as well as all the real estate of the Insolvent, and all his interest therein, whether in fee or otherwise, as also all his personal estate and moveable and immoveable property, debts, assets and effects, which he has, or may become entitled to at any time before his discharge is effected under the said Act, excepting only such as are exempt from seizure and sale under execution and by virtue of the several statutes in such case made and provided" are vested in me as his Assignee under said Act.

And you are hereby required not to pay over to the said Insolvent any moneys, or deliver to him any valuable securities or other effects belonging to, or purporting to belong to the said Insolvent, which are already in, or may come into your possession, but to pay and hand over the same to me, as the Assignee of the said Insolvent.

(Signed,) A. B. STEWART,  
*Assignee of William Weir.*

MONTREAL, 30th March, 1870.

I, the undersigned, one of the sworn Bailiffs of Her Majesty's Superior Court for Lower Canada, appointed and acting in and for the District of Montreal, do hereby certify and return, under my oath of office, that I did, on the thirtieth day of March, eighteen hundred and seventy, between the hours of four and five of the clock in the afternoon, serve the within notices on "the Bank of Montreal," by speaking to and leaving a duplicate of the same with L. B. Angus, Esquire, Manager of said "Bank of Montreal," at their office and place of business, in the City and District of Montreal.

(Signed,) M. DEMPSEY,  
*Bailiff of Superior Court.*

MONTREAL, 30th March, 1870.

No. 3.

MONTREAL, 31st March, 1870.

To the Hon. Sir Francis Hincks, K. C. M. G., Finance Minister for the Dominion of Canada:

Another embarrassing letter.

Sir,

I have the honour to inform you, at the request of several creditors of William Weir, of the City of Montreal, Broker, an Insolvent, to whom I am Assignee, that the said William Weir made an assignment to me on the seventh day of April, 1869, under the provisions of the Insolvent Act of 1864 and amendments, and that he has not obtained his discharge under the said Act.

That, under Sec. 2, Sub-Section 7 of said Act, "all the personal estate, and "all the moveable and immoveable property, debts, assets and effects which the Insolvent has or may become entitled to at any time before his discharge is effected under the said Act," are vested in me as his Assignee, and are the property of his creditors.

That any moneys which are now due, or that may become due by the Government of the Dominion to said William Weir before he obtains his discharge, should be paid over to me, as his Assignee, for the benefit of his creditors.

I would beg respectfully to draw your attention to the fact that the said William Weir has never furnished me with a schedule or statement of his liabilities, as he was bound to do under the Act, although I have frequently requested him to produce the same, and he has been summoned at my instance, in obedience

to an order of the Superior Court of this District, to appear before the said Court, to be examined under oath, touching his estate and effects, on Saturday, the second of April next, with a view to his being compelled to hand over to me the whole of the assets of the estate, including any sums of money due, or to become due by the Government of the Dominion to him.

I assume, of course, that the said Insolvent is not to be regarded as an officer of the Government, though he represents himself to be the Government Agent, but rather in the light of a person having transactions with, and claims against the Government, which claims of right are vested in me.

Relying, therefore, on your sense of justice and your earnest desire to facilitate the carrying out the provisions of the law, I beg most respectfully to ask that you will give directions that whatever moneys may be due, or may become due by the Government to the said William Weir, until he obtains his discharge under the Insolvent Act, may be retained, or handed over to me, as his Assignee, for the benefit of his creditors.

I have the honour to remain, Sir,

Your obedient servant,

(Signed,) A. B. STEWART,  
Assignee of the estate of William Weir.

Further embol-  
rassing letter.

No. 4.

To the Hon. Sir Francis Hincks, K.C.M.G., Finance Minister for the Dominion of Canada:

SIR,

*In re W. Weir, Insolvent.*

I have the honour to inform you that, under the examination of William Weir, an Insolvent, before the Judge sitting in Insolvency for the District of Montreal, it has come out in the Insolvent's evidence, and by the production of a despatch and telegram from yourself, that there is a very large amount of commission due by the Government to the Insolvent.

