

DIGEST OF ENGLISH LAW REPORTS.

that the plea was sustained.—*Hooper v. Keay*, 1 Q. B. D. 178.

ASSIGNMENT.—See **BANKRUPTCY**, 3, 7, 8 ;
EJECTMENT ; VOLUNTARY SETTLEMENT.

BANK.

A company was incorporated, and a prospectus issued soliciting persons to become shareholders, and deposit £1 per share, the N. Bank being described as the bank of the company. The result of the prospectus was, that £4,000 were paid into the N. Bank. The bank received a note from W., a member of the company, who signed it as secretary, enclosing a copy of a resolution alleged to have been passed by the company. The resolution was, "that the N. Bank be requested to pay all checks signed by either of the two of the following directors, A., B., and C., and countersigned by the secretary." The signatures of A., B., and C., corporators of the company, were attached to the resolution. The bank accordingly, in good faith, paid out the £4,000 on checks received from time to time, and signed as aforesaid. It subsequently appeared that there had been no meeting of shareholders, and that no directors or secretary had ever been appointed ; but that A., B., C., and W. had attended at the company's office, and had acted as directors and secretary of the company. The company went into liquidation. *Held*, that the £4,000 could not be recovered from the company by the official liquidator.—*Mahony v. East Holford Mining Co.*, L. R. 7 H. L. 869.

BANKRUPTCY.

1. Certain traders being in contemplation of bankruptcy, and wishing to raise money, instructed S. to draw bills on them, which they accepted. S. then sold the bills, amounting to £1,700, to one Jones for £200. Jones knew that the acceptors would be unable to pay in full ; but he learned that the acceptors had assets, and that there was a fair chance of his obtaining payment of part. Three days after Jones purchased the bills, the traders became bankrupt. *Held*, that, under the circumstances, Jones must be held to have had knowledge of the fraudulent nature of the bills, and that he could prove for £200 only.—*In re Gomersall*, 1 Ch. D. 137.

2. A debtor executed a bill of sale to a creditor of substantially the whole of his property, not including his book debts. The creditor at the same time agreed verbally to supply more goods on credit to the debtor, to enable him to carry on his business ; and subsequently the creditor, in fact, supplied the goods. *Held*, that the bill of sale did not constitute an act of bankruptcy.—*Ex parte Winder*. *In re Winstanley*, 1 Ch. D. 290.

3. One of two partners in trade assigned all his assets to his separate creditor, and gave him a power of attorney to assign all his personal property to which he should become entitled before the debt was paid. There was a proviso avoiding the assignment in case the

debtor should pay his debt on demand when the creditor should so require in writing, and should in the mean time, until payment of the debt, pay interest thereon half-yearly, and also a proportionate part thereof to the expiration of said notice, when the same should be given ; and, in case default should be made in payment of the debt as aforesaid, the debtor was authorized to take possession of and sell the assigned property. The partnership was insolvent at the time of the assignment. *Held*, that the assignment was an act of bankruptcy. It seems that the debtor was not entitled to make a demand of payment, and, in case of default, take possession the same day.—*Ex parte Travor*. *In re Burghard*, 1 Ch. D. 297.

4. A husband, and his wife who was under age, executed a deed of the wife's real estate ; but the wife did not acknowledge the deed. The husband kept the purchase-money. On attaining majority, the wife refused to confirm the conveyance, unless the husband should give a bill of sale of his furniture to secure payment of £425 to a trustee for her benefit. This arrangement was carried out, and a fork was given to the trustee in the name of the whole of the furniture, and the keys of the dwelling-house containing the furniture. The furniture remained in said house, which was occupied by the husband and wife. The husband became bankrupt, and his trustee claimed the furniture. *Held*, that the wife's trustee was entitled to the furniture.—*Ex parte Cox*. *In re Reed*, 1 Ch. D. 302.

5. Property acquired by a bankrupt after the bankruptcy has been closed, and before the bankrupt's discharge, does not belong to the trustee in bankruptcy.—*In re Pettit's Estate*, 1 Ch. D. 478.

6. Creditors of a debtor who had filed a liquidation petition agreed to accept a composition, payable in three instalments guaranteed by R. R. had previously refused to guarantee payment, unless the debtor gave him security. The debtor gave R. the security ; R. guaranteed payment of the instalments ; the debtor accepted the composition. The first instalment was paid ; but the debtor could not pay the second, and filed a second liquidation petition ; and R. paid the third instalment. R.'s arrangement with the debtor was not known to the creditors. The debtor's trustee under the second liquidation claimed the security given to R. *Held*, that R. was entitled to retain his security.—*Ex parte Burrell*. *In re Robinson*, 1 Ch. D. 537.

7. A debtor, under threat of legal proceedings if he did not pay his debt, wrote to his creditor, "In consideration of your delaying legal proceedings, I hereby transfer to you 500 tons of coals which are on my wharf, the proceeds of which coals shall be handed to you till my debt to you is liquidated." This letter was immediately registered as required by the Bills of Sale Act. The next day the debtor filed a liquidation petition. The day after this, the creditor sent a man, who took