

IMPORTANT DECISION ON SHARES

Purchasers of Fully Paid Shares, Directly From the Company, are Liable for the Difference Between Price Paid and Face Value--The Kettle River Case.

Application of the... at its next... A MINING... ended for the... First, to pro... connected with... valuable min... of technical... through... Second, the... library... purpose of... affect the... of the... and to ca... industries by... on 15, 1900... MILTON, Applicants... ENI CO... to any per... may have... the Towns... in vision of... Province of... that I have... (3000) in... the above... order to hold... provisions... a sending... days from... of such ex... costs of ad... said mineral... of the un... of the mineral... this 13th day... PFUNDER... Nov. 9, 1900... I. Wm. G... fourth (1-4)... level claim sit... Sullivan creek... district, fac... on which... work for... which the... not paid his... also appl... said interest... This acti... Chap. 45, of... the ment... of 1900... Towns... m. G... th... DECISIONS... Bar and Grace... estate in the... of West... located: On the... river, about... ve Fort Shep... Wilkin, acting... Columbia (Ros... state, B 1418),... in date hereof... order for a cer... of the above... that action... commenced by... certificate of in... December, A... A. WILKIN... IMPROVEMENTS... situate in the... sion of Yale... the head of... istina Lake sec... L. Burnet, F. M... for Ed Ham... Lange, E. M... ouson, F. M... ys from the date... mining recorder... vements, for the... own grant of the... ce that action... commenced by... certificate of im... November, 1900... L. BURNETT... Western Railway... Parliament of... on for an act... sioners in respect... all lines west... already given in... cted east of... the time within... its railways, and... et such branches... exceeding in any... length as are... rized by the Gov... for other purposes... ILL OSWALD, Secretary... Kootenay Railway... will apply to the... its next session... time within... its railways and... the company to... n and other ves... freight and pas... connected with any... office, with power... time to be... and for other pur... D. TOWNLEY, Secretary.

Kettle River Mines, Limited, plaintiff, vs. Beasdel and others, defendants.—Judgment of Mr. Justice Wilken. The question I have to decide is one of considerable importance, especially, to mining companies. It is stated in a "Special Case," which, in substance, is that the plaintiff company was first incorporated under the provisions of the "Companies Act, 1880," as the "Kettle River Mining and Development Company, Limited," and then reincorporated as the "Kettle River Mines, Limited," under the Companies Act of 1897, by virtue of section 5 thereof, with a capital of \$1,200,000, represented by that number of shares of a stated par value of \$1.00 each.

Four hundred and five thousand shares in the original company were issued at their par value, and with a special stipulation that they should, forever, be non-assessable, to Hugelberg and Hagen, as the price of the "Christina" mineral claim which the company bought from them. Thirty thousand shares were set aside as "Treasury shares" for the development of the mine, but they proved to be un-saleable; and 405,000 shares, the balance of the 1,200,000, were reserved for three promoters, namely, 330,000 for Fear and Renass, and 165,000 for one Langley.

As to which there is a statement made in the certificate by the company that the drift money has been paid up. Now, I desire to know in what way this section (meaning section 25 of the Imperial Acts) affects a transaction of that kind. It appears to me that it leaves altogether untouched the question of the payment of the money upon the shares, which payment it declares shall, no doubt, be an attribute or a condition of every share in the company. But how that is to be, or what is to be evidence of that payment, it leaves altogether untouched. If the money is paid, and if the receipt is given for it, of course, no question could be made that the transferee would have the right to hold it as a paid up share; but if a receipt is given for the money by the company, and the share passes into the hands of a person who has given valuable consideration for it and knows nothing about the fact that payment has not really taken place, there is nothing whatever in this section which would in any way invalidate in any way affecting to break in upon the enactment which I have read. He says "I bow to the words of the enactment. I have not in any way attempted to interfere with it, but I have taken, in the course of business, a share, in regard to which I have the representation of the company that that section has been complied with."

