

the plaintiffs, submitted that the agreements were liable to be set aside on the grounds of both champerty and unconscionable bargain.

R. Neville, Q.C., and *H. Terrell*, for the defendant, contended that this was not a case of champerty, because, the title being undisputed, it did not involve litigation. The case was merely one of selling information, on which the Court could not put a price, nor say that the price was unfair. Moreover, the defendant having given the information, the parties could not now be restored to their original position. They relied also upon delay.

ROMER, J., held that the agreement must be set aside, on the ground that the defendant had taken an unfair advantage of the women. As to delay, they had never understood their rights, and the defendant's position had not been altered by the delay. The plaintiffs were entitled to succeed also on the ground that the agreement was in the nature of champerty. It was not necessary in order to hold the agreement void on this ground that it should amount strictly to champerty as a punishable offence. On the evidence his lordship came to the conclusion that the real arrangement was not that the defendant should give information on the terms of getting a share of the property to be recovered by the women themselves, which would not have been void as champerty, but that it was agreed and understood that he should assist in recovering the property for them, and this arrangement was contrary to the policy of the law and void, and not the less so that no hostile proceedings were necessary. The plaintiffs having offered to allow such reasonable sum to the defendant for his services as the Court should think just, there would be an inquiry. The defendant must pay the costs of the action.

COURT OF APPEAL.

LONDON, 19 May, 1896.

Before LINDLEY, L.J., LOPES, L.J., KAY, L.J.

In re THE KINGSTON COTTON MILLS COMPANY (LIM.) (No. 2).

[31 L. J.]

Company—Winding-up—Misfeasance—Dividends paid out of capital—Auditors—Duties of—Manager's certificate as to value of stock—Reliance on.

This was an appeal by the former auditors of the company