

the claims for his debt and the amount advanced by him; afterwards, on Holmes' application, an order was made, on notice to the liquidator but without notice to the lien holders, that the claims be sold to pay his charge. The lien holders did not appeal from either of the last orders, but applied for leave to enforce their security and that they be declared to have priority over Holmes:

Held, by the Full Court (reversing DRAKE, J., who dismissed the application), that the order giving Holmes priority over the lien holders was made without jurisdiction and the lien holders were not bound by it.

Peters, K.C., for appellants. *Duff*, K.C., for Holmes. *Barnard*, for liquidator.

Full Court.] YORKSHIRE GUARANTEE CORPORATION v. COOPER. [April 28.

Executions: Exemption under Homestead Act—Thing seized of a value over \$500.

Appeal from judgment of Henderson Co., J., in an interpleader issue.

Held, affirming the judgment appealed from that the execution debtor was entitled, as an exemption under the Homestead Act, to \$500 out of \$1000 realized by the sheriff on the sale of a steamship, the only exigible personality of the debtor. *Iye v. McNeill* (1893), 3 B.C. 24, approved.

Semble, notice of claim of exemption is necessary.

McPhillips, K.C., for appellant. *Martin*, K.C., for respondent.

Full Court.] JACKSON v. CANNON. [Aug 7.

Company—Security taken bona fide—Holder of—Necessity to inquire as to regularity of proceedings—Liquidator suing in his own name—Liability for costs.

Appeal from judgment of MARTIN, J. A person who bona fide takes a security in the ordinary course of business from an incorporated company is not bound to inquire into the regularity of the directors' proceedings leading up to the giving of the security; he is entitled to assume that everything had been done regularly. In this respect a shareholder stands on the same footing as a stranger. Where an action is brought by the liquidator of a company in liquidation in his own name he is personally liable for costs; the fact that he obtained leave from the Court to sue will not relieve him of his liability in this respect.

Sir C. H. Tupper, K.C., and *Peters*, K.C., for appellant. *Martin*, K.C., for respondent.