

another half-hour the doors were opened, and the chairman announced that the question might be put. All ears were strained to catch the impending disclosure. But the mountain did not bring forth even a mouse. "What did Mr. Roberts say?" asked the counsel; and the witness replied: "He wasn't at home, sir; so I didn't see him."—*Green Bag*.

COSTS AGAINST COMPANIES.—Intimately connected with the questions recently discussed in this journal, in the course of an article entitled, "Solicitors and Company Promotion," there is a further question as to the circumstances in which a solicitor, who renders services in the promotion of a company, can claim payment of his costs by the company after registration. It becomes necessary to consider in such cases whether the solicitor has agreed to look to the company, on the company's authority, for payment of his charges; or whether he must rely on the promoters, upon whose retainer he has, in fact, acted. It is said, indeed, that the promoter, even though there be no express contract, is entitled to compensation out of the funds of the company for his preliminary services, provided the company can fairly be held to have adopted and derived benefit from such services. But this proposition, which can only be allowed with some reserve, gives the promoter's solicitor no direct remedy against the company; indeed, no such remedy arises even when the company have expressly agreed with the promoter to pay the solicitor's charges (see *Re Hereford, etc., Waggon Company*, 35 L.T. Rep. N.S. 40; and *Re Empress Engineering Company*, 43 L.T. Rep. N.S. 742). Of more explicit effect, however, is the decision of Cotton, Lindley, and Fry, L.JJ., in *Re Rotherham Alum and Chemical Company* (50 L.T. Rep. N.S. 219). There M., a promoter *pro hac vice*, employed P. as his solicitor in the formation of a company to take over M.'s business. The articles provided that all expenses incurred in and about the formation of the company should be paid by the company. After the incorporation of the company, P. acted as its solicitor, and M. officiated as one of the directors. Both were present at a meeting of the first directors, when P. asked for payment of his costs connected with the formation of the company, and when a conversation ensued tending to show that the company would pay them, but nothing to that effect was recorded on the minutes. At a subsequent meeting a resolution was proposed by M. and passed, that a cheque for £39 4s. 6d. should be given to P. in discharge of a certain part of the costs: that is to say, for the actual amount which the solicitor had had to pay to the printers of the memorandum and articles of association. Nothing more was paid, and the company presently was wound up under a compulsory order. The solicitor then carried in his bill of costs, but the taxing master, to whom the bill was referred in due course by the chief clerk, taxed off all the items prior to the date of the registration of the company.

Vice-Chancellor Bacon refused to disturb the taxation. The solicitor went to the Court of Appeal, and it was urged on his behalf (1) that the company had recognised his claim by a payment on account; (2) that what had taken place at the meeting before mentioned amounted to a novation; (3) that the company,