Barnes paid his amount, \$100, April, 1903, to the defendants. In the meantime, however, the defendants and the township of Barton had entered into an agreement under seal, 6th March, 1903. This agreement was made in view of a proposed application of the defendants to annex part of the township, and it provided, amongst other things :--

"3. For a period of 10 years from the date of such annexation, the lands annexed and the buildings now erected thereon shall not be assessed for any greater amount than they were assessed at by the township assessor for the year 1903, except that the city corporation shall be at liberty, in their discretion, to add to such assessment the value of any of the buildings or improvements afterwards erected upon the said lands, or any of them, and the rate upon the assessment so made shall not be higher during said period of 10 years than the total rates to be struck by the township of Barton for the year 1903.

"4. The city of Hamilton shall supply the residents of the township of Barton, along the lines of the mains and pipes of their waterworks, or within a reasonable distance therefrom, with water, when required, at a reasonable rate not to exceed 50 per cent. more than the city rates which would be chargeable in respect of such property, the applicants for such water supply to pay the cost of the service pipes and of the introduction of the water; but the city shall not be bound to supply such water if they have not more than sufficient water to supply their own citizens, nor shall the city be obliged to increase their waterworks plant in order to furnish water to the residents of Barton.

"5. Residents of the township of Barton shall have the right to make connection with city sewers on lands heretofore annexed to the city, or which are to be annexed in pursuance of this agreement; such connections to be made under city supervision, and on payment of a reasonable rate for sewer connection to be fixed by the city council, subject to appeal to the County Court Judge as sole arbitrator, it being understood that no sewer already built within the city limits shall have its capacity overtaxed by such connection."

The Lieutenant-Governor issued his proclamation 13th March, 1903, annexing to Hamilton the portion of the township agreed upon, "under and subject to the following