The observations of Lords Hatherley, Selborne and Blackburn are to the same effect. Lord Hatherley, in his judgment, also says: "Reference was made yesterday to a case which decided that it is not the duty of a purchaser, if there is nothing to raise his suspicions, to make complete researches, which he would, indeed, find great difficulty in bringing to a satisfactory solution, as to whether the certificates handed to him, representing a given state of things, were true. It is much more expedient for the general safety of mankind that the persons whose duty it is to make full, true and correct representations of this nature should be assumed to have so made them and should not be permitted to dispute them, than that the person to whom they are made should be bound to bestir himself to ascertain whether those representations are truly and justly made."

Lord Blackburn further remarks that the law of estoppel, which he characterizes as being an equitable one, is in no way affected or modified by the Companies Acts. Hence, the present plaintiff Company is estopped from saying to the defendants that the shares which were issued as being "fully paid and non-assessable" were not paid up. In other words, the company can not be permitted to appropriate and reprobate in respect of its certificates. The position of the defendants appears to me to be exceptionally strong, inasmuch as when application was made for the certificates of the shares they bought from Langley the trustees might have put them on their guard by telling them, which they failed to do, that the shares were not paid up. More than this, they might have refused to issue certificates marked paid-up when the fact was otherwise.

The last case to which I shall refer is that of Hirsche vs. Sims A. C. (1894), in which the Privy Council held that (see p. 657). "It was not competent for trustees or directors to issue any shares at a discount, so as to make the holders liable for less than their full amount," and that where the shares passed into the hands of bona fide purchasers from the first holder, the company would, necessarily, be estopped from saying that they were not paid up. The Court also held that directors, or trustees, who issue such shares, are liable for the difference between the price received for them and their par value. To state the effect of these decisions tersely and as applied to the present case, the House of Lords, virtually, says to an intending investor in shares: "If you buy shares at 10 cents each on certificates for \$1.00 each 'paid-up' direct from the company, you must pay the difference between the 10 cents and the par value, because you knew at the time you bought that you had not paid their face value. If, however, you have bought these same shares in the open market, on the same certificates and at the same price, you are not responsible for the payment of the difference, as you are entitled to rely on the company's statement in the certificates that the shares are paid up and non-assessable." I have been referred by counsel to several other cases bearing on the main

question before me; but it is needless to mention them in view of the above decisions of the House of Lords. Mr. Nelson has also contended that the proper course for the defendants to have taken was not to resist the action, but to order which they purchased the shares resented; and he cited authorities to that effect; but these authorities apply to cases where the holders of the shares are purchasers direct from the company, and not from a transferee, hence they do not apply here.

In view of the decisions of the House of Lords, which I have referred to, judgment must be entered in favor of the defendants with costs.

ROSSLAND-BONANZA IMPROVING THE VEIN IS GROWING RICHER IN THE TUNNEL. A London Mining Paper Devotes Considerable Space to the Prospects of the Rossland Bonanza Company.

The Rossland-Bonanza continues to improve. Mr. Stephen Brailo, the foreman, brought in some fine looking ore from the mine last evening and placed it on exhibition in the window of the Miner office. He says it is the richest ore ever brought into this city from that section. In speaking of the Rossland-Bonanza last evening Mr. Brailo said: "The tunnel is in for a distance of 85 feet and the depth from the surface is about 75 feet. The full width of the face of the tunnel, which is five feet, is in quartz of a high grade. The sulphides of lead, copper and iron are stronger than when nearer the surface and free gold, visible to the naked eye, is found in the ore in large quantities than ever. The samples previously analyzed, representing the last 30 feet of work, show an average value of over \$35 to the ton for the pay streak and over \$20 for the full face of the drift. The present face will undoubtedly run much higher."

