

affirmed the rule, that if a person employs another to do certain work for him as his agent with other persons, and does not choose to inquire what the amount is, he must know the ordinary amount which agents are in the habit of charging. There a shipowner, who for ten years had employed a firm to effect insurances on his ships, and from time to time had settled accounts without inquiring as to the custom, was held not to be entitled to call upon the firm for an account of deductions made to the firm, viz.: 5 per cent. brokerage, and 10 per cent. discount for cash, payments which had been allowed by the underwriters on each transaction.

A solicitor had been originally employed by H. to take proceedings in respect of certain shares in a company of which he was a director. In consequence of those proceedings the solicitor obtained certain checks from the liquidator of the company in exchange for shares. H. had deposited the certificates with the solicitor as a security for costs, none of which had been paid, and subsequently transferred his shares, with notice of the solicitor's lien, to the plaintiffs. The retainer was continued by the plaintiffs, who now claimed the checks free from any lien for charges due from H. The court held that the solicitor was entitled to a lien upon them for his costs of all proceedings against the company in respect of the shares: *The General Share Trust Company v. Chapman*, 1 C. P. Div., 771.

Articles of association state the arrangement between the members; they are an agreement *inter socios*, and do not constitute a contract between the company and third parties. Hence, when articles contained a clause in which it was stated that the plaintiff should be solicitor to the company, and should transact all the legal business of the company, and should not be removed from his office except for misconduct, it was held that the plaintiff could not bring an action against the company for breach of contract in not employing him as solicitor: *Eley v. The Positive &c. Assurance Company*, 1 Ex. Div., 20, 88. In the Court of Appeal, Lord Cairns reserved his judgment as to whether such a clause is obnoxious to the principles by which the court are governed in deciding on questions of public policy, but observed that it was a grave question whether

such a contract is one that the courts would enforce. It is probable, too, that the contract alleged by the plaintiff did not satisfy the Statute of Frauds. A question of some novelty was raised in *Hingston v. Wendt*, 1 Q. B. Div., 367, which was decided in 1876, viz.: whether a ship captain and his agent, who made an extraordinary expenditure for the purpose of saving a cargo, and which did save the cargo, had a right to detain the whole of the cargo, if it belonged to one owner, till the whole was paid or secured; or, if the cargo belonged to several owners, to detain each part of the goods so saved till the contribution in respect of that part was paid or secured. The court answered this question in the affirmative, although the charges were incurred without express authority from the owner.

An indorsement of a check, *per procuration*, or as agent, is an endorsement purporting to be by the payee within 16 & 17 Vict., c. 59, s. 19, so as to protect the banker paying it, though the person making the endorsement has no authority to endorse: *Charles v. Blackwell*, 2 C. P. Div., 151; 46 L. J., 368, C. P.

The agent of a foreign government is not liable as such to any action, nor will a plaintiff be allowed to sue a foreign government indirectly by making its agents in this country defendants, and alleging that they have money of the government which they ought to apply in satisfaction of the plaintiff's claim: *Twycross v. Dreyfus*, 5 Ch. Div., 605; 46 L. J., 510, Ch.; 36 L. T. Rep., N. S., 752.

Where a solicitor employed by the trustee for sale of an estate, his duty being to receive the purchase moneys and pay them into the trustee's banking account, received large sums and died insolvent, having paid such sums into his private account, and his banking account at his death showed a large credit, principally made up of specific sums which corresponded with receipts by him on account of sales of the trust estate, the Court of Appeal held that those specific sums would be followed by the trustee, and there could not be a set-off alleged in respect of sums alleged to have been paid such solicitor on account of the trust estate.

The promoters of a company, who make representations in a prospectus, and invite the confidence of the persons to whom it is addressed, contract fiduciary relations with such per-