

\$400. This amount is to be paid as follows: \$150 July 15th, \$125 Sept. 15th, and \$125 on Nov. 15th, all this year, 1910.

As per your advice this morning, you may send us notes covering the above, drawn with interest at 6 per cent. from date. On receipt of the payments represented by such notes we will release all claim on the switchboards.

With best wishes for the future success of your company, we remain,

Very truly yours,

L. M. Ericsson Tel. Mfg. Co."

Treasurer.

A.F.

The defendant company denied any concluded agreement on the occasion in question.

HIS HONOUR JUDGE DENTON (February 8th, 1912, found as follows):—"It is clear on the evidence that during these months the defendants had ample opportunity of making all enquiries possible, and knew or ought to have known their exact position. The plaintiffs still pressing for payment, Reece, "(one?)" of the defendants, went to Buffalo on the 28th March, 1910, with a view to reaching some kind of a settlement. At that time the plaintiffs had two claims, one on the general account for which the defendants were personally liable to them, and the other the unpaid purchase-money, which they were claiming on their lien on the switchboards. Reece wanted to retain possession of the switchboards and wanted to make the best bargain he could. I find on the evidence that an agreement was arrived at upon that day, whereby the general account was fixed at \$324.90, and the time for payment extended as follows: \$150 on April 15th, and the balance \$174.90 on May 15th of that year. The plaintiffs claimed over \$500 balance on the switchboards, and an agreement was come to whereby the amount unpaid on this lien was fixed and settled at \$400, and the plaintiffs agreed to allow this sum to be paid as follows: \$150 on July 15th, \$125 on September 15th, and \$125 on November 15th, all in 1910.

. . . On the day of the settlement, Reece was asked to give notes covering these various sums as agreed upon, but he wished first to see his partner before doing so. The defendants never gave these notes, but put off the defendants from time to time in a way that does not do them much credit except as shewing that Reece is a master at inactivity