

fund, his stock benefited; but there was no market for it. He could not sell because his purchaser would be in the same position as himself, nor could he exercise the slightest control over the way in which his money was being used.

In noting the results on Company law of these three cases it may be said that the Salomon case recognizes the absolute detachment of the corporation from the character, aims and ideas of the incorporators. The Beatty case shows the controlling influence of the shareholders' vote. The Burland case emphasizes the complete power of the directors, between the shareholders' meetings, to deal with the company's affairs, and the helpless position of minority shareholders in a company where the capital is closely held, and where the directors and majority shareholders are the same people.

FRANK HODGINS.

PAYMENT BY CHEQUE.

A correspondent obligingly points out that the Court of Appeal in *Mason v. Johnston*, 20 Ont. App. 412, has decided that where a cheque for less than the amount claimed by a creditor is sent to him by his debtor and made payable to order, and it is expressly stated in the cheque itself to be "in full of amount due," the creditor may, nevertheless, retain and cash the cheque without being estopped from showing that he accepted it only as part payment.

We may observe, however, that although the Court of Appeal was of the opinion that the case was governed by *Day v. McLea*, 22 Q.B.D. 610, yet there was a distinction between the two cases. In *Day v. McLea* the cheque was not on its face expressed to be in full of all demands. The statement that it was sent in settlement was contained in a collateral document to which the creditors had not made themselves parties. MacLennan, J. A., it is true, says "the indorsement on the draft had no more effect than what was stated in the letter, that it was to be taken in full." But with great respect to the learned judge, it appears to us that a creditor who indorses a document stating that a sum of money therein mentioned is to be paid in full of all demands, commits himself to that statement in a way which he would not do if he merely received a letter from his debtor saying the draft or cheque was sent in full of all demands. In the latter case he may be well