

represented by Mr. Woodward was to pay him \$4,000 annually in monthly payments of \$333.33 each, six-tenths to apply on interest, and four-tenths on principal, and also an agreement to pay 16 per cent. per annum on locomotive account, six-sixteenths to apply on interest, and ten-sixteenths on principal, (see plaintiff's exhibit No. 5 filed at enquête Nov. 19, 1889.) In pursuance of this, payments were made and it appears to have reduced the principal after payment of interest to \$35,450.75, settled by plaintiff. Prior to April 2nd eleven payments had been made of \$333.33, applicable in the proportion aforesaid of six-tenths and four-tenths, and subsequent to that time reducing it as aforesaid out of the earnings of the road. On locomotive account various payments were made reducing it to \$4,849.19, settled by plaintiff, but it is to be observed that of this sum \$12,974.16 was paid after the road was handed over to plaintiff, November 14, 1887, out of earnings prior to that time, which had been kept deposited in the name of the cashier on the 17th March, and \$392.81 on the 13th of June, 1888. So that we have paid on these two items of what I call capital account \$4,549.25, irrespective of interest paid on the Ontario Car Company claim, reduced to \$40,000, and \$17,827.81 paid Mr. Ross on locomotive account irrespective of interest, out of the earnings of the road while plaintiff was President, and which sum he had personally agreed to pay in his agreement of April 2, 1887, and nearly all of it paid subsequent to the date of that agreement, and \$13,866.87 paid as late as March and June, 1888, belonging to intervenants, or monies earned by the working of the road prior to November, 1887. As to the other item of \$40,608.66 which may be termed running expenses, these were all paid out of the earnings of the road, most of them prior to the agreement, and the intervenants in their agreement of April 2nd, 1887, relieving plaintiff from the payment of working expenses for six months prior to the coming into effect of the Act, and plaintiff has the advantage of this, and has not paid one dollar of the \$40,608.66. Can the plaintiff be said under that agreement as it was made by him, to have the right pending negotiations to pay the debts of the company, and parti-

cularly the large sums in items one and two of first part of the schedule, out of the earnings of the company, and have such payments accrue to his own personal advantage, so as to relieve himself personally from the obligation to pay them under his agreement. But, says plaintiff, it was so understood before the board in London that I should, while the road was being carried on, pay the debts. That may be true in one sense, but is it true in the sense that he should use the funds of the company to pay these debts which he had agreed to pay, and relieve himself from payment to that extent? Should he pay out the monies of the company to meet obligations which he undertook to pay or settle? Were the earnings of the road available to him personally for that purpose? Suppose that the earnings had been sufficient to pay all the debts in part 1st and that they had been paid? should he be entitled to the \$250,000 in bonds? That is his pretention, because he says, I gave you a guarantee as to all obligations except certain ones mentioned. All you required was to get a discharge, no matter if you had paid them yourselves with your own monies, while intervenants say that the guarantee was required and given because you, plaintiff, had had the management in Canada where the road was, and office and accounts were kept, and you knew just what the obligations were, and what was desired. You represented them as so much: you knew, or could know, how much. You represented that many of these claims could be settled at reduced rates. We were willing to give you a certain sum to do this: we did so, and you offered to pay and settle them with the monies you received from us; you have not done so; we find now that large sums of money have been used by you as President, to pay claims which you now ask to get the benefit of *individually*.

[Concluded in next issue.]

GENERAL NOTES.

CANADIAN LONGEVITY.—The *Montreal Gazette* of Oct. 19, under the usual obituary heading, contained five announcements of deaths, three males and two females. The united ages of these five persons amounted to 435 years, one being 95, one 87, two 86, and one 81; average 87.