

sary that the business should continue as a going concern. It was necessary that some one should be placed in charge of the business with authority to supervise it. Smith was chosen, and was given the letter of December 12th; to which, rightly, the Master attaches the greatest importance. This letter is as follows:—

“December 12th, 1906. J. C. Smith, Esq., Peterboro, Ont. Dear Sir:—You are hereby given authority to act as our representative in connection with the liquidation of the Wm. Hamilton Mfg. Co. Ltd. Your remuneration will be such as is allowed by the Court and will be arranged with you definitely within the next week or ten days.

“Any monies that come in, you will deposit in the Bank of Montreal, in the name of the Trusts & Guarantee Co. Ltd., liquidators of the Wm. Hamilton Mfg. Co. Ltd. No further deposit will be made in the current account with the Ontario Bank or the Bank of Montreal.

“All correspondence that comes to the office will be answered in the ordinary course but will be signed The Trusts & Guarantee Co. Ltd. per J. C. Smith. As our representative, you have authority to control all the other employees at work in connection with the plant and office.

“You will submit to us, any proposed contracts for new work, before dealing with the same. It is understood, however, that any small repair jobs offering, may be done at your discretion. Yours truly, The Trusts and Guarantee Co. Limited, James J. Warren, Manager, Provisional Liquidators.”

This letter did not constitute Smith agent of the liquidator for any purpose other than the conduct of the business at Peterboro. He had no authority to sell the business or to do anything leading up to a sale. This was clearly understood by Hall, as all the negotiations were conducted direct with the officers of the Trusts & Guarantee Company and the solicitor at Toronto. What is of more importance is the fact that Hall knew that this was Smith's position. He says that he was told by Mr. Stratton “that he (Smith) was appointed to take charge of the work” (p. 173.)

Much is made of an interview by Hall with Stratton, the exact date of which cannot well be fixed. Mr. Stratton was the president of the Trusts & Guarantee Company: but he had also large interests in Peterboro, and was