

"Business. The company is formed for the purpose of acquiring certain patents and manufacturing and selling loose leaf accounting systems.

"Business Arrangements. For the purpose of carrying on such a business, arrangements have been completed to secure the services of 7 men, all experienced in the line of goods and covering every department, both selling and manufacturing, they all having had many years' experience in the largest loose leaf house in Canada. These men embrace the following: general sales manager, mechanical superintendent, and 5 travelling accountants. . . .

"The amount of business done by the selling force interested during the past year for the company they are now connected with was \$140,000."

I find from the evidence that the general sales manager referred to is defendant King; the mechanical superintendent is Baird; and the 5 travelling accountants are defendants Harcourt, Trout, Archibald, one Randall, then and now plaintiffs' manager at the city of Winnipeg, and Stanfield, plaintiffs' manager then and now at Hamilton.

At the time the circular was prepared it was expected that both Randall and Stanfield would join defendants. Randall had been down to Toronto, and had talked over the matter with King, Trout, Archibald, and Harcourt, but had come to no decision. On 29th May King writes to Randall. He begins by calling Randall's attention to the fact that his draft for \$100 had been refused by plaintiffs. He endeavours to prejudice Randall against plaintiffs, and refers to Randall's correspondence as "clear enough evidence of how you feel." He refers to the general manager Myers as the "plague." He refers to the absence of Mr. Copeland in England. He then proceeds:—

"You are in touch with our first moves. Now, our operations have culminated in something, and it looks as if Business Systems Limited was a certainty—and this is of momentous interest to you. Our capital is assured, and we have already some \$40,000 in Toronto, of which 7 of us have taken \$15,000. Two weeks ago we employed a capitalist named Wovenden in Montreal to secure the balance of the capital. He has secured such men as Senator Robert McKay (who will be our president), and men of like