

Law Report.

ACCIDENT INSURANCE.—An accident, within the meaning of a policy of insurance, means an event which happens from external violence, or *vis major*, and which is unexpected because it is from an unknown cause, or is an unusual result of a known cause. Negligence of the person injured does not prevent it from being an accident; therefore no defence.

A policy against accident contained a clause against liability for injury resulting from the assured "wilfully and wantonly exposing himself to any unnecessary danger." The assured attempted to get on a train in slow motion, and fell and was killed. Held, that the negligence was not wilful or wanton, and that the company were liable.—*Schneider v. The Provident Life, Sup. C. of Wisconsin.*

When an instrument is lodged with a bank for collection, the bank becomes the agent of the payee, or obligee, to receive payment. The agency extends no further; and without special authority an agent can only receive payment of the debt due his principal in the legal currency of the country, or in bills which pass as money at their par value by the common consent of the community.

The doctrine that bank bills are a good tender unless objected to at the time, only applies to current bills, which are redeemed at the counter of the bank, and pass at par value in business transactions in the place where offered.

Payment of a check in the bills of a suspended bank, not known to the parties to be suspended, is not a satisfaction.—*Ward v. Smith, Sup. Court United States.*

RESPONSIBILITY OF DIRECTORS.—The Chicago *Tribune* comments upon the case of Dunham vs. the Dock Insurance Company, as follows:—The bill filed by John H. Dunham, a stockholder of the Chicago Dock Company, against the President, Treasurer, Secretary and Directors of that company, to obtain from them his pro rata portion of forty thousand and upwards, stolen, gambled away and squandered in "fast" living, by Goodman as clerk of the company, through the neglect of the Directors, to properly protect the interests of the stockholders, brings up a question which has long and greatly needed some authoritative settlement by our courts. Are Directors under any responsibility to stockholders for the exercise of due care and caution in the management of the business of incorporated companies? This responsibility (if it exists) has been so seldom enforced either in favor of the stockholders or the public, that reputable men would allow the use of their names as directors, to almost any enterprise not positively immoral, without giving themselves any trouble to inquire into the mode in which the business was conducted. Obviously, if wealthy and responsible names are paraded before stockholders and the public, to give character to a business, they should see that character is given to it, or suffer the consequences. If they allow their names to lull others into fancied security, they should make them secure.

SHAREHOLDERS LIABILITY.—In a recent case, in England, (Creyke's case), the Master of the Rolls, held that forfeiture does not extinguish the forfeited shares, or put an end to the liability to contribute in respect of debts, contracted prior to forfeiture. In Bailey's case it was held that when shares were purchased on a false representation that they were paid up, the purchasers were not liable.

PATENT LAWS.—The first legislative blow against the established policy of patent laws, has been struck in Holland, where in opposition to the Ministry, one branch of the States General has voted the entire abolition of patents of inventions by 49 to 8. It is said that the other branch of the States General will certainly concur in the new law.

Mining.

GOLD MINES OF SOUTH LEEDS.—Occasional paragraphs have of late been going the rounds of the papers in reference to the Mallorytown gold mines, all of an encouraging nature, but none of them dealing with certainties. The Brockville *Recorder* believes it has now, however, a tale of gold to unfold of a most flattering nature; the editor having been present to witness the "clearing up," the "boiling down" of the golden ore, the breaking of the crucible, and the handling of the ten ounce button of gold, the produce of sixteen and a half tons of crushed rock. The proprietors of the Mallorytown mine having always been sanguine that gold in paying quantities could be extracted from the rock gathered from the surface, although the surface rock was not all of equal richness, in fact a portion being altogether useless for the production of gold. A considerable sum was therefore expended in experimenting on the different kinds of quartz scattered about the locality. A shaft was also sunk for a few feet, and from this shaft the best and richest ore has been procured. The best machinery was also purchased, and a steam engine and stamping or crushing mill erected, with the most approved method of extracting the gold from the quartz.

Last week everything being ready for a fair trial, the crushing was proceeded with, the stampers being capable of crushing about ten tons per diem. The rock, after being blasted, is carried to the receiving shed, where it is broken into pieces small enough to enter the mouth of the feeder. Here it is brought directly under the stamps, the crushed particles being carried by a small stream of water to a reservoir, from which it is shovelled into the amalgamators. The amalgamators are supplied with a certain quantity of quicksilver, and as the gold particles are drawn to the quicksilver and retained there, the sandy residue is carried off to another receiver or reservoir, by a small stream of water. In this reservoir, whatever quicksilver makes its escape from the amalgamators, is caught and extracted; and the "tailings" are carried by the water to the outside of the building, from which "tailings" gold is often extracted when again put into the amalgamator.

