STATUTE—CONSTRUCTION—"OWNER"—RECEIVER.

The short point in *Bacup* v. *Smith*, 44 Chy. D., 395, which Chitty, J. had to consider, was whether under The Public Health Act, 1875, a receiver was an "owner" within the meaning of the Act on whom a notice could be served by the urban authority, requiring him to level and make good the street on which the premises, of which he was receiver, fronted. This question he decided in the negative.

BUILDING SOCIETY—INVESTMENT—DIRECTORS, LIABILITIES OF, FOR LOSSES ON INVESTMENT.

Sheffield & South Yorkshire Permanent Building Society v. *Aizlewood* 44 Chy. D., 412, was an action brought by the liquidator of a building society against the directors of the society to make them responsible for losses occasioned by alleged improper investments. The case is reported at considerable length and involves numerous points which it is impossible here to refer to in detail, but the salient principle deducible from the case is that directors of a building society are not governed in sanctioning investments by the strict rules of law which regulate the duty of trustees, and unless the rules of the society expressly limit their power so to do, they may, in the exercise of the ordinary prudence of business men, invest on second mortgages, and having invested on a second mortgage they may also sanction further advances in order to protect the security, by redeeming the first mortgage, or by taking possession of, and working, the mortgaged property, and paying the rent to which it is subject; and that where an unauthorized security is included as a collateral security for a loan on a security which is authorized, the inclusion of the unauthorized security does not necessarily vitiate the loan altogether, but the propriety of the loan must be tested, as if no such unauthorized security had been included. But although the Court (Stirling, J.) came to this conclusion in favor of some of the defendants who appeared and defended the action, yet other defendants who made no defence were held liable because they had not denied the alleged impropriety of the investments in question.

COMPANY—ALLOTMENT OF SHARES—CONTRIBUTORY—DIRECTORS, APPOINTMENT OF.

In re Great Northern Salt & Chemical Works, 44 Chy. D., 472, was an application by a liquidator of a company in liquidation to settle one Colin Kennedy on the list of contributories. The application was resisted on the ground that there had been no valid appointment of directors, and therefore that there had been no allotment of shares, and that there was no evidence of any valid allotment. The case turns, to some extent, on the provisions of the English Companies Act, 1862. The points decided by Stirling, J. were, first,—that a memorandum signed by all the subscribers of the articles of association appointing directors was valid without their holding any meeting for the purpose. Second, that though the Act provides that, at the first ordinary meeting, the first named directors shall retire, yet where they did not retire, but a resolution was passed continuing them as directors, it was valid. Thirdly, that where four directors have resolved that two of them shall be a quorum, an allotment of shares made by