Mexico. By the trust deed notice of a meeting of debenture-holders had to be given "at least fourteen days before the date at which the meeting was to be held." Notice was given by newspaper advertisement on September 23 for a meeting on October 8, and there are fourteen clear days between these dates. It was, however, contended that notice by advertisement was not sufficient, and that if it was sufficient "the notice, though advertised on September 23, ought not to be held to have been given on that day, as it probably could not, or would not, reach the debenture-holders for some time afterwards." Some support was given to these arguments by the fact that three days before the meeting circulars were sent out to all debenture-holders whose addresses were known. The Court of Appeal rejected both contentions. They held that notice by advertisement was the ordinary course of business in such cases. They held, also, that the rule that notice is not good until it is received was inapplicable in the circumstances; otherwise, as the debenture-holders might be scattered all over the world, it would be impracticable to fix beforehand when any meeting could be held, and the limit of fourteen days would be rendered nugatory.

QUEEN'S BENCH DIVISION.

LONDON, Nov. 5, 1890.

CHITTY et al. v. BOORMAN et al. (26 L. J. N. C. 26.)

Partnership—Transfer of Business—Payment of Annual Sum out of Profits to Transferor—Liability of Transferor for Debts of Firm.

Appeal from the Tunbridge Wells County Court.

The facts were shortly these: The defendant, Robert Boorman, was the owner of a business at Tunbridge Wells. Being desirous of relieving himself of the management of it, he entered into a deed with his two sons, by which he transferred the business to them, and the sons agreed to carry it on and to pay their father a sum of £100 a year out of the profits. There was no evidence that the sons gave any consideration for the transfer, and there was no assignment of the stock-in-trade. The business was to be carried on under the name of 'Boorman Brothers.' The defendant, Robert Boorman, was at all times to have access to the books, etc., and if at any time he was not satisfied with the way in which the business was carried on he was to be at liberty to retake possession of it. The sons carried on the business for several years under the deed, and during that time ordered goods of the plaintiff and others for the purposes of the business. The defendant, Robert Boorman, not being satisfied with the way in which the business was carried on, retook possession of it under the provisions of the deed. The plaintiffs thereupon brought an action for the price of the goods they had supplied to the firm, claiming to make him liable as a partner. The County Court judge held that no partnership existed. The plaintiffs appealed.

Henn Collins, Q.C., and *Gore*, for the plaintiffs, argued that the father continued the real owner of the business, or, at least a partner in it, and that he was, therefore, liable.

Clarke Williams, for the defendant, contended that the business had, by the deed, been absolutely transferred to the sons of Robert Boorman, and that he thereupon ceased to be a partner.

HAWKINS, J., was of opinion that the appeal must be allowed, and judgment entered for the plaintiffs. The sons paid no consideration for the transfer of the business, and it was merely passed over to them in order that they might carry it on, the father retaining a right to a share of the profits. No property really passed by the deed from the father to the sons. The clause by which the father was at all times to have access to the books, accounts, etc., was utterly opposed to the view that the business had been absolutely handed over to the sons. Moreover, the provision giving the father the power to retake possession of the business would deprive the creditors of the firm of all security unless he were held to be a partner. The arrangement clearly constituted a partnership, and the father was, therefore, liable.

STEPHEN, J., was of the same opinion.