

perty purchased as trustee for the company, and for an account and payment by the company of the amount which should be found due upon the agreement of sale and purchase.

J. McEwen, for the plaintiff.

V. McNamara, for the defendant company.

J. L. O'Flynn, for the defendant William C. Ferrier.

MIDDLETON, J.:—The defendant company is incorporated, under the Ontario statute, for the purpose of carrying on a wholesale and retail business as a dealer in live stock, meats, produce, etc. Its affairs were carried on with extreme laxity. The charter was dated the 3rd April, 1911, and the usual organisation meetings were held early in May. Mr. Hussey was elected president, Mr. A. B. Ferrier, vice-president; and these two, with Mr. Robinson and Mr. Drury, were elected directors. These four gentlemen practically constitute the company.

Although the company at once went into business and had substantial transactions, no directors' meeting appears to have been held until the 30th July, 1912, when a meeting was held to pass a formal resolution relating to a bank advance.

In the meantime it had been arranged between the directors of the company that the active management of the business should be divided between the different directors, Mr. A. B. Ferrier being placed in charge of that part of the business centering around Thessalon: the object of the company being to establish a series of stores in Sault Ste. Marie, Thessalon, and other western towns, and to obtain, if possible, practically the control of the entire retail butcher's business of the district.

The plaintiff was carrying on business in Nesterville, a village near Thessalon. Mr. W. C. Ferrier had been employed by the company; and Mr. A. B. Ferrier, in pursuance of the general policy of the directors, instructed Mr. W. C. Ferrier to negotiate with Bird for the purchase of his business. Ferrier undertook the negotiation, and finally arrived at an agreement, dated the 4th June, 1912, by which he agreed to purchase the lands used in connection with the plaintiff's butcher business for \$1,500, payable \$250 at the time of the execution of the agreement, \$50 in thirty days, and the balance in monthly instalments of \$20 with interest at 8 per cent. This agreement was entered into by Ferrier in his own name, and is under seal. Although the agreement relates solely to the lands, the intention was to purchase the entire business.