

TELEGRAPH WIRE—RESTRICTED USE OF SPECIAL TELEGRAPH WIRE—
USER OF WIRE FOR UNAUTHORISED PURPOSES—ACCOUNT—
LIMITATION.

Reid-Newfoundland Co. v. Anglo-American Telegraph Co. (1912), A.C. 555. This was an appeal from the Supreme Court of Newfoundland. The Reid-Newfoundland Co. were in possession of a railway under a lease which was subject to a subsisting contract with the Anglo-American Telegraph Co. under which the lessees of the railway were entitled to the use of a special telegraph wire erected and maintained by the Telegraph Co. in, and about the railway, for certain purposes defined by the contract, and were bound "not to pass or transmit any commercial messages over the said special wire, except for the benefit or account of" the Telegraph Co. The Reid Co. having used it for other purposes the Telegraph Co. brought the present action for an account. The defendants pleaded the Statute of Limitations (21 Jac. 1, c. 16). The Newfoundland Court held that this Act did not apply because the plaintiffs' action was founded on a specialty, as to which the period of limitation was twenty years. The judicial committee of the Privy Council (Lords Macnaghten, Shaw, Mersey, and Robson), without passing on that point, held that in regard to the unauthorised user of the wire, the defendants were trustees of the profits for the Telegraph Co., and as such liable to account therefor, and that, having regard to the Newfoundland Trustee Act, 1898, on that ground the plea of limitation must be overruled.

INSURANCE (MARINE)—CONSTRUCTION—PERILS OF THE SEA —
CARGO DAMAGED OWING TO LEAK IN HULK WHILE AT MOORINGS.

Sassoon v. Western Assurance Co. (1912), A.C. 561. In this case, which was an appeal from the Supreme Court at Shanghai, the Judicial Committee of the Privy Council (Lords Macnaghten, Atkinson, Shaw, and Mersey), dismissed the appeal holding that where goods stored on a wooden hulk, moored in a river, were damaged by water percolating through a leak caused by the rotten condition of the hulk unknown to the plaintiffs, the loss was not caused by perils of the sea within the meaning of a time policy of insurance against marine risks; following *Re Xantho* (1887), 12 App. Cas. 509.