directors of the company, then newly incorporated, entered into a contract with Bowden its promoter, confirmed by a resolution, that in consideration of his advancing £14,250 to enable the company to pay a deposit on its intended purchase of an undertaking introduced by him, and of his taking the risk of forfeiture of the deposit in the event of non-completion of the purchase, the company would repay the deposit by a certain day "together with £7,500 bonus for such loan." The deposit was raised by Bowden and paid to the vendors, and subsequently on October 10, 1898, by a contract, confirmed by a resolution of the directors, it was agreed between Bowden and the directors that upon the directors giving him "assurance that his right to recover proper remuneration for commission on introducing business" of the purchase "and raising the necessary deposit shall be honourably met at a future meeting of the directors," the contract of Sept. 21 was cancelled and the subject adjourned to a future meeting of the board. Certain contracts were mentioned in the prospectus as the "only" contracts entered into by the company and no mention whatever was made of the contracts of Sept. 21 or Oct. 10. Buckley, J., held that both of these contracts were such as were material to be specified in the prospectus under the Companies Act, s. 38 (2 Ed. 7, c. 15, s. 34 D), and that therefore the statement that the contracts specified were the "only" contracts made by the company was an untrue statement which rendered the directors liable under the Directors Liability Act, s. 3, sub-s. 1 (R.S.O. c. 216, s. 4, sub-s. 1) to shareholders who had bought shares on the faith of the prospectus; and that the measure of damages was the difference in the price paid for the shares and their fair value at the date of allotment.