

and resolution, passed certain payments for commission in their balance sheet, without discovering and drawing attention to the fact that they were not authorized by Table A, 1906, and it was held that in the circumstances the auditors were not liable for this omission. The auditors had also passed certain payments in the following circumstances. A solicitor who became a director three months after the incorporation of the company, was subsequently paid certain sums for agreed costs of incorporation and other sums for costs, rent of office and clerical assistance. These payments were confirmed by a board, of which the solicitor was a member. The auditors did not discover or draw attention to the fact that as there was no power under Table A for a director to contract with the company, the solicitor could not charge profit costs, and that the payments were pro tanto unauthorized. But Astbury, J., held that in the special circumstances of the case the auditors were not liable for this omission.

WILL—RESIDUE—TRUST FOR SALE OR CONVERSION—POWER TO
POSTPONE CONVERSION—SHARES IN LIMITED COMPANY—
RIGHT OF BENEFICIARY TO TRANSFER OF HIS PROPORTION OF
SHARES—DISCRETION OF TRUSTEES.

In *re Marshall, Marshall v. Marshall* (1914) 1 Ch. 192. A testator by his will devised and bequeathed his residuary real and personal estate, which included a large number of shares in a limited company, to trustees upon trust to convert, with power to them in their uncontrolled discretion to postpone conversion as long as they should think fit, and in particular to retain any shares and securities of the company held by him at his death. He then divided his estate into certain shares, some of which he settled. Several of the trustees were directors of the company and had large holdings of shares; and it was stated that if the shares owned by the estate were all kept together the trustees would have a preponderating influence in the company, and for this reason the trustees desired to postpone conversion. In the events which had happened, two sons and two grandsons had become absolutely entitled to their respective shares in the residue and claimed to have transferred to them their respective proportions of the shares in the company. Warrington, J., who heard the application, held that the trustees were entitled to exercise the discretion given them by the will, and considered that the granting of the application might possibly prejudicially affect the rights of the other parties in the