ASSESSMENT OF CORPORATIONS—See Taxation 1.

ATTORNEY AND CLIENT—

SEE ALSO EVIDENCE, PRIVILEGED COMMUNICATIONS.

CONTRACT.

Where the president of a corporation, who is authorized to make contracts for it, employs attorneys to render services in an action to which he is a party, and in which the corporation is also interested, and the interests of both are fully disclosed to such attorneys, and nothing is said as to who is to be liable for such services both the president and the corporation are liable. *Humes* v. *Decatur Land Improvement & Furnace Co.*, Ala. 13 South. Rep. 368.

BAGGAGE — See Carriers of Passengers 3.

BANKS AND BANKING.

1. COLLECTIONS—INSOLVENCY.

Where a bank sends commercial paper to another bank for collection and credit on general account, the custom between them being to enter the credit only when the paper is collected, the relation between the banks is that of principal and agent until the collection is made and the money received by the second bank; and if the latter sends it to another bank, which collects the paper, but does not remit the proceeds until after the agent bank has failed, the principal can recover the proceeds from the receiver thereof. *Beal* v. *National Exchange Bank of Dallas*, U. S. C. C. of App., 55 Fed. Rep. 894.

2. DRAFTS—ASSIGNMENT.

A draft given on a bank in the ordinary course of business does not constitute an equitable assignment of the fund; nor is it sufficient to constitute such an assignment that the draft is drawn by a bank against its reserve fund in another city, and is given in exchange for clearing-house certificates, upon the president's representation that it owes a heavy debt at the clearing house, which it is unable to meet, and his statement showing the amount of the reserve fund against which the draft is drawn. *Fourth Street Nat. Bank* v. *Yardley*, U. S. C. C. (Penn.), 55 Fed. Rep. 850.

3. POWERS OF OFFICERS.

The cashier of a banking corporation has, by virtue of his office, no authority to accept in payment and discharge of a debt due the bank certificates of the capital stock of an insurance company. *Bank of Commerce* v. *Hart*, Neb., 55 N. W. Rep. 631.

4. CONTRACT BY OFFICERS—ULTRA VIRES.

Where a bank receives property from a debtor worth $7,000 to pay his claim of $2,000, under an agreement by its officers out of the surplus to pay other creditors of the debtor, it cannot set up the defense of *ultra vires* in an action by a creditor to recover his share of the surplus. *Tootle* v. *First Nat. Bank of Port Angeles*, Wash., 33 Pac. Rep. 345.

5. LOANS—FRAUD OF OFFICER.

The vice-president of the Fidelity National Bank wrote a letter to the Chemical National Bank, signed by himself as vice-president, requesting a loan upon a certain certificate of deposit, and certain bills receivable, as collateral. The Chemical Bank made the loan, crediting the Fidelity Bank with the amount, and so notified the cashier. The amount was thereupon placed to the vice-president's credit by his order, and was used by him so that the bank received no benefit therefrom. The certificate of deposit was false, and the notes deposited as collateral were obtained by him for the purpose of raising money for his personal use.

Held, that, as the Chemical Bank dealt with him solely in his official capacity, the Fidelity Bank is estopped to deny that the loan was made to it, and for its benefit, and it is liable for its repayment. *Stewart* v. *Armstrong*, U. S. C. C. (Ohio), 56 Fed. Rep. 167.

6. TITLE—TRANSFERANCE OF—INDORSEMENT FOR COLLECTION.

An indorsement of a draft to a bank "for collection," accompanied by a credit of the amount of the draft upon