

creditor guaranteed an overdraft to the extent of £1,000 at the debtor's bank. There were no profits and all the money having been lost in September, 1903, the creditor guaranteed a further overdraft of £500 in order to enable the debtor to pay bets to that amount which he had lost. In 1906 the creditor paid the bank £1,633 under his guarantees and recovered judgment against the debtor, in default of defence, for £3,000, and it was in respect of this debt the petition was presented. The registrar dismissed the petition on the ground that there was no valid debt to support it, having regard to the gaming Acts, but the Court of Appeal (Cozens-Hardy, M.R., and Farwell and Kennedy, L.J.J.) held that as to the guarantee of £500 the transaction was not invalid, the debt arising out of the loan for the purpose of enabling the debtor to pay a bet which he had lost not being for an illegal consideration; and as to the balance of the guaranty of £1,633 the court held that inasmuch as the guaranty was given in 1903 and not paid until 1906 and in the meantime the bank account had been current, that having regard to the rule in *Clayton's case*, 1 Mer. 385, the original transaction, even if tainted with vice under the gaming Acts, must be taken to have been wiped out by subsequent payments, and, therefore, no question could arise with regard to it.

**BANK—ACCOUNT OPENED BY PRINCIPAL IN NAME OF AGENT—REVO-  
CATION OF AGENT'S AUTHORITY—RIGHT OF PRINCIPAL TO UN-  
DRAWN BALANCE OF ACCOUNT OPENED IN AGENT'S NAME.**

*Société Coloniale Anversoise v. London and Brazilian Bank* (1911) 2 K.B. 1024. In this case the facts were that the plaintiffs had opened an account in the defendants' bank in the name of their agent and gave the agent authority to draw on it. Subsequently they revoked the agent's authority and claimed the undrawn balance; but on the agent's objecting to the money being paid to the plaintiffs the defendants declined to pay it to them. Scrutton, J., however, held that the plaintiffs were entitled to the money and gave judgment in their favour therefor; but on the case being subsequently carried to the Court of Appeal, the case went off on another point, viz., that on the instructions given by the plaintiffs to the defendants they were not justified in opening the account in the agent's name, and that the plaintiffs were entitled to succeed on the ground that it ought to have been opened in the plaintiffs' own name. The Court of Appeal (Williams, Buckley and Kennedy, L.J.J.) therefore expressed no opinion on the point decided by Scrutton, J.