

be utilized so freely as it has been by fraudulent persons for preying on an unsuspecting public. This case affords another instance of that objectionable perversion of a beneficial Act. A corporation was formed by two persons named Darby and Gyde consisting of only the seven signatories of its memorandum of association nominated by these two persons, and the object was to cloak their identity in carrying out their fraudulent schemes, and they were the sole directors and managers of the corporation. This corporation contracted to buy for £3,500 a license to work a quarry, and Darby and Gyde then promoted another company to acquire the license, and a contract was entered into by means of a trustee for the company with the corporation whereby the latter agreed to sell the license to the company for £10,500 in cash, £2,000 in debentures and £5,500 in fully paid-up shares of the purchasing company. Darby and Gyde then caused the company to be registered, the signatories to its memorandum of association being stool pigeons furnished by themselves. The company duly adopted the contract with the corporation and Darby and Gyde prepared prospectuses which were issued to the public and debentures of the company were then sold realizing £14,060 out of which £9,200 on account of the purchase money was paid to the "corporation" and found its way into the hands of Darby and Gyde. The company as might naturally be expected was ordered to be wound up—assets £160. Darby having also become bankrupt the liquidator claimed to prove against his estate for the secret profit made by him by means of the sale of the license to the company. The trustee rejected the claim, but Phillimore, J., held that the corporation was merely another name for Darby and Gyde, and that Darby's estate was liable to account to the company for the secret profit he had made, less the reasonable costs and expenses of promoting the company.

EXECUTION—SHERIFF—"SHERIFFS' COSTS OF EXECUTION"—COSTS OF INTERPLEADER PROCEEDINGS.

*In re Rogers* (1911) 1 K.B. 104. In this case a sheriff was entitled under the Bankruptcy Act to be paid "his costs of execution" and the question was whether his costs of certain interpleader proceedings which had arisen out of the seizure were "costs of execution" and Phillimore, J., held that they were.