

place where the goods were delivered to the consignee (*Kemp v. Clark*, 12 Q. B. 647).

A suit was brought in the Liverpool county court on a written contract entered into there between the plaintiff and a broker who professed to act for the defendant, by which it was agreed that a cargo on board a ship at Queenston should be sold and delivered in any part of the kingdom which the plaintiff might direct, and that the shipping documents and policy of insurance were to be handed over at Liverpool. The plaintiff required the ship to be sent to Drogheda, but the defendant sold the cargo to another person and delivered to him the shipping documents and policy. The plaintiff at Liverpool made a demand of these documents, &c. The plaintiff sued in Liverpool, and in his particulars of demand claimed for damages sustained by the defendant not delivering the cargo. On application for prohibition the court of Queen's Bench said, "if the action were only for not delivering the cargo the cause of action would certainly not arise within the jurisdiction of the Liverpool court, because the cargo was to be delivered at Drogheda, but under the particulars it was possible that the plaintiff might be proceeding for a cause of action arising within the jurisdiction, namely, for not handing over the shipping documents and policy of insurance at Liverpool, and the court granted a prohibition as far as related to that breach of the contract which was not within the jurisdiction of the county court, thus enabling the plaintiff to proceed for that breach of contract in not delivering over the shipping documents and policy of insurance." (*Walsh v. Ionides*, 1 E. & B. 383.)

If the cause of action be one and indivisible, it must therefore have wholly arisen within the jurisdiction, but if there be two distinct causes of action stated in the particulars, or the cause of action there stated be capable of modification, so as to make it appear a cause of action which has wholly arisen within the jurisdiction, the particulars may be amended, so as to exclude such portion of the cause of action as did not arise within the jurisdiction. Thus, in *Walsh v. Ionides*, it was left to the County Judge, if he thought fit, to allow the particulars to be amended, and to be restricted to that breach of the contract which occurred within the jurisdiction of the particular court.

SIMPLE CONTRACTS & AFFAIRS OF EVERY DAY LIFE.

NOTES OF NEW DECISIONS AND LEADING CASES.

PRINCIPAL AND SURETY.—A. guaranteed to B., a creditor of C., certain composition notes, which B. was to indorse for the other creditors of C. B. represented to one or more of the creditors, before the composition was agreed to that he B. was to accept a like composition himself, but he had a secret bargain with C. that he should be paid in full:

Held, on grounds of public policy, that this secret bargain violated the whole transaction, and that A. was not liable to B. on his guarantee.

Various proposals having been made for a composition by all the creditors of an insolvent person, A. executed a deed to a trustee, reciting that an agreement to that effect had been come to, and conveying certain property to the trustee to secure any person or persons who might indorse the composition notes which the debtors were to receive. B., a creditor, indorsed the notes of the other creditors, but was to receive payment in full of his own demand:

Held, that the trust deed was not a security for the notes he indorsed, the deed being available only if the composition was accepted by all the creditors.—*Clarke v. Ritchey*, 11 U.C. Ch. R. 499.

COMPANY—PROSPECTUS—MISREPRESENTATION—CONTRACT—NOTICE.—A court of equity requires that where a contract is founded on the statements of one of the parties to it, those statements should be made *bonâ fide*; and accordingly, where persons are induced to become holders of shares in a company by untrue and deceptive statements in the company's prospectus, there is an equity to undo the contract founded on those statements.

Where a prospectus of a company withholds information as to a fact material to the position of the company, and on which it is necessary that an intending shareholder should exercise his judgment, the court will set aside a contract founded on the prospectus.

Though a shareholder may be bound by the contents of the memorandum and articles of association of the company, he is not thereby affected with notice of documents referred to in them. Mere exaggerated, loose, or even suspicious statements in a prospectus will not justify the court in setting aside a bargain founded upon it.—*Kisch v. The Central Railway Co. of Venezuela*, 18 W. R. 1006.

PARTNERSHIP—DISSOLUTION—RIGHT TO USE NAME OF FIRM.—On the dissolution of a partner-