

each and every six months' royalties on the earnings of the licensee company during the preceding six months, calculated as follows:—

8. The licensor shall pay all government fees and renewal fees in connection with the said letters patent, or any of them as may be necessary to maintain and keep on foot the said letters patent, or any of them."

In March, 1910, the defendant company passed a resolution authorizing its secretary and treasurer, Charles H. Craigie, "to sell 10,000 shares of the treasury stock of the company on the best terms possible, but not less than par or commission greater than 25 per cent. as provided in the charter."

W. C. Carr, the president, said at the trial that this stock was to be sold for the purpose of getting working capital for the company, and at page 11 of the prospectus hereinafter referred to appears also the following statement: "The Canadian Automatic Transportation Company has decided to place a portion of its stock on the market for public subscription at par for the purpose of vigorously developing its system, &c."

It is alleged on behalf of the defendant company that Craigie placed the said shares in the hands of one Reynolds, who lived in Toronto where the head office of the company is, to sell, and that it was he who employed the defendant Weaver as his agent to sell a part of the stock.

It is common ground that Weaver opened an office in the City of Ottawa, where he lived, on the window of which he placed the name of the defendant company. The company, through Craigie or Reynolds, furnished a model, to demonstrate the working of the patented contrivance, which was placed in said office. At one time Reynolds was in Ottawa at the office and assisted in demonstrating the contrivance by the use of the model. The president and Craigie, the secretary, were also at different times at Ottawa and in the office.

Weaver says that Reynolds represented himself as the general stock sales agent of the defendant company, and that Carr, the president, knew, and Craigie also, that he, Weaver, was the agent under Reynolds and was selling the stock. Weaver used letter heads on which he was described as the agent of the company, which letter heads Reynolds had prepared. He also in letters sent by him to Reynolds and to the defendant company represented himself as its