

financial point of view. The plaintiff, an English company, were the holders of the bonds of a railway company incorporated and carrying on business in the United States; the payment of the principal and interest was to be made in London and was secured by a trust deed to which the defendants, an English company, were parties, and where by the defendants guaranteed the payment of the said principal and interest, and it was by the agreement provided that the contract was to be construed according to English law. The railway company in making a half-yearly payment of interest claimed to deduct therefrom an income tax which had been imposed in the United States on all income derived by foreign corporations from interest on bonds of corporations resident in the United States. Sankey, J., who tried the action, held that there was no English statute which allowed payment of income tax to a foreign country to be considered as a discharge of an English contract, and that at common law a contract made in this country was not governed by the law of any other country; and that there could not be read into the contract in question any implied agreement by the plaintiffs that the United States Income Tax Act should be enforceable against them in England; it therefore followed that neither the railway company nor the defendant company were entitled to deduct the United States income tax from the interest agreed to be paid upon the bonds.

BILL OF EXCHANGE—PARTNERSHIP—DISSOLUTION OF PARTNERSHIP—DISHONOUR—NOTICE TO CONTINUING PARTNER—RETIRING PARTNER HOW FAR BOUND—GIVING TIME TO CONTINUING PARTNER BY TAKING NEW BILL—DISCHARGE OF RETIRING PARTNER—BILLS OF EXCHANGE ACT 1882 (45-46 VICT. c. 61) S. 49 (11)—(R.S.C. c. 119, s. 97).

*Goldfarb v. Bartlett* (1920) 1 K.B. 639. This was an action on a bill of exchange and the questions arose whether the defendant had been properly notified of the dishonour of the bill; and whether or not he had been discharged by time being given to his co-indorsee. The bill in question was drawn by a partnership firm consisting of two partners, Bartlett and Kremer, upon and accepted by a French company and indorsed to the plaintiffs and was dated 11 August, 1913. On Aug. 27, 1913, the partnership was dissolved. Bartlett, to whom the assets belonged, continued the business in the old firm name and undertook to indemnify Kremer against the liabilities of the firm. Notice of the fact of the dissolution and that Bartlett would discharge the liabilities was given