

FILE NAME: Cape Asbestos (CAPE)

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DOCUMENT DESCRIPTION: Legal - Deposition of James Arthur Bowes
Nichols [Legal - Tibbs Case Exhibit 6]

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA
CIVIL DIVISION

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DISCOVERY
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ANTHONY A. BARBER, et al.,
Plaintiffs,

v.

PITTSBURGH CORNING CORPORATION,
et al.,
Defendants,

v.

COMMONWEALTH OF PENNSYLVANIA
et al., Additional Defendants.

G.D. Nos. 79-21544;
81-20381; 81-20383

LOUISE CAULKINS, GLADYS A. HASKINS,
Plaintiffs,

v.

PITTSBURGH CORNING CORPORATION,
et al.,
Defendants.

DARLENE SMITH, Executrix of the
Estate of Raymond D. Smith,
Deceased,
Plaintiff,

v.

PITTSBURGH CORNING CORPORATION,
et al.,
Defendants.

Deposition of Mr. JAMES ARTHUR BOWES NICHOLS produced,
sworn and examined the 29th day of August 1984 at the offices
of Messrs. Linklater & Paines, 59-67, Gresham Street, London,
England.

Mavis Ross, deputising for Walter H. Clark of 24,
Chancery Lane, London WC2A 1LS, England, acted as Reporter.

1 Q What did you do after 1972?

2 A I resigned from Charter and joined Anglo American
3 Corporation of South Africa.

4 Q Where was that?

5 A In Johannesburg.

6 Q What position did you take with Anglo American?

7 A I was appointed as a Divisional Manager within the Finance
8 Division of the Chairman's Office.

9 Q Who was the Chairman at that time in 1972?

10 A Harry Oppenheimer, and I remained in that position for about
11 a year.

12 Q What was your next position?

13 A Then I was transferred into the Coal Division.

14 Q Of Anglo American?

15 A Yes, still working for Anglo American.

16 Q In Johannesburg?

17 A In Johannesburg, initially as Financial Manager of the Coal
18 Division and a year later I was appointed Financial
19 Director of the Coal Division but, in fact, it was the
20 same job.

21 Q You got a new title?

22 A Yes.

23 Q How long did you remain in that job?

24 A Until 1982.

25 Q Then what did you do?

26 A Then I joined Alexander Shand.

27 Q How did you get the job with Anglo American in 1972?

28 A As you know, Anglo and Charter have common investments,

1 for example, Cleveland Potash, and I had done a lot of work
2 on Cleveland Potash and had thereby come in contact with
3 quite a lot of the senior people from Anglo American. They
4 knew I had lived in Africa so there was a common
5 understanding, if you like. I had presented figures at
6 various meetings at various times about various companies and
7 it culminated in an invitation for me to go out to
8 Johannesburg and work there.

9 Q Who extended that invitation to you?

10 A Julian Thompson.

11 Q What was his position?

12 A At that time he was certainly in charge of the Finance
13 Division of the Chairman's Office of Anglo American, and
14 I believe he was a Director of Anglo American.

15 Q How did you, in 1982, get the job with Alexander Shand?

16 A I had, in my last few years in South Africa, thought that
17 it was time that I returned to the UK. So I started to put
18 out feelers about the possibility of a transfer back to the
19 UK and that came about and I was offered this job in
20 Derbyshire.

21 Q Where did you put out the feelers?

22 A Jobs in a big group come about by knowing people, and one
23 talks to people and uses one's contacts.

24 Q What do you mean when you say "jobs in a big group"?

25 I am not so concerend about the jobs, as I am your
26 definition of "a big group"?

27 A Amongst people who work in Anglo and Charter there is a
28 phrase "the greater group".

1 Q To what does that refer?

2 A In general terms, it refers to the association that exists
3 in our minds of Charter/Anglo American.

4 Q Did Alexander Shand fall somewhere within the greater
5 group?

6 A It is a wholly-owned subsidiary of Charter.

7 Q Do you know how long it has been wholly owned by Charter?

8 A About 1980.

9 Q Prior to 1980 did Charter have any ownership interest in
10 Alexander Shand?

11 A No.

12 Q None whatsoever?

13 A A very indirect interest, in that Charter had a major
14 shareholding in Selection Trust, and Alexander Shand was
15 a wholly-owned subsidiary of Selection Trust.

