

Ont.] OTTAWA DAIRY CO. v. SORLEY. [April 27.
*Joint Stock Company—Subscription for shares—Principal and agent—
 Authority of agent—Conditional agreement.*

S. signed a subscription for shares in a company to be formed and a promissory note for the first payment, both of which documents he delivered to the promoter of the company to which they were transferred after incorporation. In an action for payment of calls S. swore that the stock was to be given to him in part payment for the goodwill of his business which the company was to take over. The promoter testified that the shares subscribed for were to be an addition to those to be received for the goodwill.

Helé, that though S. could, before incorporation, constitute the promoter his agent to procure the allotment of shares for him and give his note in payment, yet the possession by the promoter did not relieve the company from the duty of inquiring into the extent of his authority and whichever of the two statements at the trial was true the promoter could not bind S. by an unconditional application. Appeal dismissed with costs.

McVeity, for appellants. *Fraser, K.C.*, and *Burbidge*, for respondent.

Province of Ontario.

COURT OF APPEAL.

From Divisional Court.] [Jan. 25-26.

PUTERBAUGH v. GOLD MEDAL FURNITURE COMPANY.
*Libel and slander—Publication—Privilege—Dictating letter to
 stenographer.*

Appeal from judgment of Divisional Court, reported 5 O.L.R. 680., allowed on the ground that as to publication and privilege this case cannot be distinguished favourably to the defendants from that of *Pullman v. Hill*, [1897] 1 Q. B. 524, the Court not being at liberty to refuse to follow that case unless it could see that it is opposed in principle to other authority binding upon the Court,—subject, however, to the plaintiff consenting to reduce the damages to \$50. Otherwise the order for a new trial to stand on the ground of excessive damages, and the appeal to be dismissed with costs.

Du Vernet, for plaintiff, appellant. *F. C. Cook*, for defendants, respondents.