DECISIONS IN COMMERCIAL LAW.

Ex Parte KING.—Where a trader assigns the whole of his property as security for an antecedent debt and future advances, he does not commit an act of bankruptcy, if the lender agrees to make the future advances so as to enable the trader to carry on his business, and in the reasonable belief that he will thereby be enabled to do so.

DREW v. GUY.—The business of one restaurant keeper may be "similar," within the meaning of a restrictive covenant, to that carried on by another, though the establishment of the latter is a fully-licensed public-house and the former has no license of any sort, according to the English Court of Appeal.

RAMSAY v. MARGETT.—An ordinary receipt for the purchase money of goods is not an assurance, and, therefore, not a bill of sale within the definition of the Bills of Sale Act, and the fact that such a document acknowledges, in addition to the receipt of the price, that the goods are absolutely the property of the purchaser, will not make it a bill of sale, if it was only intended by the parties to be a common receipt and no part of the bargain between them. This is a judgment of the Court of Appeal in England, which also decides that where a husband sells goods to his wife which are in the house where they live together, the transfer of the property to the wife carries with it the transfer of the possession, and the goods are not, after sale, in the "apparent possession" of the husband within the Bills of Sale Act, notwithstanding that they remain in the same house, and in the joint use of husband and wife.

IN RE HERCYNIA COPPER CO. (LTD.).—Where a person has accepted the office of a director of a company. there ought to be inferred an agreement on his part with the company that he will serve the company on the terms as to qualification and otherwise contained in the articles of association. The articles of association named R. as one of the first directors, fixed the number of shares to be held as a qualification, and provided that the first directors should have power to act before acquiring this qualification, but in the event of their not acquiring it within one month of their appointment they should be deemed to have agreed to take the same, and the same should be allotted to them accordingly. R.'s name appeared on the prospectus as a director and he signed the articles, not as a signatory, but to show his assent to them. He never acted as director nor applied for any shares, nor were any ever allotted to him, and he was never registered as a member of the company. Held by the English Court of Appeal that R. had agreed to become a director on the terms of the articles and must be settled on the lists of contributories in respect of his qualification shares.

SMITH v. HANCOCK.—On the sale of a grocery business, the vendor agreed "not to carry on or to be in any wise interested in" the business of a grocer within five miles of the old shop for a period of ten years. Six or seven years afterwards the vendor's wife, out of her own separate money, set up in her own name—*i. e.*, in the name of her husband, with the prefix "Mrs."—a grocer's shop close to the place where her husband had formerly carried on business, and was assisted by her nephew. The vendor helped his wife to get a lease of the shop; he introduced her to a local bank, where she opened an account in her Christian name, and he introduced the nephew to certain wholesale provision merchants who had supplied him in his business, and induced them to give the nephew credit; he assisted in the preparation of a circular inviting old friends and customers to deal at his wife's shop, and distributed this circular among various friends. He had not, however, any pecuniary interest in the business, and did not otherwise than as above stated concern himself in it. Held, by the English Court of Appeal, that the vendor did not carry on, and was not interested in, his wife's business within the agreement.

IN STEAMSHIP "BRITANNIA" v. CLEUGH, AND STEAMSHIP "BRITANNIA" v. COTTON.—The Supreme Court of the United States laid it down that a steamship is in fault in running at a place where she is liable to meet outward-going vessels, across the ebb tide, in such a way that the current will prevent her from answering her helm with promptness. If two vessels under steam are crossing so as to involve risk of collision, the vessel which has the other on her starboard must yield the path to the latter and pass behind her. A steam vessel when approaching another vessel so as to involve risk of collision must slacken her speed, or if necessary, stop and reverse, and the latter must keep on her course, unless special circumstances render it necessary to do otherwise in order to avoid immediate danger. Where two steam vessels are crossing so as to involve risk of collision, the one whose duty it is to keep her course must not interfere with or thwart the movements of the other vessel by stopping her headway, unless some exigency or obvious danger justify her stopping. When a vessel has committed a positive breach of statute she must show that not only probably her fault did not contribute to the disaster, but that it could not have done so.

IN BARNES v. DOMINION GRANGE MUTUAL FIRE INSURANCE ASSOCIATION, the plaintiff's testator applied to the defendants in writing for an insurance against loss by fire on certain property, and gave an undertaking in writing to hold himself liable to pay to the defendants such amounts as might be required, not to exceed $46.50, and signed a promissory note in favor of the defendants for $15.25. The defendants' agent gave him a written provisional receipt for his undertaking for $46.50, "being the premium for an insurance," etc. Held, that the application, undertaking, note, and receipt constituted a contract of fire insurance within the provisions of R.S.O., c. 167, which could be terminated only in the matter prescribed by the 19th of the conditions set forth in s. 114, that is, by notice. And as the only notice sent by the defendants did not reach the testator's post office until two days before the fire, and a seven days' notice is required when given by letter, the contract was still subsisting at the time of the fire.

IN TENNANT v. GALLOW, an insolvent debtor, for the purpose of defeating the plaintiff's claim against him, by voluntary deed conveyed the equity of redemption to certain lands to another creditor, who, as previously arranged with the grantor, sold the property to an innocent purchaser, and applied the proceeds in payment of all the encumbrances on the property, and all his own debts, and those of certain other creditors of the grantor, and of a commission to himself in respect to the sale, and paid over the final balance to the grantor. Held, that the plaintiffs had no right of action against the fraudulent grantee to recover any part of the purchase money.