

gether governed by legal considerations. In *Lee v. Jones*, Blackburn, J., says :

I think that it must in every case depend upon the nature of the transaction, whether the fact not disclosed is such that it is impliedly represented not to exist, and that must generally be a question of fact proper for a jury.

SUPERIOR COURT, QUEBEC

La Banque du Peuple v. Town of Iberville*

Municipal corporations—Borrowing powers

The principal facts in this case were as follows :

On the 11th August, 1892, the council of the town of Iberville passed a by-law for a loan of \$50,000, \$40,000 to consolidate the existing debt and \$10,000 to pay for the construction of drains, which by-law was submitted to a vote of the duly qualified ratepayers and carried. Before the passage of this by-law, however, the construction of drains had been commenced and certain notes given in connection therewith, under authority of resolutions passed by the council ; and after the passage of the by-law further notes were made, also under authority of resolutions of the council, to provide funds for carrying on the work, pending the negotiation of the loan. A number of these notes were negotiated by the Banque du Peuple in the ordinary course of business, and the municipality came under other obligations to the bank for advances made for current expenditures in anticipation of the collection of taxes.

On 28th December, 1893, the council passed a resolution authorizing the proper officers of the municipality to make a promissory note at four months for \$14,688.31, to consolidate the indebtedness to the Banque du Peuple, and a note for this amount was accordingly delivered to the bank. The note was not paid at maturity, and failing to obtain payment after repeated promises of payment had been made, the bank brought this action.

The claim of the bank was resisted on the grounds (1) that

*Reported for the JOURNAL