This, as I had the honour to inform you in my notice of the 31st March last, is vested in me, as his Assignee, under Section 2, Sub-Section 7 of the Insolvent Act of 1864, and is the property of his creditors.

The exact amount due does not clearly appear from the sworn evidence of the Insolvent, but the rate per cent. does.

I beg, therefore, respectfully to request that you will give directions to have the amount which, on receipt of this, may be found due, by reason of the contracts of the Insolvent with the Government of Canada, handed over to me for the benefit of the creditors of his estate.

I have the honour to remain, Sir,

Your most obedient servant,

(Signed,) A. B. STEWART,  
Assignee of the estate of William Weir.

No. 5.

Proposition  
made to the In-  
solvent, and re-  
fused by him.

Proposition, forming basis of settlement, offered to W. Weir, on the seventh April, 1870, at office of Assignee:—

William Weir to give an order on the Finance Minister for one and one-half per cent. on all silver received or exported up to 7th April.

Creditors will pay one-quarter per cent. to Banks, and actual Express charges, bags and packages.

On order being accepted, proceedings will be stayed, and creditors will not oppose discharge.

Proceedings to go on till order is received.

(Initialed,) F. M., (for City Bank.)

“ J. R., (for Merchants' Bank.)

“ W. S., (for Molsons Bank.)

(Telegram.)

No. 6.

MONTREAL, 8th April, 1870.

To the Hon. the Finance Minister of Canada, Finance Department, Ottawa :

First telegram  
to the Finance  
Minister, advis-  
ing order from  
the insolvent.

With reference to my communication of the sixth instant, I have the honour to inform you that I now hold the following order on you, from William Weir, Insolvent, namely :—

MONTREAL, 7th April, 1870.

To the Hon. the Finance Minister of the Dominion of Canada :

SIR,

Please pay to the order of Andrew B. Stewart, Assignee of my estate, all amounts due me to this date for commission and agency charges for the removal of silver coin, or on any other account, after payment of all expenses connected therewith under my arrangement therefor with you on behalf of the Government.

I have the honour to be, Sir,

Your most obedient, humble servant,

(Signed,) W. WEIR.

The Bank of Montreal say they are willing to act on said order if I withdraw seizure in their hands, and you authorize them by telegraph.

Please address me, or Bank of Montreal.

(Signed,) A. B. STEWART,  
Assignee of the estate of W. Weir.

No. 7.

(Telegram.)

OTTAWA, 8th April, 1870.

A. B. STEWART.

Have telegraphed Bank of Montreal what I hope will be satisfactory. Your letters are under reference to Minister of Justice, but an amicable arrangement settles everything I hope.

It is answered  
at once by tele-  
gram and letter.

(Signed) F. HINCKS.



Finance Department.

No. 8.

OTTAWA, 8th April, 1870.

SIR,

I have the honour to acknowledge the receipt of your letters of the 31st ult. and the 6th inst., and to acquaint you that I have referred the said letters to the Minister of Justice, in order that he may give the necessary instructions as to the course which the Government is legally bound to pursue under the circumstances stated by you.

Justice must be  
done. Fiat jus-  
titia ruat cælum.

I have the honour to be, Sir,

Your obedient servant,

(Signed,)

F. HINCKS,  
Minister of Finance.

A. B. Stewart, Esq., Montreal.

No. 9.

(Telegram!!!)

MONTREAL, 11th April, 1870.

To the Hon. the Finance Minister for the Dominion of Canada, Ottawa :

SIR,

I have the honour to acknowledge the receipt of your letter, dated the eighth instant, in which you refer to my former communication to you,

Telegrams  
which are more  
embarrassing  
than letters, as  
they apparently  
do not allow the  
Finance Minister  
time to think.

and state that you have referred the said letter to the Minister of Justice, in order that he may give the necessary instructions as to the course which the Government is legally bound to pursue under the circumstances stated by me.

Your telegram of the eighth has also been received, in which you say, "have telegraphed Bank of Montreal what I hope will be satisfactory. Your letters are under reference to Minister of Justice, but an amicable arrangement settles every thing I hope."

