

The whole scheme of the plaintiff company and its mode of flotation were such as to call for investigation. It was conceived in sin, shapen in iniquity, nurtured in fraud, and during its whole brief life it lived in an atmosphere devoid of truth or any kind of business morality. . . .

The defendant has put forward the misrepresentation upon which he relies under six different heads.

First, that the Canadian Pacific Railway passenger station had been located upon the Ritson estate, as the land in question was called. The station never was located on the land in question. . . . The railway company did build a station for Oshawa, but not upon the Ritson estate.

The next representation complained of was, that the town council of Oshawa had chosen the Ritson estate for a new industrial centre, and that a large area of land had already been sold for factory sites. . . . The council had undertaken to give a site to the Oriental Textile Company under some bonus arrangement. An offer was made of a suitable site on this property at \$2,500. The mayor announced that he could get a site which he regarded as equally satisfactory for \$1,000. Thereupon the price was reduced to \$1,000, and this was accepted by the company. On the strength of this, 25 acres, for which \$25,000 had been asked, was marked upon the plan as "sold," and the significant words "factory site" were written on the plan. . . . Upon the plan other lots were marked off as sold which were not in fact sold. All this was done with the idea of conveying to prospective purchasers the impression that the land was selling rapidly. . . . At the time this advertisement was published, three sales had been made. . . . Not a single sale had been made to one who might be described as an outsider. No land save that purchased for the textile company has even yet been sold for a factory. . . .

[The learned Judge then set out the other representations and summarised the evidence with regard to them.]

All this chaos of untruth and exaggeration existed. . . . The defendant was taken to the property and was shewn the situation upon the ground. He made some inquiries himself, and he appears to have become intoxicated by the optimism which surrounded the whole undertaking. He passed on the representations made to him to those who purchased from him, and I incline to think that he did this after persuading himself that they were true. . . . The third parties . . . were all entirely innocent victims of the scheme. . . . The plaintiff