"On the Uncle Sam, at the foot of Gravelly mountain, the cabins are completed and the work of driving a drift tunnel has been commenced. There are several other properties working in the vicinity of the Bonanza. I have no personal knowledge of what the showings are, but the reports are all favorable. I understand that the Cascade company, which owns the adjoining ground to the Bonanza, and in which I am personally interested, has made arrangements to resume work right away. This property was recently explored by Mr. S. W. Hall, the president of the Bonanza company, and he made a very favorable report upon it. There are several other companies which intend to resume operations in that vicinity after the holidays and the country generally is coming to the front."

The British Columbia Mining Review of London, Eng., in its issue of Dec. 1, makes the following comment on prospectus of the Rossland-Bonanza company which was forwarded to their attention under an advertisement which appeared in the Miner: "One so seldom comes across a prospectus of a joint stock mining venture which appeals to one at first sight as a good, fair speculation, with no extravagant forecasts of problematical shipments, ore bodies, or huge dividends that these Rossland Bonanza Gold Mining & Milling Co. is a most unassuming and straightforward venture, judging by the prospectus, which reflects much credit on the promoters. The capital is \$50,000, the vendors take \$20,000 in shares which are pooled, and \$30,000 is available for development. The vendors apparently receive no remuneration and the board is one of the most workmanlike we have yet come across. The chairman is superintendent of the Iron Works, a former day manager of the Westagle and Centre Star, another miner and the master-mechanic of the War Eagle are on the board, together with a barrister, who happens to be one of the most able and popular members of the legal profession in Rossland. "The asset of the company consists of just one claim, full-size (32 acres)—tunnel driven in 50 feet, shows vein averaging two feet, assaying 15 per cent. The plan of development is simply to continue the tunnel right through the claim—1,500 feet. We are told that the ledge has widened to eight feet since work was resumed. And this is all! We are not reminded that Le Roi shares once sold for 2 cents, or that if this eight feet of ore averages so many pennyweights, and so many hundreds of tons are crushed every day (this is one of the most promising claims near the mine), the monthly dividends of huge size will be paid. Just a few plain facts, one simple plan of development, an essentially practical board, and, as a result, that rare avis—an almost ideal prospectus. The secretary (who is well known in connection with the local Board of Trades, says this is 'the best investment ever offered in Rossland.' We certainly think it is the most straightforward speculation. It is, of course, a purely local issue."

Hendrik's Cutting. It is not the Seven Devils this time which have been the cause of the delay on the Spokane trains. Fourteen miles below Northport on the river edge is a bed of loose soil in a cutting on the river bank which is based on some fine gravel through which the water sweeps the bank there is a constant undermining of the bed referred to. One day last week just as the train was in the act of passing over suddenly the soil slipped into the river, leaving the rail and sleepers suspended in the air. The place was instantly filled up but the ground at this point seems to be slipping right along and the filling process has to be repeated again and again. The break along the track and evidently breaking from a point as far or farther up the bank beyond the track. The matter is one that is puzzling the engineers of the railway to a considerable extent.

TOCURE A COLD IN ONE DAY Take Laxative Bromo Quinine Tablets. All druggists refund the money if it fails to cure. 25c. E. W. Grove's signature is on each box.

You are Making Good Wages

Why not put something by now? Write for descriptive pamphlet of farms for sale in Lower Fraser Valley, THE GARDEN SPOT OF THE PROVINCE. We can sell you farms on SMALL MONTHLY PAYMENTS which you will never feel, and in a few years own A HOME FULLY PAID FOR. Apply HOPE, GRAVELEY & CO., Vancouver, B. C.

Myers Creek Assay Office J. P. BLAINE, Proprietor. Maps of the Myers Creek District for sale, \$1.00. CHESSAW, WASHINGTON.

