

April 17th 1905.

Messrs Robt. Ward & Co,  
Victoria, B.C.

Gentlemen;-

I am in receipt of your favor of the 15th inst., also enclosures, which I have read with interest. I am exceedingly astonished at the reply made you by the Directors and can only say that the answer is totally at variance with actual facts in every particular. I am equally astonished at Mr Ker making such claims over his own signature as he especially, and on more than one occasion, both to me personally and to the Board of Directors, took the very same ground that you have, as respects the share of business his firm was entitled to under the promises made them by Mr Jarvis and myself. I therefor cannot see how he can reconcile his present claim of ignorance with his past insistences on what he considered his rights.

When negotiating with you for your cannery I told you that as compensation for the agency loss you would sustain by the amalgamation being accomplished, it was our intention that all things being equal shareholders should be given the preference in the allotment of whatever business the Association would have to place. This was the basis of the entire agreement. It applied to agencies like yourselves, Rithet and Evans as to orders and insurance, to cannerymen as to preference to outsiders in allotting positions, and it even was due to this very same reason that the Bank of Commerce and the Bank of Montreal were chosen in preference to other banks, as the ones to participate in the financing of the Association.

In speaking to Rithet & Co they specifically asked for, and were given a promise, (Mr Ker being present at the time) that all things being equal they should get the preference in grocery orders, unless J.H. Todd & Son were also included, in which case, the latter would also have a share. They were also to have some share of the insurance, but as you were not supplying anything but insurance, and, as agents, were losing more even than Rithet, it was understood, and Mr Ker is aware it was understood, your share of the insurance would be greater than theirs on that account.

When the company was formed I proceeded to carry out my promises. In doing so you were allotted a larger percentage of the insurance than anyone else received, and the justice of this being so arranged was concurred in by Messrs Wilson and Evans, who with myself, and I think Mr Ker, were present when the allotment was made. I thus lived up to my promise to you and any present digression from the performance of such promises as were made, I am entirely free of responsibility for. Later on pressure was brought by the Bank of Commerce to have my promises violated so that companies in which their president was interested might participate in the insurance. That I strenuously opposed this is evidenced by my correspondence with Mr AEmilius Jarvis, which correspondence is on record at the Association's office.

For the year 1903 the insurance allotment was secretly arranged without my knowledge, and although I was general manager of the company at the time, I was not aware of what had been done until sometime after the matter was settled. The reason for concealing this from me was the knowledge that I would oppose any adjustment of the matter which might place the Association in the position of violaters of their promises.

As for 1904, I am not aware what the allotment was. I heard however from some of the directors that your percentage had again been reduced, but as the question of division had been placed entirely in the

