

15 KING STREET WEST  
TORONTO

October 12th, 1912.

James Goldie Esq,  
Okanagan Centre, B.C.

Dear Mr. Goldie,-

After writing you on the morning of the 9th I received your letter of 3rd with enclosures from the Royal Bank. On the 10th I had an interview with Mr. John Aird, Assistant General Manager of the Canadian Bank of Commerce, the General Manager being away, as a result of which I telegraphed you as per enclosed confirmation.

Mr. Aird read me the resolution which was passed by the Directors of the Bank of Commerce on September 26th, authorizing to Rainbow Ranche a credit of \$10,000. upon the personal guarantee of Goldie, Dormer, and McAllister, for their proportion corresponding to the ownership in the property, also that the title deeds to the property be lodged with the Bank as additional security.

I read to Mr. Aird portions of your letters to me and Mr. Corbett's letter to you. He immediately telegraphed to the Superintendent of the Bank of Commerce at Vancouver, telling him to instruct the Manager at Vernon to grant you the credit at once, pending the arrangement between you and the Vernon Manager of the necessary resolutions which will permit you, as Manager of Rainbow Ranche, to draw upon this credit.

You must remember that the statements I receive are so few and far between that I am not posted in regard to Rainbow finances, but I note from the letter of the Manager of the Royal Bank, that you are now in debt to them for \$6,600. I would suggest that you issue to the Bank of Commerce one note for \$5,000. and then as you require money, issue further notes for \$1,000. each. I presume we will be realizing almost immediately from our apple crop, so that we should be able to reduce our present indebtedness and not incur more until next year.

In placing this business with the Bank of Commerce, Mr. Corbett will probably endeavor to charge the interest on your notes in advance. This you should not permit, but arrange that we be charged with our interest monthly, when the Bank statement is made up. I would like if you could also arrange that the Bank forward me, at 15 King Street West, Toronto, a copy of its monthly statement to you.

I hope you will be able to arrange this matter quickly and forward to me the necessary papers for signature, as I have in the meantime personally guaranteed the account. As noted in my telegram I object very strongly to the responsibility for the entire indebtedness being taken by each of us individually. This completely destroys the limited liability feature, which was one of the main reasons for putting the Ranch into a chartered Company.

In meantime I am holding the Royal Bank notes which you forwarded to me, and await a letter from you containing details of how you have been able to arrange the matter.

Yours very truly,

JEM/T

*J. McAllister*