BETWEEN PORTLAND AND CHICAGO on the "PORTLAND CHICAGO SPECIAL." Sunday, April 22nd, the O. R. & N. will put on a new fast train between Portland and Chicago, via Huntington. Leaving Spokane at 7:35 a. m., giving connections from branch lines, will arrive at Pendleton in time to make direct connection for 41 points east. The schedule has been arranged so as to reach Chicago in three days, or 12 hours in advance of schedule enroute in effect. The "Special" will carry first class and tourist sleepers, together with a composite car, that is supplied with all the latest publications, library, barber shop, etc. The train leaving Spokane at 3:40 p. m. will connect at Umatilla as heretofore with through sleeper to Chicago and Kan as City. Consult the nearest ticket agent for detailed information. W. H. HURLBURT, General Passenger Agent, Portland, Oregon.

Canadian Pacific Nav. Co. (LIMITED) WHARF STREET, VICTORIA. Time Table No. 54.—Taking Effect Nov. 1, 1900.

NEW WESTMINSTER ROUTE. Leave Victoria for New Westminster, Ladner, Lulu and Islands—Tuesday and Friday at 7 a. m. Leave New Westminster for Victoria and Way Ports—Wednesdays and Saturdays at 7 a. m. STEAMSHIPS OF THIS COMPANY WILL LEAVE FOR PORT SIMPSON AND INTERMEDIATE POINTS, VIA VANCOUVER, 1st and 15th of each month. Steamships of this company will leave every Wednesday for Wrangle and Skagway at 8 p. m. BARCLAY SOUND ROUTE. Steamer leaves Victoria for Alberni and Sound ports, on the 1st, 7th, 14th and 20th of each month, extending latter trips to Quatsino and Cape Scott. The company reserves the right of changing this time table at any time without notification. G. A. GARLETON, General Passenger Agent. C. S. BAXTER, Passenger Agent.

Atlantic S. S. Lines CHRISTMAS RATES AND SAILINGS. (From Portland, Me.) Allan Line—Parisian..... Dec. 6 Allan Line—Tunisian..... Dec. 13 Allan Line Steamers call at Halifax one day later. Dominion Line—Dominion..... Dec. 8 Dominion Line—Cambroman..... Dec. 15 (From St. John, N. B.) Beaver Line—Lake Superior..... Dec. 7 Beaver Line—Lake Ontario..... Dec. 14 Beaver Line Steamers call at Halifax one day later. (From New York.) White Star Line—Teutonic..... Dec. 5 White Star Line—Germanic..... Dec. 12 Cunard Line—Etruria..... Dec. 8 Cunard Line—Lucania..... Dec. 15 American Line—New York..... Dec. 12 Red Star Line—Friesland..... Dec. 11 N. G. Lloyd Line—John..... Dec. 11 French Line—La Gasconne..... Dec. 13 Allan State Line—Sardinian..... Dec. 8 (From Boston.) Cunard Line—Saxonia..... Dec. 8 Dominion Line—Commonwealth..... Dec. 12 Passages arranged to and from all European ports. For rates tickets and full information apply to C. F. R. Depot agent, or to: A. B. MACKENZIE, City Ticket Agent, Rossland, B. C. W. P. F. Cummings Gen. S. S. Agent, Winnipeg.

WINTER SCHEDULE. Spokane Falls & Northern Nelson & Fort Sheppard R'v RED MOUNTAIN RAILWAY The only all-rail route between all points east, west and south to Rossland, Nelson and all intermediate points; connecting at Spokane with the Great Northern, Northern Pacific and O. R. & N. Co. Connects at Nelson with steamer for Kaslo and all Kootenay Lake points. Connects at Meyer's Falls with stage daily for Republic, and connects at Bessburg with stage daily for Grand Forks and Greenwood. EFFECTIVE SUNDAY, DEC. 25, 1900. Leave. Day Train. Arrive. 8:00 a. m. Spokane 6:40 p. m. 11:30 a. m. Rossland 3:15 p. m. 7:00 a. m. Nelson 7:10 p. m. Night Train. 9:45 p. m. Spokane 7:00 a. m. 11:00 p. m. Rossland 7:00 a. m. First-class sleepers on night train. H. A. JACKSON, General Passenger Agent. H. P. BROWN, Agent, Rossland, B. C.