Having been notified of an intended "clearing up" for Saturday last, in company with Mr. H. Starr, of Starr Brothers, the editor visited the mine. On arrival, we found Mr. Chapin, of Ogdensburgh, Mr. Allan Turner of Brockville, and several other gentlemen. The quantity of rock crushed for the test was weighed, and amounted to sixteen and a half tons. Various opinions prevailed as to the richness of the ore, and the amount of gold likely to be realised, some of them wild enough, the more sober contenting themselves with \$200, as this sum would yield a very handsome profit—the cost of blasting, crushing, &c., being closely figured at \$60. A brick of gold worth \$200 would, therefore, yield a splendid profit. At length the quicksilver was taken from the amalgamator, and put into a small crucible. The crucible was placed in a blacksmith's fire, and the bellows kept going to produce the necessary heat. In about half an hour the crucible was taken from the fire, and cooled by the application of water. When cooled to handling point, the crucible was broken, and a very beautiful button of gold weighing ten ounces was the result, worth about \$180. The lode of quartz from which the test was made is said to be large, consequently the stockholders in the Mallorytown gold mine are now certain of being able to carry on the work with handsome profits. In the slag at the bottom of the crucible a very nice little spot of gold was found (by the editor) and, of course, claimed by him as his share of the "cleaning." This specimen we will be happy to show any one desirous of looking at it. The test made on Saturday, will, we think, place the shares of the mine at a good price.

Commercial.

Petrolia Oil Wells.

(From our own Correspondent.)

PETROLIA, Sep. 6, 1869.

Since my last, the crude market has been very much excited, and \$2 per barrel have been freely offered. It would be as well for producers not to raise the price of this commodity much higher, as it will interfere with the export trade; for, at the present price of refined oil in New York, a profit could not be made with crude at higher figures than \$2 or \$2.50 per barrel. The chief cause of the present demand is simply the fact, that the Combination have sold so much oil ahead, and that the producers are bound. There actually is not oil enough available for the small refineries to make for the home market; consequently, every lot, small or large, is snatched up with avidity. After about the first of January, things will assume their wonted shape. I fancy crude oil will command about two dollars per barrel. Another cause for the rise in price is the knowledge that we are seriously falling off in our production. This week there has not been over 3,000 barrels produced, all told. The large still owners have great difficulty in filling their still with fresh pumped oil, and I understand they intend tapping the iron tanks this week. A very fine property was sold last week (lot 12, 12th con.) to Messrs. Parsons & Bro., and Thos. Lailey, both of Toronto. This is really one of the most valuable oil-lots here, being completely surrounded by the best wells. It is the next lot north of the famous Elliot land, which is being readily sold at \$800 per acre—the famous Langheed well is not sixty rods south of it. In fact, I consider it as one of the best purchases in these regions; they have determined to cut it up in lots to suit purchasers, and have engaged the services of the firm of Parker & Townsend to effect sales. Other lots have also been secured by the same parties, near the Shoemaker territory; but as I mean to give a detailed description of the different localities in which oil has been found, I will not now go into it. The real fact is, we want more producers—we want more oil; for the fact that Canada actually has a refining capacity of some 4,000 barrels per week, and that only some 4,000 barrels of crude are produced, is patent to all. Our trade now, therefore, is entirely at the mercy of the producer. There are at present the following new wells going down:—

Draper & McGarvy, on Lot 13, Con. 12, 1 well.			
Lancey	" 10,	" 12, 1 "	
Lawson	" 12,	" 12, 1 "	
Clement	" 11,	" 11, 1 "	
Woodward	" 11,	" 11, 1 "	
Noble & Parsons	" 12,	" 11, 1 "	
Shields & Smith	" 12,	" 11, 1 "	
Sam Stokes	" 12,	" 12, 1 "	
Nat. Boswell Young	" 13,	" 12, 1 "	
Lancaster	" 13,	" 12, 1 "	
Sawyer	" 11,	" 10, 1 "	
Moss	" 11,	" 11, 1 "	
Peter Taylor	" 10,	" 12, 1 "	
Cameron & McKennan	" 11,	" 11, 1 "	
Chamberlain & Smiley	" 13,	" 12, 1 "	
Perkins	" 13,	" 12, 1 "	
Wallen	" 13,	" 11, 1 "	
Sandbank	" 13,	" 11, 1 "	
Lougheed	" 12,	" 11, 1 "	
Perkins	" 11,	" 11, 1 "	
Peter Keek	" 13,	" 11, 1 "	

21 wells.

There are, besides these, several new ones talked about; amongst which, Parker & Townsend have nearly completed arrangements to have one sunk on lot 8, 12th con. Mr. Lawson intends putting down three others, besides many more.

Quotations of crude, ... \$2 00 per barrel.
Refined

0 24 " gall.