

guarantee stock, which is not share capital, but borrowed money, and which guarantee stock the policy-holders have the right to pay off at any time under certain provision of the act and amending acts of incorporation.

Under the returns made by this company, I find the gross amount of interest received from investments is \$57,864, from which is to be deducted the \$6,000 paid to the guarantee stockholders, leaving the net sum of \$51,864.

This latter sum will be increased a few dollars by the share of non-participating policies, which will bring their assessable income up to, say, the sum of \$52,000, upon which they are liable to assessment.

Notes of Canadian Cases.

SUPREME COURT OF CANADA.

Ontario.]

[Dec. 13.

ATTORNEY-GENERAL OF ONTARIO *v.* VAUGHAN ROAD CO.

Statute—Application of—R.S.O. (1887), c. 159—53 Vict., c. 42—Application to company incorporated by special charter—Collection of tolls—Maintenance of road—Injunction.

The provisions of the general Road Companies Act of Ontario (R.S.O. (1887), c. 159, as amended by 53 Vict., c. 42, relating to tolls and repair of roads, apply to a company incorporated by special Acts; and on the report of an engineer, as provided by the general Act, that the road of such company is out of repair, it may be restrained from collecting tolls until such repairs have been made.

Judgment of the Court of Appeal on motion of interim injunction (19 A.R. 234) overruled, and that of the Divisional Court (21 O.R. 507) approved.

S. H. Blake, Q.C., and Lawrence for the appellants.

Bain, Q.C., and Kappeler for the respondents.

WATROUS ENGINE WORKS CO. *v.* TOWN OF PALMERSTON.

Municipal corporation—Contract under seal—By-law—Executory contract—Enforcement.

In pursuance of s. 480 of the Ontario Municipal Act (R.S.O. (1887), c. 184), empowering any municipal council to purchase fire apparatus, the council of the town of Palmerston by resolution authorized the Fire and Water Committee to ascertain the price of a fire engine, and on the committee's report recommending the purchase a contract was entered into under the corporate seal of the council for the construction of an engine by the Watrous Co. No by-law of the corporation was passed authorizing or sanctioning such contract. The engine was built and placed in the town hall, and a committee of the council was appointed to engage experts to test it. The test was made and the