

DIGEST OF ENGLISH LAW REPORTS.

resignation was accepted. No shares were allotted to S., and his name was not placed upon the list of shareholders. In 1870 the company was ordered to be wound up. *Held*, that the official liquidator was not precluded by lapse of time from placing S. upon the list of contributories. — *Sidney's Case*, L. R. 13 Eq. 228.

4. By the articles of association of a company its directors had power to receive from shareholders money paid in advance of calls on their shares. The directors were also to receive a certain compensation to be as they should determine. The directors paid into a bank the amount uncalled for on their shares, and drew it out the same day in payment of their fees. *Held*, that said payment was not *bond fide*, and that the directors were not relieved from liability on their shares. — *Sykes' Case*, L. R. 13 Eq. 255.

5. The plaintiff paid for and received scrip certificates which gave him the right to have a certain number of shares in a company as soon as the directors gave notice that they were prepared to register shares. The plaintiff never received such notice, but was registered as holder of shares, and an action was brought for calls on the same, to which he pleaded that he was not a shareholder. He afterwards attended a meeting of the shareholders and signed his name. The attendance-book, headed "shareholders present," &c.; he also signed two proxy papers, in which he was styled a proprietor. He never intended to acknowledge himself a shareholder. *Held*, that the plaintiff was entitled as against the company to have his name removed from the list of shareholders. — *McIlraith v. Dublin Trunk Connecting Railway Co.*, L. R. 7 Ch. 184.

6. The M. company owed money not immediately payable to a contractor who had bought shares in the company, and was unable to pay his brokers for the same. A director in the M. company, also a director in the C. company, negotiated a loan of money from the latter wherewith to pay the contractor and enable him to take up said shares. The M. company had no power to purchase its own shares, and set up in defence of repayment that the sum borrowed was borrowed for the purchase of its own shares with knowledge of the C. company. *Held*, that the C. company was not affected with notice of the purpose to which the money was to be applied. — *In re Marseilles Extension Railway Co.*; *Ex parte Creditancier & Mobilier of England*, L. R. 7 Ch. 161.

7. The directors of a company devised the following plan for obtaining a sufficient number of subscriptions for shares, to enable them to begin business according to law. The directors deposited £1500 with a bank whose manager was in the scheme, under the following agreement: The bank was to open an account with one S., loaning £1500,—the said company guaranteeing repayment, and charging their account with said loan and whatever sums S. should draw. S. was to obtain sham applicants for shares, and pay the requisite sum to the account of the company, drawing the necessary funds from the bank, and then receive blank transfers of said shares. The scheme was effected; and finally there stood to the account of the company £24,000, and therefore S.'s account was debited with the same sum. The company sued the bank for £24,000, apparently on the ground that said guarantee being fraudulent and void with notice to the bank, said sum remained to their credit and was due. *Held*, that said company was entitled to said £1500 actually deposited with the bank, and no more. — *British & American Telegraph Co. v. Albion Bank*, L. R. 7 Ex. 119.

See CONTRACT, 1; CORPORATION; INJUNCTION; NEGLIGENCE, 2; RAILWAY, 2; TRUST.

CONSTRUCTION.

See CONTRACT, 1; COVENANT; DEVISE; FRAUDS, STATUTE OF, 2; INSURANCE, 2; LANDLORD AND TENANT, 2; LEGACY; MERCHANT; SALE, 1, 2; SETTLEMENT; TENANCY IN COMMON; TRUST.

CONTRACT.

1. By agreement between two companies one was given the option of buying the works of the other on or before the 25th of December, for a certain sum, after having given six months' previous notice. The first company gave due notice, but was unable to complete the purchase for want of funds at the time for payment. Subsequently a second notice was given, but the second company refused to sell. *Held*, that the right of purchase was not destroyed by failure in payment at the expiration of the first notice. — *Ward v. Wolverhampton Waterworks Co.*, L. R. 13 Eq. 248.

2. The defendant promised to marry the plaintiff upon the death of the defendant's father, but afterwards declared that he would never do so, whereupon the plaintiff sued for breach of promise, though the defendant's father was still alive. *Held*, that there was a breach of contract, on which the plaintiff might sue. — *Frost v. Knight*, L. R. 7 Ex. (Ex.