16 Q Do you know what Charter's interest in Selection Trust
17 was in terms of percentage?

18 A It was of the order of 30 per cent.

19 Q Where does Alexander Shand have facilities?

20 A Within the United Kingdom, and it now has a coal mining
21 operation in the USA, and it has an associated company in
22 Saudi Arabia. It has a subsidiary company in Malaysia,
23 and it carries on civil engineering contracts from time to
24 time in the Middle East.

25 Q What does it do here in the UK?

26 A It is a civil engineering company with interest in open-
27 cast coal mining, and some minor engineering interests.

28

1 important investment in Rhodesian Anglo American. I went
2 out to Africa as a representative of Charter, if you like,
3 in about 1970, I think it was, and I went to Rhodesia and
4 South Africa, so I met the South African people there.

5 Q The Anglo American South African people?

6 A Yes.

7 Q While you were in South Africa in 1970 did you have any
8 dealings with Cape Asbestos and its subsidiaries?

9 A I cannot swear to the date 1970, I might be wrong there.
10 I certainly never went to any of their plants or mines.
11 I did visit their office in Johannesburg.

12 Q Which company was it who had the office in South Africa?
13 Was it Cape Asbestos itself, or one of its subsidiaries?

14 A I do not know legally which company it was. It was the
15 Head Office of Cape's operations in South Africa.

16 Q Who did you meet there?

17 A I think it was a man called McKertan, but I cannot swear
18 to it.

19 Q Anybody other than him?

20 A I do not recall anyone else.

21 Q What was the purpose of the call?

22 A It was a purely social call.

23 Q Did you conduct any business whilst you were at the Cape
24 Asbestos offices?

25 A No, I did not.

26 Q Other than this visit to the Cape Asbestos office in
27 Johannesburg in approxiamtely 1970, have you had any other
28 contact with Cape Asbestos in South Africa?

1 A No.

2 Q That includes during the time you were living in South
3 Africa and working for Anglo American?

4 A That is correct, no other contact.

5 Q You mentioned the term "the greater group" during your
6 testimony this morning. Again correct me if I am wrong,
7 but you indicated that it was a term used by people within
8 the Group to include Anglo American and Charter?

9 A Yes.

10 Q Does the term also include the De Beers company?

11 A Generally, yes.

12 Q Does that term, as it is generally used within the Group,
13 also include Minorco?

14 A The time when I was in the Charter and Anglo fields
15 Minorca did not exist, so I do not know what the answer to
16 that question is.

17 Q You are back in the Group now, are you not, working for
18 Alexander Shand?

19 A Yes, but I am not in the central financial field now.

20 Q You do not know whether that term today would include
21 Minorca as it is generally used?

22 A I honestly do not know.

23 Q Do you know where that term originated?

24 A I do not know where it originated, no.

25 Q Is it a term that you heard used throughout the time that
26 you have been employed since you started with Charter in
27 1966?

28 A Yes, indeed, and you will see it in these documents that are
before you.

1 Q Mr. Nichols, was there a person who preceded you in your
2 job with Charter with Central Financial Services?

3 A No. That was a new thing. I joined Charter one year after
4 it was formed and there was no predecessor.

5 Q Do you know who performed the function of analysing or
6 monitoring the strategic investments of Charter prior to
7 your employment with Charter?

8 A I do not think they were handled in that way in the year
9 that Charter existed before I joined them.

10 Q When you came to Charter in 1966 was there a repository of
11 information or documents available for your review
12 concerning Cape Asbestos?

13 A Not that I ever saw.

14 Q Did you start out then afresh in your investigation of
15 Cape Asbestos when you came to the Company in 1966?

16 A That is correct.

17 Q There were no documents at the Company that you had an
18 awareness of that you could utilise to familiarise
19 yourself with the Company?

20 A Nothing.

21 Q Do you know who, within the Charter organisation, made the
22 decision to increase Charter's holding in the Cape stock
23 from 16 per cent to 25 per cent during the period 1965 to
24 1969?

25 A It was a decision of the Executive Committee.

26 Q Do you know whether it was any particular person on the
27 Executive Committee who proposed and pursued that?

28 A No, it was a Committee decision.