

to shareholders." I do not think that is a fair provision with regard to shareholders. Clause 21: "Interest upon calls." Our present articles of association say that the rate of interest shall not exceed 8 per cent., but here the directors take power to punish unfortunate shareholders to any tune they like. They are liable to pay any interest the directors may fix, but not under 10 per cent. There is a regulation with regard to article 64 of Table A, dealing with any casual vacancy. Article 64 is repealed and the following is substituted. (See clause 22.) A lawyer might be able to interpret that. I cannot. Under the head "Accounts" is revealed a curious state of things. Previously it was provided that the managing directors should be responsible for the routine business of the company. Here it says that the managing director shall cause true accounts to be kept in such form as the board may direct, &c. (See clause 23.) Unless it is for the purpose of shifting the responsibility from the directors, I do not see why this is introduced, and I do not think it should be there at all. All directors previously were held responsible for the accounts, and I think that is properly so. Clause 24: This is a matter for arrangement among the directors themselves, and not for the articles of association of the company. The directors have the power to do what is stated and the responsibility on the managing director. Clause 25: Article 97 in Table A is rescinded, and this is what is substituted. (See clause 25.) Suppose the directors of the company wanted to do something that required notice and wanted to befool the Westport shareholders, all that they would require to do would be to put a notice into the post-office forty-eight hours before the steamer left for Westport, and, although the shareholders would not get the notice in time to attend the meeting, they would be considered defaulters. This is done to take the whole power out of the hands of the shareholders and to trick them in every possible way. A few days ago I called to get a copy of the articles of association, which the directors are bound to supply under a very heavy penalty, and this was given to me. [New articles.] These are not the articles of association, and do not comply with the law. Previous to this, in order to save expense, the directors in Westport used to keep a few copies of the Companies Act, and if anybody required the articles of association a copy was given to them at the price mentioned, and a copy of the articles and memorandum of association which we had already prepared for signature. That involved no great extra expense, and we have been able to comply with the law ever since the formation of the company in that way. We supplied them with Table A and a form ready for signature on a loose sheet. In that way we evaded the penalty. But it was not possible to do that when the new articles were printed; and if the present directors had known anything about it they would have saved themselves from possibly being taken into Court by giving these to shareholders complete. The old articles in Table A ought to have been printed to make the thing complete. I put in a circular of 20th January, which threatens shareholders with pains and penalties. There was a letter dated 27th January, 1892, from Mr. Colvin. [Copies of letters put, 1st January to 1st March.] I say these articles of association were never submitted to me, nor was I consulted in any way. This is an entire misstatement of Mr. Deacon, and the only ground he can have for it is that I was concerned on a committee under very different circumstances in 1889, on the 16th December. I was then appointed on a committee, and this now 1892. The committee brought up a report on the 23rd December, and on the 30th December Mr. O'Connor proposed the memorandum of the articles of association be approved; and that was not at all these articles of association. At that time I had quite a different conception of what the directors would do, and was actuated by entirely different motives, for my opinion of joint-stock companies was very different then. There was so much untruth in this present combination that I warned Mr. Colvin that such an attempt might be made, and told him to resist it. I warned that directors might take advantage of my absence to get control, and asked him to watch very carefully. A letter is here which gives the whole history of the company from its inception, and warns Mr. Moynihan against everything the directors have done for getting the company into their own hands, and mortgaging everything and getting us into debt. That document has been seen by most of the Westport shareholders, and, if necessary I can show it again. Mr. Greenland saw it, and Mr. Moynihan and Mr. Colvin saw it. It warns the shareholders against the Directors in pursuit of their policy, which I saw before I left here, over twelve months ago. I think I have shown you that I was not a consenting party to these articles of association, and I do not think you will require further evidence from me to show that this circular was issued by the directors in pursuit of their policy, by quoting irrelevant and misleading extracts from the minutes. The clauses which were previously submitted were in consequence of an opinion expressed to directors, which I did not entirely concur in, that the articles of association were not sufficiently wide, because of their evident deficiency to provide for the company carrying on any other business than that of coal-mining. I have now come to the conclusion that it is unwise for the company to have anything to do with businesses outside coal-mining. We should be coal-miners and nothing else. And, I say, if the articles of association do not include dealings with ships and anything of that kind, so much the better. You cannot do it without the consent of the shareholders, and then it is doubtful whether legal sanction will extend to articles of association beyond what was originally proposed. The reason is obvious. I may be willing to invest in a coal-mine, but very unwilling to deal with ships. The first clause is for the working of our coal-mine, and does not include anything beyond the mining. The second clause is for winning the coal and carrying on the trade as colliery proprietors, and so on, and to buy and sell timber, to construct and maintain a line of railway, &c. I agree that something of that kind may be useful. "To purchase and charter vessels, for cargo, &c." I agreed to that. "To purchase and charter steamers." I agreed to that. "To amalgamate with coal companies or other persons." I agreed with that then, but not now, without consulting the shareholders. I would not agree to anything now being done without consulting the shareholders. "To borrow money." I think my interpretation of the company then meant the shareholders. If I did agree to that then, I would not agree to it now. I would not agree to the directors borrowing,