

[Sale to Russell Industries Limited]

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**RUSSELL INDUSTRIES LIMITED**  
INCORPORATED UNDER THE  
CORPORATION ACT

March 19, 1951.

L. J. Burton, Esq.,  
"The John Burton and Sons Company" (Limited),  
Burlington, Ontario.

Dear Mr. Burton:

We refer to our recent discussions with you and are pleased to confirm our agreement with you as follows:

1. Provided the conditions of paragraph 2 of this letter have been complied with to our satisfaction not later than April 2, 1951, we agree to submit to the holders (including ourselves) of all the outstanding Class "A" and Class "B" Shares of "The John Burton and Sons Company" (Limited) (hereinafter referred to as "the Company") an offer substantially in the terms of the draft herein enclosed with such alterations (if any) as may be agreed upon between us and we will take up and pay for all shares deposited on therein provided upon our becoming bound or determining to do so in accordance with the terms of the said Offer. The Trust Company to be named as depository in the Offer will be a trust company with an office in Toronto acceptable to you. It is understood between us that when the Trust Company which is to act as depository is designated, it will be necessary to submit the form of Offer to that Trust Company and it is possible that such Trust Company may require some changes in the form relating particularly to the securities but not affecting the price or the other fundamental terms and any suggestions coming from the Trust Company in this respect will, of course, be given mutual consideration by us.

2. Before making the said Offer, and in any event not later than April 2, 1951:

(a) we are to be furnished with the favourable report of Messrs. Claxton, Gordon & Co. -

(i) as to the financial position of the Company as presented by its balance sheet and profit and loss statement for the year ended December 31, 1950, including the value of the inventory at that date;

(ii) as to the analysis prepared by Messrs. William Devie and Company, the Company's Auditors, with respect to the amount of the Company's undistributed income as based at December 31, 1950 in respect of which the Company is entitled to elect to pay tax under Section 95A of The Income Tax Act.

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