

of opinion that the judgment of the Court of Queen's Bench should be reversed, the judgment of the Superior Court re-instated, and the appeal to the Court of Queen's Bench dismissed with costs, and their lordships will so humbly advise Her Majesty. The costs of this appeal will be paid by the respondent.

G. H. Malhiot, for plaintiff in Court below and in Appeal.

Honan & Tourigny, for defendant in both courts.

Bompas, Q. C., and *Lejeune*, for appellants before the Privy Council.

COURT OF APPEAL.

Nov. 15, 16, 17, 19, 1887.

Before COTTON, L.J., SIR JAMES HANNEN, LOPES, L.J.

PEEK v. DERRY.

Company—Misstatement in Prospectus—Liability of Directors.

The Plymouth, Davenport and District Tramways Company was incorporated by special Act of Parliament in 1882. On February 1, 1883, a prospectus was issued inviting subscriptions for ordinary share capital. It was headed, in large type, "Incorporated by special Act of Parliament, 45 & 46 Vict., c. 159, authorising the use of steam or other mechanical motive power," and contained the following statement: "One great feature of this undertaking, to which considerable importance should be attached, is that, by the special Act of Parliament, this company has the right to use steam or mechanical motive power instead of horses, and it is fully expected that by the means of this a considerable saving will result in the working expenses of the line as compared with other tramways worked by horses." The only provisions contained with regard to steam in the special Act were as follows: "By section 35 it was provided that the carriages might be drawn by animal power; and with the consent of the Board of Trade during seven years after the opening of the tramway for public traffic, and with the like consent during such further period as the Board might from time to time specify in manner therein mentioned, by steam or

other mechanical power;" and it was further provided, "that the exercise of the powers therein conferred with respect to the use of steam or any mechanical power should be subject as therein provided, and to the company obtaining the consent of the Corporations of Plymouth and Devonport therefor." At the time when the prospectus was issued, the company had not obtained the consent of the Board of Trade or the consents of the Plymouth and Devonport Boards to their use of steam power, and such consents never were obtained. In an action by a shareholder for damages on the ground of misrepresentations in the prospectus, Held, that the directors who issued the prospectus were responsible for the misstatements of fact contained in it, and that they were not justified, because they thought there was a strong possibility that they would get the necessary consents to the use of steam power in stating that they had actually the power, and that they were therefore liable to the plaintiff in damages, and an inquiry was directed as to such damages.

Decision of Stirling, J., reversed.

INSOLVENT NOTICES, ETC.

Quebec Official Gazette, Jan. 7.

Judicial Abandonments.

Benjamin H. Lecompte, trader, Montreal, Jan. 3.

Robert Marcus Levine, Fox River, Dec. 27.

Augustin Brodeur, trader, Sherbrooke, Jan. 4.

Curators appointed.

Re L. P. Guilmette, St. Jérôme.—Kent & Turcotte, Montreal, curator, Jan. 2.

Dividends.

Re Zélire Brouillette (E. Beauchamp & Co.)—First and final dividend, payable Jan. 26, C. Desmarteau, Montreal, curator.

Re Louis Tremblay—First and final dividend, payable Jan. 26, C. Desmarteau, Montreal, curator.

Re McDougall, Logie & Co., and personal estate of John McDougall.—First and final dividend, payable Jan. 24, A. F. Riddell, Montreal, curator.

GENERAL NOTES.

The number of *Littell's Living Age* dated Jan. 7, begins a new volume—the 176th—of this standard weekly magazine. *The Living Age* contains an excellent selection of the best reading, and is indispensable to those who would keep pace with the best literary work of the time.

Vick's Floral Guide for 1889 (Rochester, N. Y.) is a gem in its way, and with *Vick's Magazine*, presents the study and practice of floriculture in their most inviting aspect.