

construction requiring the word "issue" in the gift over of the eleventh legacy also to mean "children." Kekewich, J, held that its meaning was not to be so restricted; but the Court of Appeal were unanimous that, as the testator had already indicated the sense in which he used the word "issue" as regards the other legacies, it was reasonable and proper to assume that he intended it to have the same meaning when used in reference to the eleventh legacy, consequently the gift over of that legacy was also confined to children of the legatee, and did not extend to his descendants generally.

**COMPANY**—PROSPECTUS, UNTRUE STATEMENT IN—MISLEADING STATEMENT IN  
PROSPECTUS—DIRECTOR, LIABILITY OF, FOR FALSE PROSPECTUS—DIRECTORS'  
LIABILITY ACT, 1890 (53 & 54 VICT., c. 64), s. 3, SUB-S. 1; (R.S.O. c. 216,  
s. 4)—WAIVER CLAUSE IN PROSPECTUS.

*Greenwood v. Leather Shod Wheel Co.* (1900) 1 Ch. 421, was an action by a shareholder against a joint stock company and its directors to rescind a contract to take shares in the company and for rectification of the company's register by removing the plaintiff's name from the list of shareholders, and to recover the amount paid by plaintiff, and for damages against the directors for the loss sustained by the plaintiff by reason of his having subscribed for the shares in question, relying on the statements contained in the prospectus, which were alleged to be untrue and misleading. The prospectus also contained a clause whereby subscribers for stock were to be deemed to have notice of all agreements which might fall under s. 38 of The Companies Act, 1867, which requires agreements between the company and promoters to be specified in the prospectus, even though such agreements were not actually so specified. The principal objection to the prospectus was that it alleged that orders had been received for wheels which the company was formed for the purpose of manufacturing, whereas the orders referred to were merely orders for trial or sample wheels; also, that there were agreements between the company and the promoter, which were not specified on the prospectus, as required by The Companies Act, s. 38. As to the latter, the defendants contended that the plaintiff had contracted himself out of the right to complain of the omission. The defendants also contended that the statements in the prospectus were true in the sense in which they were used by the directors, and they could not