

his executors were not in the nature of "advancements" on account of the son's share, but that as to these latter payments the executors were entitled either to claim repayment from the son on the ground that the testator was merely liable on the notes as surety for the sons, or were entitled to stand in the place of the vendor, whose debt they had paid, and that the executors were entitled to elect which of these two positions they would take. If they elected to stand upon the original contract of principal and surety, they would be entitled to retain the amounts paid on the notes out of the income of the share coming to the son; but if they elected to stand in the place of the vendor, they would have to proceed against the son's estate, which he had assigned for the benefit of creditors, and would be bound by the proof of the claim made by the vendor and the release which the vendor, along with his other creditors, had given the son. The share bequeathed by the testator to the son was to be held in trust to pay only the income to him for life, without power of anticipation, and after his death to hold the capital and income of his share in trust for his children, and the question arose whether the sum "advanced" by the testator could be deducted from the corpus or only from the income; and the learned judge held that the word "share" meant not the income of the fund given to the son, but the corpus of the share itself, and that the "advancement" must be deducted from the corpus.

JOINT STOCK COMPANY—WINDING UP—CONTRIBUTORY.

*In re Hall*, 37 Chy. D. 712, was an application to place the holders of certain shares in a joint stock company on the list of contributories, under the following circumstances: In October, 1881, the company was formed, as stated in the articles of association, for the purpose of buying the business of A. W. H. & Co., for *inter alia* a sum to be paid in fully paid up shares. One Neilson, who was A. W. H.'s solicitor, prepared the articles of association, and to some extent acted as solicitor for the company. The shares were duly allotted, and certificates for them were issued to A. W. H., stating that the full amount had been paid up thereon; but the contract, under which the shares were issued, was not registered as required by the Companies Act. A. W. H., being indebted to a lady, subsequently, to secure the indebtedness, transferred some of these shares to the trustees of her marriage settlement, one of these trustees being Neilson, who prepared the transfer, but according to the evidence Neilson did not know that the particular shares transferred were vendor's shares, and the other trustees relied on statements made by him, that the shares were fully paid up, the company was afterwards ordered to be wound up, and the present application was against the trustees of the settlement; and Stirling, J., held, following *Berkinshaw v. Nicolls*, 3 App. Cas. 1004, that as the certificates of the shares contained a statement by the company, that such shares were fully paid up, the onus of proving that the trustees had notice that they were not fully paid up lay on the liquidator, and that Neilson had not been guilty of gross and culpable negligence in omitting to enquire whether the shares in question were vendor's shares, or whether the contract had been duly registered, and consequently that the trustees were not liable for calls.