

by return mail your paper for \$400, dated July 15th at ninety days."

The plaintiff company kept deducting the 2 per cent., and the defendant lumber company simply credited on account the amounts which they from time to time received, and matters so far as the 2 per cent. was concerned thus continued until a rupture occurred.

The plaintiffs say that towards the end of September, 1910, they learned through one Boyer that the Mississauga logs of the quality in question were finished, and they wrote Bishop as follows:—

"According to your estimate there is 3,235,500 ft. Inspection shews 5.6/10%, which would leave about 3,155 M. ft. of No. 3 and better, Mississauga stock. The difference between this and 5 millions promised, is something that must be adjusted between you and us, and we, therefore, kindly request you to stop over on your next trip to Chicago, or when you go up to the mill. We simply want this matter thoroughly understood before going ahead."

And again on October 1st, they wrote:—

"I am informed by Mr. Boyer that the Thessalon logs, now being sawed, are not as good as what has been going through the mill. It seems that the good logs don't seem to be coming down. This makes it a bad deal for us, especially since we have been getting the poorest logs so far. The good Thessalon logs seem to hang up, and the amount of Mississauguee logs that you told me were to put in, never went into the river. This certainly is not right. Now, Harry, I want to see you soon, so hope you will call on me whenever you come down or go up."

It appears that Bishop and Forster had been acquaintances for some years and this accounts for the familiar way in which Forester writes to him.

On October 5th, 1910, Bishop wrote to the plaintiff company as follows:—

"Replying to both of your letters, the next time I am in Chicago, which will be about the 15th of the month, I will call you up on the phone and make arrangements to meet you either at your office or in Chicago."

On November 3rd the plaintiff company wrote Bishop again as follows:—

"We have your statement for lumber sawn up to Nov. 1st, which shews that you have now cut 11,087 M. ft. of Thessalon timber, and 3,235 M. ft. of Mississauguee. We