Before I telegraphed you, the creditors had made the following liberal offer to William Weir:—William Weir to give an order on the Finance Minister for one and one-half per cent. on all silver received and exported up to the seventh April; Creditors to pay one-quarter per cent. to the Banks, actual express charges, bags and packages, or the creditors would receive five thousand dollars net; either proposition being accepted, in order to give the Insolvent the benefit of completing his lucrative contracts with the Government, creditors to discontinue proceedings in Insolvency and not oppose his discharge.

The Insolvent refused.

Confidential agent to be arrested on a charge of obtaining money under false pretences, but not by a creditor.

I am just informed that a warrant for the arrest of the said William Weir has been issued at the instance of a person who is not a creditor on his estate, on a charge of obtaining money under false pretences.

The creditors, under whose instructions I am acting, representing more than three-fourths in value of his indebtedness, are the City Bank, the Molsons Bank and the Merchants' Bank.

Assignee anxious to be vested with the contract.

Presuming that the same agent will not now be allowed to carry out the silver contracts, I have the honour to say that I am ready, in the interest of the creditors, to carry out the original intentions of the Government with respect to the silver received to date; or the creditors will be willing to accept any agent the Government may please to appoint for the same purpose.

The creditors appear to be in a hurry.

The honour of a prompt reply will oblige, as the creditors are urgent.

(Signed,) A. B. STEWART,  
Assignee of the estate of William Weir.

No. 10.

*Finance Minister's despatch to A. B. Stewart. No. of message, 257.  
(Copy.)*

MONTREAL, April 12, 1870.

*By telegraph from Ottawa to A. B. Stewart.*

Justice rather slow, as usual. Finance Minister clearly sees his duty to be "to do nothing," at least for the creditors.

Have not yet obtained legal opinion, but expect it will be to the effect that you cannot obtain a lien on Government liabilities to any one. Meantime, my duty must be to do nothing. Weir is here. But I have done nothing with him. He says he has offered reasonable security to you for five thousand dollars. My desire is to have an amicable settlement. I have not told Weir, that in all probability, I shall be bound to pass warrant in his favour.

(Signed,) F. HINCKS.

(Telegram.)

No. 11.

MONTREAL, 12th April, 1870.

*To the Hon. the Finance Minister of Canada, Ottawa:*

SIR,

I have the honour to acknowledge receipt of your telegram of to-day. The creditors seem to be well aware that, without the assistance of the Hon. the Finance Minister, it would be difficult for them "to obtain a lien on the Government liabilities" to the Insolvent, Weir. But they rely on the Honourable the Finance Minister's aid to obtain what is really an asset of the estate.

Assignee fails to appreciate the truthfulness of the Insolvent.

The offer made by Weir was not reasonable; nor did it give more security than his own word, which cannot be relied on. But the creditors would take five thousand dollars cash, and not interfere with the Insolvent's future earnings; and, so far as a resolution of the creditors could bind, not oppose his discharge.



The creditors feel they have a right to the assistance of the Finance Minister in the matter; when by a simple order on the Bank of Montreal, in accordance with the terms of the order of the Insolvent himself on the Hon. the Finance Minister, he could make a valuable asset available to the estate.

Creditors feel they have a right to Finance Minister's assistance.

(Signed,) A. B. STEWART,  
Assignee of the estate of William Weir.

(No of message, 485.)

No. 12. MONTREAL, 12th April, 1870.  
By telegraph from Ottawa, to A. B. Stewart.

Weir's profits are not as large as you suppose; and Government must take care that operations are not obstructed. My advice would be, that you take two thousand five hundred cash, and an order for an equal amount on his next earnings. I will see that justice is done.

Finance Minister offers advice instead of assistance. Touching proof of friendship. Damon intercedes for Pythias. Justice will be done, of course, but the friend and confidential agent must be protected.

(Signed,) F. HINCKS.

No. 13. (Telegram.) MONTREAL, 13th April, 1870.

