

that the value of a share before the allotment was £28 10s., and after the allotment was £21 10s. So that before the allotment the Bouch estate owned 600 shares worth £28 10s. each, equal to £17,100; and after the allotment it owned 800 shares worth £21 10s. each, equal to £17,200. This comparatively trifling difference of £100 between the old value and the new is scarcely worth considering. It might be accounted for by the fluctuation of the money market, by the introduction of fractions of shares where the number was not a multiple of 3 or from the fact that the exact figures were not considered necessary. However this may be it plainly appears that the value of the stock owned by the Bouch estate was practically the same before and after the new shares were created. I hardly need to add that the same principle would apply to all other shareholders unless they were *insane*, as Lord Watson says "no *sane* shareholder would have elected to take the dividend." In other words, no stockholder in his right mind would sell or dispose of to the company, or to any one else for £7 10s. a share, when he could get £21 10s. for that share by going around the corner and offering it to a money-broker. Now let us return to the history of the case, and it can be very briefly concluded. Stripped of all unnecessary verbiage it may be correctly stated thus. The company after having allotted the new shares (now worth £21 10s. per share, according to both Lord Herschell, page 391, and Lord Watson, page 404), offered to pay the shareholder £7 10s. per share therefor. That is to say, they would give him £7 10s. for £21 10s. The offer was more than absurd. It was ludicrous. When understood, no wonder Lord Watson said "no sane man would accept it," and I think one is justified in coming to the conclusion that no sane man did accept it, and unless there were lunatics in the Consett Co. not one shareholder accepted the flim-flam offer of one dollar for that which was worth a fraction less than three dollars. for that was what the offer of the company to its shareholders amounted to.

Let us follow the history of the case a little further. After this wonderful scheme was matured the registrar of the com-