

continued as at present. (after the arrangements are completed) in the name of the Royal Canadian Insurance Company of Montreal, that all Policies shall be issued in its name, that the business of the Company in Nova Scotia shall be conducted by the present President and Directors of the Nova Scotia Mutual Fire Insurance Company and by the present Secretary, under such instructions as may from time to time be issued by the present Company at Montreal, for the general guidance and conduct of the business of the Company.

5th That the present lease of the office on the corner of Prince Street and Bedford Row, with all the rights and privileges of hire, are hereby given by the Nova Scotia Mutual Fire Insurance Company to the Royal Canadian Insurance Company, at the price paid by the Company for the Lease, and that the Furniture of the Office be assumed by the Royal Canadian Insurance Company at the cost of the same.

(Signed.) JOHN YOUNG,
President Royal Canadian Ins. Co.,
Montreal.

J. B. DUFFUS,
President Nova Scotia Mutual Fire
Insurance Company.

When the above agreement was entered into, all parties to it, considered a satisfactory arrangement had been entered into. Mr. Young and the Plaintiff in a few days after the completion of the agreement, returned to Montreal, to take part in the first meeting of the shareholders for the election of Directors. The following paragraph taken from the "*Montreal Herald*" is interesting in showing the reference that was made at this meeting to this project.

Extract from the "Montreal Herald."

12th August, 1873.

Mr. Young, the chairman, said :—

"At one of their meetings, it had been deemed advisable, and indeed necessary, to obtain the active cooperation of the Maritime Provinces. Accordingly he went to Halifax with Mr. Pedlar, and after negotiation, succeeded in making an agreement by which the "Nova Scotia Mutual" and the Royal Canadian Insurance Companies should merge into each other. The Directors who for over two years managed that Company, agreed to take five hundred thousand dollars worth of the stock in our Company, and give over to us their business at the usual rate of fifty per cent.

Quite unexpectedly, however, President Duffus of the "Nova Scotia Mutual," of Halifax, communicated the following day the intelligence, that certain one or two of the shareholders of his Company, were dissatisfied with the agreement entered into, and the Plaintiff was directed to go to Halifax the third time, to remove, if possible, those difficulties.

The Plaintiff arrived in Halifax in time to attend a meeting of the Halifax shareholders at the request of President Duffus, as representative of the company, Defendant, but before attending this meeting he forwarded the following telegram :—

Halifax, August 19, 1873.

To Hon. John Young,

Montreal.

"Meeting to-morrow to confirm three hundred thousand subscribed. Feeling against more. Shall I accept?"

(Signed,) S. PEDLAR.

The following is Mr. Young's reply :—

Montreal, August 19, 1873.

To S. Pedlar.

Jas. B. Duffus.

Halifax.

"Our Board think you should accept, although we would have liked the whole. Business continues to flow in.

(Signed,) JOHN YOUNG,
President.

The Plaintiff attended the meeting referred to, and answered such questions as were put to him by shareholders of the Nova Scotia Mutual.

It will be seen by the following resolution that while not expressed in so many words the Halifax people felt that they were hasty, in transferring their capital and business to the Company Defendant before it had more of its stock subscribed.

Resolution of N. S. M. Shareholders.

"Moved by Mr. Pugh, seconded by Mr. Donli, That when stock to the amount of four millions of dollars is subscribed in the Royal Canadian Insurance Company of Montreal, including the amount subscribed by the stockholders of the Nova Scotia Mutual, which shall not be less than three hundred thousand dollars, then the Royal and the Nova Scotia Mutual shall amalgamate upon the terms previously agreed upon. This proposition to remain open to first of January, eighteen hundred and seventy-four. (Carried.)

Immediately after the close of this meeting, the Plaintiff decided to return to Montreal, and before doing so, sent the following telegram :—

Halifax, August 20, 1873.

To Hon. John Young,

President,

Montreal.

"Successful merely in advancing another stage. Start for Montreal to-morrow.

(Signed,) S. PEDLAR.

The Plaintiff called at the office of the Company, Defendant, when he reached Montreal, and verbally reported in substance what the difficulties were at Halifax—and furnished a copy of the resolution passed at the meeting referred to. This closed the negotiation which was originated and successfully completed through the exertions and labours of the Plaintiff.

It is presumed correspondence continued between the Officers of the two Companies, but as the Plaintiff's services closed when he returned from Halifax the third time, he had no part in it.