

RECENT ENGLISH DECISIONS.

JJ.,) that it was, and that the plaintiffs were entitled to recover.

COMPANY—LIQUIDATION—MASTER AND SERVANT—APPOINTMENT OF MANAGER AND RECEIVER—DISCHARGE OF SERVANTS.

Reu. v. The Explosives Company, 19 Q. B. D. 264, is another decision of the Court of Appeal. The plaintiff was in the employment of the defendant company under a contract which provided that his employment might be determined by a six months' notice. The company having got into difficulties, a manager and receiver was appointed by order of the Chancery Division, at the instance of the debenture holders of the company. The plaintiff, by the instructions of the manager, continued for more than six months to discharge his former duties at the same salary. The business was then sold to a new company, and the plaintiff was dismissed without notice. The action was then brought for wrongful dismissal. But the Court of Appeal (affirming Manisty, J.) held that the appointment of the manager and receiver operated as a discharge of the servants of the company, and that the plaintiff therefore could not recover.

The court while holding that on the appointment of the receiver there was a wrongful dismissal by the defendant company, for which the plaintiff would have had a right of action if nothing further had occurred, yet held that as the plaintiff had been employed by the receiver for a period of time equal to the time agreed on for notice of dismissal, he had employment of equal value to that which he had lost, and had therefore sustained no damage.

BILL OF SALE—SUFFICIENCY OF DESCRIPTION OF CHATTELS.

In *Witt v. Banner*, 19 Q. B. D. 276, it was held by Wills and Grantham, JJ., under the Bills of Sale Act, 45 & 46 Vict. c. 43, s. 4, which provides that every bill of sale is void, except as against the grantor, in respect of chattels not specifically described in the schedule annexed thereto, that a description of "four hundred and fifty oil paintings in gilt frames, three hundred oil paintings unframed, fifty water colours in gilt frames, twenty water colours unframed, and twenty gilt frames," was not a sufficient description.

None of the cases in the Probate Division require notice here.

COMPANY—PROMOTERS—PURCHASE OF MINE BY SYNDICATE—RESALE TO COMPANY—FIDUCIARY RELATION—SECRET PROFIT—PRINCIPAL AND AGENT—SALE OF AGENT'S PROPERTY TO PRINCIPAL.

Proceeding now to the cases in the Chancery Division, the first to be noted is *Ladywell Mining Company v. Brookes*, 35 Chy. D. 400, in which the Court of Appeal affirmed the decision of Stirling, J., 34 Chy. D. 398, noted *ante* p. 164. This was one of those cases in which an attempt was made to fix the defendants with liability for profit made by them on a sale of property to a company, on the ground of an alleged fiduciary relationship.

On the 1st February, 1873, five persons (one of whom was a solicitor and conducted the negotiations) purchased a leasehold mine for £5,000, with a view to selling it to a company to be thereafter formed, but at that time no steps had been taken to form the company. The purchase was completed on 17th March, 1873, and the purchase money paid out of their own moneys. On the 4th April they entered into a provisional contract with a trustee for an intended company for the sale of the mine to the company for £18,000.

On the 8th April the company was registered under the Companies' Act, its principal object as stated in the articles of association being the purchase of the mine. The contract of 4th April was adopted, and four of the vendors were named as directors; but the contract of the 1st February, 1873, was not disclosed to the company. The share capital, £30,000, was paid up, and out of it the vendors were paid the £18,000. In 1882 the company was wound up, and the facts relating to the purchase of the mine by the vendors became known to the company. In 1883 the company suffered judgment to go against them by default in an action by the lessor to recover possession of the mine. In 1884 the company commenced this action against two surviving vendors, and the representatives of three deceased vendors, to recover the secret profits made on the sale of the mine to the company, on the ground that the vendors stood in a fiduciary relation to the company. But the Court of Appeal agreed with Stirling, J., that the evidence did not establish that the vendors, when they purchased the mine, were promoters of, or in a fiduciary position towards, the company which was ultimately formed; and that even assum-