

DIGEST OF ENGLISH LAW REPORTS.

his deposit. His letter was received the next day, on which day the shares were registered. He shortly after wrote again to the same effect. Notices of a call and of a dividend were sent to A., but not noticed by him; and in October, 1867, legal proceedings were threatened in default of his payment of arrears. *Held*, that the allotment not having been made for four months after A.'s application, A. was entitled to a *locus penitentie*, and had a right to repudiate the shares on the 7th of February.—*In re Boulton, Baily & Co., Baily's case*, Law Rep., 5 Eq. 428.

2. A company, having a line built and at work, began an extension line, the capital to be raised as portions of the general capital, by the creation of new shares, the holders of which were not to have more than six per cent. for the first three years. The directors charged to capital one-half the office expenses, and interest upon debentures for the extension line, and made a dividend to extension shareholders from interest paid by the contractors in respect of the same being unfinished. A dividend on the old stock was declared on this basis. An interlocutory injunction was granted by Wood, V.C., on the application of one who had bought extension stock for the purpose of filing his bill, on the ground that the above charges were wrong. On appeal, Lord Chelmsford, L.C., continued the injunction until final hearing, on the ground that the questions were of importance and doubt, and, if the dividend were paid, it would not be recovered, which would be an irreparable injury to the extension stockholders. But as the balance carried over to the next half year on the revenue account was much larger than the charge for office expenses, even if it was wrong, it was not a ground for the injunction. *Semble*, that if the extension line had been a separate undertaking, not as yet yielding income, the interest of a debt incurred to construct it should have been charged on the capital; but it being part of a general undertaking, yielding profit as a whole, *quare*, whether such debt should be charged to capital or not. The dividend extension shareholders' was right; unless, as charged in the bill, the amount was to be refunded to the contractors by the company. If the directors were acting *ultra vires*, it could not be set up that these were matters of internal management, which the court would not disturb. The plaintiff having a real interest, and the suit being *bona fide* his own, he could maintain his bill in spite of his mode of introduction to the company; so, also, in spite of

these charges having been acquiesced in by former holders of the stock purchased by him.—*Bloxam v. Metropolitan Railway Co.*, Law Rep. 3 Ch. 337.

3. A railway company, with an act limiting the time of its power for the compulsory purchase of land to four years, and allowing five years for completing the line, after which the powers granted to it were suspended as to any uncompleted portion, served a notice to treat within four years on land-owners, whose claim for compensation was not assented to. Nothing further was done till the five years had expired, when the company claimed to proceed under the notice. On a bill for an injunction by the land-owners, *held*, that the company could not so proceed. The notice did not of itself create a contract, and only operated for a reasonable time, which was within the time allowed to finish the line.—*Richmond v. North London Railway Co.*, Law Rep. 5 Eq. 352.

4. The defendant company, by the Railways Clauses Act, 1845, § 16, were empowered to divert ways, subject to the Lands Clauses Act. Section 84 of the latter prohibits entry upon lands to be permanently used for the purposes of the act, until the same had been paid for. *Held*, that the former section did not authorize the company to divert a public footpath on to land of which the company had not obtained the ownership. (Per Lord Cairns, L.J.) A highway is not an easement, but the dedication to the public of the occupation of the surface of the land for the purpose of passing and repassing; the public generally assuming the obligation of repairing it. This is a permanent user of the land, within sec. 84.—*Rangeley v. Midland Railway Co.*, Law Rep. 3 Ch. 306.

See ATTACHMENT, 2; BANKRUPTCY, 2; CONTRIBUTORY; DEBENTURE; EXECUTION; NEGLIGENCE, 2; RENT CHARGE; ULTRA VIRES; WINDING UP.

CONDITION—See CANADA; PATENT, 2.

CONFLICT OF LAWS.

1. After an English marriage between two English persons, obtained by the fraud of the husband and never consummated, the husband committed adultery. Some years later he went to Scotland, to found a jurisdiction against himself, for which he was to receive a sum; to be forfeited, however, in case he gave any information which should be prejudicial to a divorce. After a residence of forty days, a divorce *a vinculo* was obtained against him, and a marriage was thereupon duly celebrated between the wife and an Eng-