Court of first instance in this Province; but we have insisted that the existence of *two* intermediate Courts of Appeal—the Court of Review and the Court of Queen's Bench sitting in Appeal—is an excess of precaution against erroneous judgments. The time for the abolition of the Court of Review has arrived, and any delay in carrying out this necessary measure will be a positive injury. The review was intended originally as a cheap appeal for cases from the rural districts. The argument of economy can be effectually answered by a re-arrangement of the tariff in Appeal. The fees should be reduced on cases of small amount, and increased on cases of five hundred pounds and upwards. The Superior Court decisions have never had the same value or authority since the Court of Review was interposed. And as to the decisions in Review, they will never have much value under the present system, under which any three of eight or nine judges can hear a case and render judgment. Since the Court of Review was established the number of Superior Court Judges in Montreal has been considerably augmented, and has created a difficulty of conflicting opinion not then thought of. To give due authority to the decisions in Review, they ought to be rendered by a majority of the whole bench in Montreal—which is practically impossible. Let the Court of Review, then, be abolished, let the Judges of the Superior Court be free to consult one another on novel points of law, let the tariff in Appeal be readjusted, and the sittings made more frequent, and a real reform will be accomplished, and a most desirable improvement effected in the administration of justice in the Province of Quebec.

## *LOANS BY BANKS.*

The decision in *Bank of Montreal* v. *Geddes et al.*, which is to be found in this issue, involves a question which has been debated with considerable interest during the past few years, as on it hangs the fate of heavy suits for damages resulting from loans on stock. The question is as to the legality of loans by Banks, under the Act 34 Vic., c. 5, on the collateral security of shares in incorporated trading companies. On the 17th January, 1878, in the case of *Geddes et al.* v. *Banque Jacques Cartier et al.* (an action to prohibit the Banque Jacques Cartier and the City Passenger Railway Company from selling or registering the sale of any shares of the Company belonging to the plaintiffs), a similar question was raised, and Mr. Justice Papineau decided that a Bank may lawfully make advances under the Banking Act of 1871 (34 Vic., c. 5), on the security of shares in an incorporated trading company like the City Passenger Railway Company. When the defendants in *Bank of Montreal* v. *Geddes et al.*, raised the same question by demurrer, Mr. Justice Rainville was disposed to take a different view, but the learned Judge thought it better to follow Mr. Justice Papineau's decision at that stage, and thus permit the case to go to trial without the delay of an appeal. (See 2 Legal News, p. 356.) The question has now been decided in a different way by Mr. Justice Johnson, in adjudicating on the third plea, and the learned Judge had authority from Mr. Justice Rainville to state that he concurred in the opinion expressed upon the law issue.

## NOTES OF CASES.

### SUPERIOR COURT.

MONTREAL, April 30, 1880.

BANK OF MONTREAL v. GEDDES et al.

*Banking Act of* 1871—*Loans on security of stock in other companies—Under the Banking Act of* 1871, 34 *Vic.*, *c.* 5, *a Bank could not legally make loans upon the security of the stock of any joint stock company, except the stock of other Banks, and therefore an action by a Bank against the directors of a street railway company, for loss sustained by making a loan on its stock (which was alleged to have been unduly inflated by false statements on the part of said directors) cannot be maintained.*

JOHNSON, J. The trial of this case commenced before me on the 5th of November last, and was continued at intervals by adjournment until the 19th of February, when it was finally heard. I must say it was very carefully presented on both sides; and it might, perhaps, have been expected that, immediately upon the close of the argument, I should have been ready to give judgment; and so I thought I was, as far as I personally was concerned, for I had heard all