insure at all. If it were safe to leave four-fifths of his stock uninsured, it was scarcely worth while to insure the remaining one-fifth. He should, undoubtedly, have at the very least insured an amount sufficient to save his creditors from loss in case of fire, supposing he was willing to risk a certain proportion on his own account. His neglect in this instance has cost his creditors pretty dearly, and has probably taught them a lesson which they are not likely soon to forget. They, and all wholesale merchants should see that retailers, to whom they give credit, have their stocks properly insured. The paltry saving obtained by insufficient insurance, becomes an exceedingly unsatisfactory subject of reflection, when a fire has swept away all that a man owns in the world, leaving him, not merely penniless, but perhaps heavily in debt.

Although Mr. Simpson's creditors dealt so leniently with him, and while they acknowledged that there was nothing to be said against him as a man of integrity, yet they were disposed to censure him, very strongly, for his negligence. Some even contended that it was the duty of the wholesale merchants of Canada, to weed out, not merely the dishonest, but equally the incompetent traders, whose incompetency was the source of so many and heavy losses to their creditors.

CORPORATION SEALS.

A case lately decided in Montreal has directed attention to the necessity of corporations using a common seal in all their important acts and transactions. In that case (Coates vs. Glen Brick Company and Welsh intervenant), the plaintiff held promissory notes given on behalf of the Company, but signed only by the President and Secretary of the Company. The Company was incorporated under a Quebec statute, which provided that notes made by any agent in general accordance with his powers as such, "under the by-laws of the Company," should be binding on the Company. The Company's by-laws did not specify how bills or notes should be given, and there was a general clause that only such "contracts as were authorized by the Board of Directors," could be enforced. The plaintiff could not show that these were authorized by the Board of Directors, and his case was dismissed.

Corporations are of that peculiar class of entities that while operating in a real way, are only in themselves a fiction—an abstraction. To express their acts, contracts, and transactions, it was formerly thought necessary that they should be evidenced by the common seal of the corporation or body transacting the business. This doctrine has been largely modified of late days, so much so that now many classes of corporations, especially in the United States, do the principal business for which they are incorporated without a common seal; and some have even gone so far as to have their contracts lithographed, signatures and all, leaving blanks to fill in names, amounts and other variable incidents. Both here and there special provisions have been introduced into charters authorising the ratification of contracts by special modes, or in a particular manner peculiar to themselves. All these deviations from the common law produce confusion and difficulties that would be avoided by the continuance of a well understood and simple mode of authenticating corporation documents. There is now scarcely any excuse for such laxity. Effective impressions are so easily and rapidly made on paper, that the ease of accomplishing this object should have perpetuated it, especially when it is so important both for corporations and the public. A responsible officer of the Company, having charge of attaching the seal to contracts and other documents deliberated upon and authorised by the directors, would prevent the possibility of contracts, notes, bills or cheques being made or drawn without proper authority; and the public could not be induced to accept or give currency to such documents without the seal. It has been decided by our courts that the seal of a deed or other document need not be composed of extraneous matter, such as wax; it is sufficient if an impression is made on the paper. Under these circumstances, "it would perhaps have been better," as a learned judge expressed it, "and have avoided the uncertainty which now exists, if the old rule had never been relaxed." The exceptions to the old rule, such as respects trading corporations drawing and accepting bills of exchange, and making promissory notes without the use of a common seal; and those common to all corporations, "matters of daily occurrence and of insignificant character;" and of later times that of *executed* contracts, where the corporation accepted goods or labor, and were benefited by them; in all such cases a common seal has not been regarded as necessary. The ancient rule is therefore still substantially intact, and except for legislative enactment in particular charters, would be maintained by the courts. There is more danger probably to the old rule from hasty legislation than from judicial decision.

It may be, however, that the legislation, in relation to this subject, is but the reflex of the popular notion that the seal is but a mere ceremony, of no value or importance. When, however, we consider that the expressions and evidences of the most important acts of life are but ceremonies, we can readily acquiesce in a ceremony when associated with less important acts. The consequences of neglecting such ceremonies are often so perplexing and dangerous to those interested that it can only be wondered at that they ever should be disregarded. A late case, (Cherry v. The Colonial Bank of Australia, (L. R., 3 p., c. 24), illustrates this very forcibly. The directors of a company authorised an agent, by letter, to draw the money of the company from a bank. He overdrew and the bank honored the cheque, on the authority of the letter of the directors. An action was brought against the directors personally, and the court held that it would lie, as the letter was an implied warranty or guarantee to the bank that all would be right. This responsibility would have been avoided by adhering to the old rule that the contracts of a corporation, to be binding upon it must be authenticated by the common seal. It would also ensure consideration and deliberation as to the character of the contracts, and a common action on the part of directors in authorising their ratification. We are disposed, therefore, to resist encroachments on the old principle, and to maintain a rule which, for five hundred years, has done good service in connection with these mythical bodies, which of late years have attained such gigantic proportions and exerted such a powerful influence on the trade, commerce and material interests of all civilized nations. Those interested in corporations as shareholders, and those especially more directly responsible in their management, should encourage a stricter system and more combined action than is at present the practice in corporate bodies. The tendency to allow comparatively irresponsible agents to transact all important business by a flourish of penmanship, or a lithographic deputy will again, as it has often done before, produce speculative and rash transactions, and consequent loss and injury to all concerned. One thing is quite certain, this formal action would obviate all difficulties about the evidence or liability of companies on their contracts, and would also save directors and officers from the uncertainty of personal responsibility, and the public the insecurity now often felt in dealing with companies in consequence of the want of a great seal; all of which are sufficiently important items to induce a reasonable and well established precaution to be observed in this class of business operations.

THE rich lumbering districts of Victoria and Carleton Counties, New Brunswick, and the Northern part of Maine, are seeking more direct railway accommodation, and are likely to get it soon in the shape of a continuation of the New Brunswick and Canada