To the Hon. the Finance Minister of Canada, Ottawa:  
SIR,

I have the honour to acknowledge receipt of your telegram. in reply to mine of the 12th.

Estimate of profit 4 per cent. on \$3,000,000 is \$75,000; 3 p.c. on same amount is \$22,500. The question remains - To whom does the balance of profit go?

The creditors, on being consulted, decline to authorize my acceptance of less than five thousand dollars cash, in full of claims against the Insolvent Weir, and will not keep the offer open longer than to-day; but they rely on your assurance that you will see justice done.

The difference between \$5,000 and \$22,500 is \$17,500. The Finance Minister states that the Insolvent's profit would not be so large as creditors supposed. The Insolvent declares that no one shares his commission; and having, in his whole evidence, persistently spoken the truth, he is, of course, to be implicitly believed. It may be assumed that this balance will go back to the public treasury, and it might be assumed that it will not. The question is submitted to the careful consideration of the reader.

(Signed,) A. B. STEWART,  
Assignee of the estate of William Weir.

No. 14. (Montreal Telegraph Company. No. of message, 367.) MONTREAL, 13th April, 1870.

By telegraph from Ottawa, to A. B. Stewart:

Wrote to Mr. Angus, by this day's mail, what I thought would be satisfactory.

Weir agreed to allow five thousand dollars, to be paid on conditions, which he said were understood, and which I explained to Mr. Angus. Writing from House of Commons, I cannot explain them; but he wants to be protected from molestation. Of course, I offer no opinion, but must act as instructed by law officers.

Creditors refuse to take advice in place of \$5,000.

(Signed,) F. HINCKS.

No. 15. MONTREAL, 13th April, 1870.  
To R. B. Angus, Esq., Manager, Bank of Montreal:  
In re W. Weir, Insolvent.

SIR,

In reference to the proposition received by me, from you, on behalf of the Hon. the Finance Minister, respecting the settlement of the Insolvent Weir's affairs, by the payment of five thousand dollars,—the creditors granting his discharge, I beg to inform you, in reply—

That the creditors would take the sum of five thousand dollars, in full, of his contracts with the Government, present or future, connected with the silver movement; and, on the assurance from the Bank of Montreal, that such sum would be paid to me within a reasonable time—say the 30th April.

They would guarantee, too, that is, by resolution of the creditors, duly called, not to interfere with the Insolvent's future operations, nor in any way oppose his obtaining his discharge under the Act, at his own diligence.

This virtually amounts to granting his discharge ; and the details might be left to me.

The creditors would not, however, give up the assets of the estate, now vested in his Assignee.

It would greatly oblige the creditors if you would communicate the substance of this proposition to the Hon. the Finance Minister, by telegram, in order that an immediate settlement may be come to.

I remain, Sir,

Your obedient servant,

(Signed,) A. B. STEWART,  
Assignee of the estate of W. Weir.

(Copy.)

MONTREAL, 18th April, 1870.

No. 16.

To R. B. Angus, Esquire, Manager, Bank of Montreal :

*In re Weir.*

SIR,

I beg to inform you, with respect to the above proposition in the matter already submitted to you, on behalf of the creditors, that the latter are willing to modify the same, in order to facilitate a settlement.

As before proposed, five thousand dollars must be retained by the Bank of Montreal, for the benefit of the creditors, out of the Insolvent's commission. The Assignee will retain the money at present realized, but will be authorized to hand back to the Insolvent his books, office fixtures, bills, and, in fact, his estate, on an inventory being made. As before agreed, in the event of a settlement, creditors will not oppose his discharge, but will permit him to get it at his own cost.

This will surely meet the case, and enable the Bank, on behalf of the Government, to close the matter to-day.

Your obedient servant,

(Signed,) A. B. STEWART,  
Assignee of the estate of W. Weir.

No. 17.

(Copy.)

Bank of Montreal,

MONTREAL, 18th April, 1870.

