perform it. Now restrictive covenants are those which, so far as they are enforced, can be observed without expenditure of money or outlay. In such a case such a covenant will be enforced, even against a tenant from year to year, as is manifest from *Wilson* v. *Hart*, L. R. 1 Ch. 463; but with the exception of *Cooke* v. *Chilcott*, L. R. 3 Ch. D. 694 there is no authority to shew that the Court of Equity has ever extended the doctrine of *Tulk* v. *Moxhay* so to enforce anything more than abstention."

In the next number the arrival of the April numbers will make it necessary to return to the Law Reports. A. H. F. L.

NOTES OF CANADIAN CASES.

PUBLISHED IN ADVANCE BY ORDER OF THE LAW SOCIETY.

CHANCERY DIVISION.

Ferguson, J.] [April 8.

PETRIE V. GUELPH LUMBER CO. ET AL.

Misrepresentation in prospectus of company.

In this case the plaintiff filed his bill against the company, and certain individual members and promoters of the company. As regards the latter, he charged that they had concocted a scheme to form the incorporated company with limited liability, with the fraudulent intention of inducing the company to assume their business as lumberers, in order, not only to relieve themselves from the personal liability and risk involved in further carrying on the business, but also for the purpose of enabling them more successfully, as a company, to induce the public to advance money to extricate them from the financial difficulties in which they were placed; that he became a subscriber for shares, relying on certain fraudulent statements contained in the prospectus circulated by the defendants or their agents, as to the flourishing condition and hopeful prospects of the business; whereas the plaintiff charged that the said defendants well knew at the time that the business was an unsuccessful, unprofitable, and a failing business, and he claimed an order for repayment to him by the said defendants of the amount he had subscribed with interest.

Held, on the evidence as to this part of the case, that, although there was perhaps enough shown to have given the right to the plaintiff to have a rescission of his contract had he come to the court in good time, and although inaccuracies had been shown in the prospectus, and a degree of negligence whereby some of these inaccuracies arose and crept in, yet that the defendants had not been shewn to have been guilty of any fraudulent intent, or in other words, of "moral" fraud, as distinguished from "legal" fraud.

Held, also, that the suit was, as regards these defendants, simply an action of deceit, and whether the fraud is supposed to be a fraud in this court as distinguished from moral fraud or not, there must be a wilful and fraudulent statement of that which is false to maintain an action of deceit.

Held, also, as to the defendants, the company, that by his delay and his having acted at a meeting of shareholders after having knowledge of what he charged in his bill, or as much knowledge as he had when he commenced the suit, the plaintiff was precluded from asserting any right to have the contract for subscription for the stock rescinded, even supposing that he might have had such right otherwise.

Bill, therefore, dismissed with costs.

McCarthy, Q.C., for the plaintiff.

E. Blake, Q.C., with him *W. Cassels*, for defendants other than McLean and Ferguson.

Brough, for defendant Ferguson.

Bethune, Q.C., with him *Barwick*, for defendant McLean.

Boyd, C.] [April 22.

OAKLAND V. ROPER.

Treasurer's bond—R. S. O. c. 180, sect. 213. c. 204. s. 221.

Where a bond for the performance of his duties by the treasurer of a municipality, instead of following the form of words directed by the statute in force at the time of its execution, which directed the security to be "especially for duly accounting for and paying over all moneys which may come into his hands,"—limited the responsibitity to moneys coming into the