

debentures issued to him for the amount of the note. The whole of the second series of debentures had not been issued, and the amount remaining unissued was sufficient to answer the plaintiff's claim. The business of the company having been sold and the proceeds being in court for distribution, the plaintiff claimed to rank as the holder of a debenture of the second series for the amount of his note. This claim was disallowed by the Master, but North, J., on appeal held that there had been no waiver on the plaintiff's part of the right to call for the issue of debentures, and that he was entitled to rank on the proceeds as if the debenture had been actually issued to him.

INTERNATIONAL LAW—ACTION BY FOREIGN SOVEREIGN—JURISDICTION.

South African Republic v. La Compagnie Franco Belge, etc. (1898) 1 Ch. 190, was an action brought by a foreign state against the defendants to restrain them dealing with, and for the appointment of a new trustee of funds lodged in England in the name of a trustee for the plaintiffs and of a trustee for the defendants who held a concession from the plaintiffs for the construction of a railway in their territory. The defendants counter-claimed for damages in respect of alleged breaches of the terms of the concession, and the plaintiffs thereupon moved to strike out the counter-claim on the ground that the plaintiffs being a sovereign state could not be sued in England in respect of the subject matter of the counter-claim, and also on the ground that the counter-claim was unconnected with the plaintiffs' claim. North, J., considered the application was well founded on both grounds and struck out the counter-claim. A foreign state which sues as plaintiff in an English Court is liable to make discovery, and must also submit to the Court adjudicating on any cross claim against it, in mitigation of the relief which it claims in the action, but as regards any other cross claims, it does not by becoming a plaintiff give the Court any jurisdiction to entertain them, which it would not have if it were a defendant.