2. In another letter, written on the 25th of June, 1919, by Mr. Vaughan to Mr. Glassco, I read these words, "With regard to the gymnasium, t e University must consider itself as under contract with Professor Nobbs to employ him as architect for the building. \$1600 was paid on account of services rendered in connection with the building and the lay-out of Macdonald Park, but this amount was quite inadequate to cover the services rendered, and I should recommend that the Theversity now pay to Messrs. Nobbs and Hyde the \$1900 suggested in their letter of the 18th of March. Messrs. Nobbs and Hyde do not press for payment of this sum at the present time, but it would doubtless help them if they could receive it now, and the payment would be merged in the professional fees which would become payable when the gymnasium is undertaken." On the 26th of June, 1919, Mr. Glassco (Secretary of the University) writes as follows to Messrs. Nobbs and Hyde: "I beg to enclose copy of a letter which I have received from Mr. Vaughan dealing with the position of affairs between your firm and the University with respect to services rendered in connection with the proposed gymnasium, dormitories and convocation hall. I would like to have a written confirmation of the verbal acceptance by you mentioned in Mr. Vaughan's Letter. "It was agreed at a meeting of the Finance Committee of the Governors, held today, that on receipt of such acceptance your firm should be paid \$1,900 on account of work done on plans of the proposed gymnasium; this sum, together with the \$1600 already paid on this account, to be deducted from the regular fees which will become due at the time this work is proceeded with." This letter was acknowledged on June 27th by Mr. Nobbs, when he confirmed the understanding, as Mr. Glassco had asked him to do. I may point out to you that all this was done before I became Principal of the University, and I must add that never by the Governors of the University has there been any question of their obligation to employ Mr. Nobbs when the building of the gymnasium is proceeded with. Of course, I know that the owner can always dispense with the services of an architect or a contractor; but if he does so, there are certain things which by law must be settled.