ENGLISH CASES

EDITORIAL REVIEW OF CURRENT ENGLISH DECISIONS.

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GOMPANY—DIRECTOR—FORFEITURE OF OFFICE—CONTINUING TO ACT AFTER FORFEITURE—FEES PAID TO DIRECTOR AFTER OFFICE FORFEITED—MONEY PAID BY MISTAKE—REPAYMENT OF FEES—LIEN—QUANTUM MERUIT.

In re Bodega Co. (1904) 1 Ch. 276. In this case a director of a joint stock company under the articles of association forfeited his office if he became interested in any contract with the company. Wolseley, one of the directors of the company, on 24th December. 1900, became secretly interested in such a contract. He continued to act as director and received fees for so acting, and in July, 1901, received £400 as special remuneration for his services as director. He continued interested in the contract till the end of June, 1901. At the general meetings in July, 1901, and 1902, he retired and was re-elected to the board. In February, 1003, his secret interest in the contract of 1900 was first discovered. He then ceased to act as director and sold his shares, and the company refused to register the transfer, claiming a lien on the shares for the fees paid him, including the special remuneration for services when he was not in fact a director. Farwell, J., held that Wolseley automatically vacated his office on becoming interested in the contract, but his disqualification ceased when his interest in the contract came to an end, and that his re-elections in July 1901, 1902, were valid. He also held that the defendant was not entitled to any quantum meruit for his services as director between 24th December, 1900, and July 8th, 1901, but that the company were entitled to all fees paid him during that period as being moneys paid under mistake of fact, and was entitled to the lien they claimed on his shares for the amount so due from him.

PRACTICE—Administration — Neglect to render accounts—Costs of taking account,

In re Skinner, Cooper v. Skinner (1904) I Ch. 289. Farwell, J., held that where trustees neglect and refuse to give a proper account without suit they may be ordered to pay the costs of proceedings by way of originating summons to compel them to