THE NORTH-WESTERN LINE C.S.T.P.M. & O.R.Y. Four Fine Fast Trains Each Way Minneapolis and St. Paul, Chicago and Milwaukee EVERY DAY IN THE YEAR "The North-Western Limited" steam heated, electric lighted, with electric berth lights, compartment sleepers, buffet library cars, and free chair cars, is absolutely the finest train in the world. "The North-Western Limited" also operates double daily trains to Sioux City, Omaha and Ansonia City. When you go East or South ask to be ticketed via this line. Your home agent can sell you through. For free descriptive literature write H. E. COLLINS, General Agent, Spokane.

NORTHERN PACIFIC YELLOWSTONE PARK LINE THE FAST LINE TO ALL POINTS DOUBLE DAILY TRAIN SERVICE The Dining Car Route Via Yellowstone Park Safest and Best. Solid Vestibule Trains Equipped with Pullman Palace Cars, Elegant Dining Cars, Modern Day Coaches, Tourist Sleeping Cars. Through tickets to all points in the United States and Canada.

Spokane Time Card. Table with columns: No., Direction, Arrive, Depart.

AGENTS: H. P. BROWN, Agt. R. M. Ry., Rossland, B. C. J. W. HILL, General Agent, Spokane, Wash. A. D. CHARLTON, Asst. Gen. Pass. Agent, Portland, Oregon.

CANADIAN PACIFIC RY. AND SOO LINE First-Class Sleepers on All Trains From REVELSTOKE AND KOOTENAY LGD. TOURIST CARS Pass Dunmore Jct. daily for St. Paul Saturdays for Montreal and Boston, Mondays and Thursdays for Toronto. Same cars pass Revelstoke one day earlier. A POINTER for your Eastern trip is to see that your ticket reads via CANADIAN PACIFIC TRAINS DEPART— 8:00 For Nelson, Kaslo, Cascade, Grand Ex-Sun. Forks, Greenwood, Midway, etc. 18:00 For Nelson, Sandon and Slocan Daily. points, Revelstoke, Man Line and Pacific Coast, and via Crow's Nest Route for all Eastern points. For time-tables, rates and full information, call on or address nearest Local Agent, or A. B. MACKENZIE, City Agt. Rossland. A. C. McArthur, Depot Agt. B. J. Coyle, A. G. P. A. Vancouver, B. C.

Leaves Spokane Time Schedule Effective May 15, 1900. Table with columns: Daily, Spokane, Arrive Daily.

STEAMER LINES. San Francisco-Portland Route. STEAMSHIP SAILS FROM AINSWORTH DOCK, Portland, at 8:00 p. m., and from Spear Street Wharf, San Francisco, at 11:00 a. m., every five days. PORTLAND-ASTORIA LINE. MONTHLY SAILINGS BETWEEN PORTLAND AND THE PRINCIPAL PORTS OF CHINA AND JAPAN, under the direction of Dowdell, Carll & Co., general agents. Snake River Route. Steamers between Riparia and Lewiston leave Riparia at 5:40 a. m. daily, returning leave Lewiston, at 7 a. m. daily. Steamer leaves Lewiston every Sunday at 5:30 p. m. for Wild Goose Rapids (stage of water permitting). For through tickets and further information apply to any agent S. F. and N. System or at O. R. & N. Co.'s office, 404 Riverside avenue, Spokane Wash. E. M. ADAMS, General Agent. W. H. HURLBURT, Passenger Agent, Portland Oregon.

Kootenay Railway & Navigation Company Limited OPERATING Kaslo & Slocan Railway International Navigation & Trading Co. Bedington & Nelson Railway, Kootenay Valley Railway.

Schedule of Time.—Pacific Standard Time. Kaslo & Slocan Railway Passenger train for Sandon and way stations, leaves Kaslo at 8:00 a. m. daily, returning, leaves Sandon at 1:15 p. m., arriving at Kaslo at 3:55 p. m.

