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[March 11, 1918.]

## MONTREAL TRUST COMPANY v. ROBERT.

*Company—Subscription of stock—Misrepresentations—Acquiescence—Delay—Estoppel—Stock “to be issued”—Proof.*

This was an appeal from the Superior Court of the Province of Quebec, sitting at Montreal.

*Held*, Fitzpatrick, C.J., dissenting, that in case of misrepresentations made by the promoter of an incorporated company, a subscriber of stock must clearly prove that he has in fact been induced by such misrepresentations to buy shares, especially if he has kept silent after receiving numerous demands of payment and has failed to repudiate his contract for a considerable period of time after he had knowledge of the falsity of the representations.

*Per* Idington, J.:—A mere statement, at the head of an underwriting agreement, as to the capital to be issued, does not imply that the subscriber will be under no liability to pay for his shares, unless and until the amount so stated has been issued.

*Per* Fitzpatrick, C.J., dissenting:—In the case of an agreement to take shares in an incorporated company, the capital issued, if not equal to that proposed, must not at least be so reduced as to render the company incapable of accomplishing the avowed object of its existence.

Appeal dismissed with costs.

*J. E. Martin*, K.C., and *Rinfret*, K.C., for appellant; *G. H. Montgomery*, K.C., and *W. Chipman*, K.C., for respondent.

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C.P.R. v. S.S. STORSTAD. [March 11, 1918.]

*Admiralty law—Collision—Sale of vessel liable for damages—Distribution of insufficient fund—Priority between life and property claimants—S. 503, Imperial Merchants Shipping Act, 1894.*

The S.S. “*Storstad*,” arrested and held liable at the suit of the appellant owner of the “*S.S. Empress of Ireland*,” with whom she collided, was sold under an order of the Court, and the proceeds of the sale were deposited in court for distribution between the claimants for loss of life and property according to their respective rights.

*Held*, Idington, J., dissenting, that the distribution of the fund must be made in accordance with the provisions of s. 503 of the Imperial Merchants Shipping Act; the claimants for loss of life or personal injury being entitled to 7/15 of the fund and then ranking