

ence to our previous note it will be seen that the point in that report was simply whether a company is liable in damages to the holder of a certificate of shares as security for a loan, for registering a transfer of such shares without requiring the production of the certificate, which bore on its face a note that no registration of the shares referred to therein would be made by the company without production of the certificate. But another branch of the plaintiff's case was, that the plaintiff claimed to be entitled to recover from the company £90 which it had received for the proceeds of the shares in question, and on this branch the Court of Appeal held that the plaintiff was entitled to succeed. The facts connected with this branch of the case were that Casmey, the holder of the shares, had, after depositing the share certificate with the plaintiff as security for a loan, applied to one of the directors of the company, in whose service he was, for an advance to relieve him from financial difficulties. He signed a declaration that the share certificate was in the hands of a friend, but not as a security for any loan; but he at the same time gave another memorandum to one of the agents of the company, sent to negotiate with him about the proposed advance, that the certificate was held by the friend as security for a loan. This latter information was withheld from the board of directors, who sanctioned the proposed advance of £180 to Casmey to be repaid by a sale of the shares in question for £90, and the balance by deductions from Casmey's salary. The sale of the shares was accordingly effected, and the proceeds, £90, paid over to the company. This the Court of Appeal now hold the plaintiff was entitled to recover from the company, on the ground that the facts established that the company was affected with notice of the plaintiff's charge on the shares. It was contended on behalf of the company that the loan to Casmey was ultra vires of the company; but the articles of the company empowered the directors "to lend money" and generally to undertake such other financial operations as might in their opinion be useful to the general business of the company, and this was held to justify the loan to Casmey, who was regarded as a faithful and confidential servant of the company. It thus became unnecessary for the Court of Appeal to deal with the important question as to the legal effect of the note on the share certificate, above referred to.

ANCIENT LIGHTS — SUBSTANTIAL OBSTRUCTION — DAMAGES —
INJUNCTION.

In *Higgins v. Betts* (1905) 2 Ch. 210 the effect of the decision of the House of Lords in *Colls v. Home & Colonial Stores* (1904) A.C. 179 (noted ante, vol. 40, p. 502) was again under consideration, this time by Farwell, J. The action was brought to restrain