*In re Weir's Estate.*

A. B. Stewart, Esq., Official Assignee :

DEAR SIR,

I understand the proposal submitted in your letter of to-day will be accepted by Weir ; and, I have no doubt, the Hon. Minister of Finance will empower me to pay over the five thousand dollars on its being completed.

Yours respectfully,

(Signed,) R. B. ANGUS.

[At the close of the examination of the Insolvent on the 7th of April, as a fair idea of the magnitude of the Insolvent's profits had been arrived at, a proposition was made to him which is set forth at length in Document No. 5.

The notifications to the Finance Minister, of date 31st March and the 6th April, had been sent by registered letters on the day of their respective dates, but no notice had been taken.

Time was given for the Insolvent to consult his friends, and give an answer at 6 P. M. at the office of the Assignee. At that hour representatives of creditors, whose claims exceeded three-fourths in value of the Insolvent's liabilities, were in attendance to receive the answer. Attempts were made to postpone the decision, but an answer was insisted upon, and Weir definitely refused to accept the offer, threatening to throw up his contracts, and thus deprive creditors of getting a cent of his earnings.

Drama drawn to a close, Justice at last, but not as contemplated by Finance Minister and friend!

Creditors who are good-natured, and have a great regard for Sir Francis Hincks, restore the Sub-Treasury furniture, safe, &c. They also return all the promissory notes connected with the Silver Exportation Guarantee Fund handed over by Insolvent. These latter assets having the excellent quality of not changing in value, and not being subject to payment.

Bank of Montreal style—excessively non-committal.

He was reminded, however, that under Sec. 147 of the Insolvent Act of 1869, such a proceeding would amount to a misdemeanor, and was punishable, at the discretion of the Court, with three years' imprisonment. The reading of this Section apparently had an effect upon him, for he begged to withdraw his threat, and, on demand being made, the order set forth in Document No. 6, was given by him upon the Finance Minister.

A telegram (No. 6) was forwarded to the Finance Minister, and brought forth in reply Nos. 7 and 8. Had this order been complied with, and a warrant sent to the Bank of Montreal to place to the credit of the Assignee, after payment of charges, the amount then due the insolvent, a sum of between six and seven thousand dollars would have become available to the Estate. But Weir never intended this order to be carried out, and set off next morning to Ottawa, where he had interviews with the Finance Minister. The effect of his influence with the Minister is apparent in the subsequent telegrams and letters.

Sir Francis places himself in the position of champion of his immaculate agent, and holding, as he no doubt did, the key of the position, dictates terms to the creditors.

It appears that on the very morning of Weir's leaving to see the Minister, a warrant was out for the arrest of Weir for obtaining money under false pretences; and this was notified to Sir Francis by the Assignee in his telegram of that day.

Whatever the result of the charge may be, and we are informed that sound legal opinion has been given that the charge is well-founded, the creditors of the Insolvent have nothing to do with it.

But what does Sir Francis mean by telegraphing about *molestation* of the Insolvent? Does he consider that the legal means made use of by creditors to make an Insolvent disgorge his assets to them, constitute molestation? Or is he striving, on the representations of the Insolvent himself, to make terms for one accused of a criminal offence?

The creditors were justly indignant at this despatch; but of course felt themselves, as they were, in the power of the Finance Minister; and that without taking what he graciously dictated to them they would get nothing at all. On the principle that half a loaf is better than no bread, they consented to take \$5,000 in full of all claims against the Insolvent, on the guarantee of the Bank of Montreal.

Since this settlement was unwillingly agreed to, creditors have been informed that the Insolvent has been exhibiting a despatch, or warrant from the Finance Minister, indicating that a larger sum than that he handed over to his creditors is to be given to his wife.

Hence the pitiable conviction, that a Minister of the Crown has become a party, with his confidential though bankrupt agent, to measures which have the appearance of defeating the provisions of the law, and which have thus enabled the latter to keep back a considerable portion of his Estate from those to whom it is justly due.]

“O TEMPORA! O MORES!”

MONTREAL, 26th April, 1870.

Date of recon-  
veyance of Sub-  
Treasury to In-  
solvent.



