

It is not proven that plaintiff had any reason to question Paquet's sanity before the 8th of July.

This brings me to a consideration of the transaction itself; for the law declares that in a case of this kind, the court shall take the nature of the transaction complained of into consideration.

Was it the transaction of a shrewd, prudent, keen, business man, such as Paquet had always been? I am of opinion it was not.

The National Telephone Co. had never paid dividends out of its profits. During the presidency of the late Dr. Demers, up till the year 1908, it had paid dividends of eight per cent, out of the capital. From that time onward it had paid no dividends. Its shares had no marketable value. Its bonds could not be sold. Plaintiff had, himself, been entrusted with their disposal. [Deposition of Beaubien, secretary of the company.]

It is true that, in his cross-examination, Mr. Beaubien declares that the financial condition of the company is better today than it ever was before; but, of course, such an answer is only relative. He even swears the assets being valued at their full costs and value, greatly exceed the liabilities. They are not assets which are easily convertible into cash, however. It is very doubtful what their cash value is, or what they would bring if they had to be sold.

Up to the time of the transaction in question, the company had not succeeded in its negotiations with the Bell Telephone Co., and there was no certainty that it ever would succeed, either in procuring a connection with that Company, that would be profitable, or that it could dispose of its constructed works in Quebec for a reasonable sum.

In my opinion, the evidence establishes that no shrewd,