International Navigation & Trading Company Operating on Kootenay Lake and River S. S. INTERNATIONAL Leaves Kaslo for Nelson at 6:00 a. m., daily except Sunday. Returning, leaves Nelson at 6:40 p. m., calling at Balfour, Pilot Bay, Ainsworth and all way points. Connects with S. F. & N. train to and from Spokane at Five-Mile Point. S. S. ALBERTA. Leaves Kaslo for Kuskonook and way points at 7:00 a. m. Tuesday, Thursday and Saturday, connecting with B. & N. Ry. for Bonner's Ferry, Idaho. B. & N. AND K. V. R.Y.S. Mixed train leaves Bonner's Ferry, Tuesday, Thursday and Saturday, connecting with steamer "Alberta" at Kuskonook and returning same day.

GREAT NORTHERN RAILWAY NONE BETTER SOLID VESTIBULED TRAINS PALACE DINING AND OBSERVATION CARS—HEALS A LA CARTE Direct connection at St. Paul, without change of depot, with all trains for Chicago, Toronto, Montreal, New York and all points west and south.

Close connection east and west bound at Spokane with trains of the Spokane Falls & Northern Railway. Leaves Spokane daily for West 1:45 a. m. Leaves Spokane daily for East 10:45 a. m. West bound trains make direct connection for Victoria, Vancouver, Portland, San Francisco and all points on the Sound.

During the season of navigation East bound trains connect at Duluth with the magnificent steamships North-West and North-Land, of the Northern Steamship company line, operated in connection with the Great Northern Railway. For further information, maps, folders, etc., apply to any agent of the Spokane Falls & Northern Railway, Kaslo & Slocan Railway, Kootenay Railway & Navigation Company, or to F. I. WHITNEY, General Passenger and Ticket Agent, St. Paul, Minn. H. A. JACKSON, Commercial Agent, Spokane, Wash.

R. & N. THE ONLY LINE EAST VIA SALT LAKE AND DENVER. TWO TRAINS DAILY SHORTEST AND QUICKEST ROUTE— to— Coeur d'Alene Mines, Palouse, Lewis & Walla Walla, Baker City Mines, Portland, San Francisco, Cripple Creek Gold Mines and all points East and South. Only line East via Salt Lake and Denver. Steamship tickets to Europe and other foreign countries.

Leaves Spokane Time Schedule Effective May 15, 1900. Table with columns: Daily, Spokane, Arrive Daily.

FAST MAIL—From all points EAST, Baker City, Pendleton, Walla Walla, Dayton, Watsburg, Pomeroy, Moscow, Pullman, Coeur d'Alene, Lewiston, Sandon and Coeur d'Alene EXPRSS—For Farmington, Garfield, Colfax, Pullman, Moscow, Lewiston, Portland, San Francisco, Baker City and all points EAST. EXPRSS—From all points EAST, Baker City, Sandon, Pendleton, Colfax, Pullman, Coeur d'Alene and Farmington, at 9:00 a. m.

STEAMER LINES. San Francisco-Portland Route. STEAMSHIP SAILS FROM AINSWORTH DOCK, Portland, at 8:00 p. m., and from Spear Street Wharf, San Francisco, at 11:00 a. m., every five days. PORTLAND-ASTORIA LINE. MONTHLY SAILINGS BETWEEN PORTLAND AND THE PRINCIPAL PORTS OF CHINA AND JAPAN, under the direction of Dowdell, Carll & Co., general agents. Snake River Route. Steamers between Riparia and Lewiston leave Riparia at 5:40 a. m. daily, returning leave Lewiston, at 7 a. m. daily. Steamer leaves Lewiston every Sunday at 5:30 p. m. for Wild Goose Rapids (stage of water permitting). For through tickets and further information apply to any agent S. F. and N. System or at O. R. & N. Co.'s office, 404 Riverside avenue, Spokane Wash. E. M. ADAMS, General Agent. W. H. HURLBURT, Passenger Agent, Portland Oregon.