

before parting with their money, the plaintiffs insisted on Mr. Pattison shewing his faith in the company under his control by himself undertaking to be responsible for the carrying out of the promises he was ready to make on its behalf.

There is a conflict of evidence as to Mr. Pattison's attitude. His recollection is that he was to undertake nothing save in his representative capacity; but I think his recollection is at fault and that it was his intention, as well as the intention of the plaintiffs, that he should be personally bound.

Upon the faith of Mr. Pattison's personal guarantee, the plaintiffs agreed to purchase bonds of the road to the extent of ten thousand dollars. These bonds were not regarded as being of any great value, and were not sought as an investment. What the plaintiffs desired, and what Mr. Pattison promised—both in his own name and in the name of the railway—was the construction of the line which would give them a means of handling freight independently of the Grand Trunk; the accommodation afforded by that company being, as already said, regarded as quite inadequate and unsatisfactory.

Mr. Pattison undertook to reduce the arrangement to writing, and he prepared a short memorandum—produced at the trial—under date of the 6th of June. This stated that the subscription of Mr. _____ for _____ bonds is received subject to the establishment of freight connection with the C. P. R. at Galt, and is to be cancelled if freight connection and satisfactory tariff rates are not arranged. This memorandum was signed by the Grand Valley Railway Company and was to be delivered to each individual subscriber whose subscription would form part of the \$10,000.

When this document was submitted as embodying the arrangement made, it was at once repudiated. Mr. Pattison's attitude then was: "If you do not like the draft that I propose, prepare one to suit yourselves." Mr. Wood was selected as the draftsman, and prepared a document. This was afterwards read over by all concerned, was deemed to be satisfactory and was executed by Mr. Pattison, who signs thus: "The Grand Valley Railway Company, A. J. Pattison, president."

Upon the faith of this document (dated June 29th, 1906), individual subscriptions for bonds—some of which bear an earlier date, but were until then held in escrow—