

had to enter upon the premises as they were, and work in conjunction with other trades.

The claim for interest was not satisfactorily dealt with by the arbitrator. Interest should be allowed from the 19th July, 1914, when the work was completed, to the 20th May, 1915, when the contract price was paid—\$52.

The expense incident to an appeal is out of all proportion to the amount involved.

The appellants substantially failed upon this appeal; they obtained relief in respect of the small sum of interest only; and they must pay the costs of the appeal, less \$25 allowed as the costs relating to this one item. This sum and the amount allowed for interest to be set off pro tanto against the costs to be paid.

MIDDLETON, J.

SEPTEMBER 28TH, 1915.

RE NORWALK MINING CO.

*Company — Mining Company — Winding-up — Directors—Misfeasance—Purchase of Mining Property from Director—Payment by Allotment of Shares—Prospectus—Absence of Concealment and Fraud—Over-issue of Shares—Sale at Discount—No Loss Sustained—Breach of Duty—Trustee Clauses of Limitations Act, R.S.O. 1914 ch. 75—Application of.*

Appeal by the liquidator of a mining company, in liquidation under the Dominion Winding-up Act, R.S.C. 1906 ch. 144, from the finding of an Official Referee, upon a reference to him for the purpose of winding-up, that the directors were not liable for misfeasance in respect of a sum of \$117,387.

R. H. Parmenter, for the appellant.

W. E. Raney, K.C., for the respondents.

MIDDLETON, J., said that he agreed with the Referee that the conduct of the directors had throughout been honest; and, although there had been great laxity in the mode of carrying out the transactions, there was nothing which imposed liability on the directors.

The company was organised and incorporated in 1906. The transaction finally consummated and carried out was that evidenced by dealings in 1908, when the mining property was turned over to the company for 175,000 shares. Following this, the prospectus was signed and filed, and it was openly and truly