

entitled to proceed against the separate estate of a deceased partner until the assets of the firm had been exhausted or its insolvency established. Romer, J., however, held that this constituted no defence in law, and was mere matter of procedure, that the ultimate rights of the plaintiffs in the deceased partner's estate were the same in Spain as in England, and therefore that the plaintiffs were entitled to have the estate of the deceased partner administered as prayed.

COMPANY—PRINCIPAL AND AGENT—FRAUD OF AGENT—DEBENTURE STOCK CERTIFICATE—PURCHASER FOR VALUE—NOTICE—MORTGAGEE—ESTOPPEL.

In *Robinson v. Montgomeryshire Brewery Co.*, (1896) 2 Ch. 841, the question at issue was the right of a mortgagee to prove a claim against a company for a debt which was contracted under the following circumstances. The company, being desirous of borrowing £3,000, applied to a firm of brokers to procure the advance on the security of debenture stock of the company to the amount of £8,000: the brokers thereupon applied to one Gillies for a loan of £6,000, which he agreed to make on a proper certificate for the stock being lodged with his banker. The brokers having communicated with the company that they could obtain the required advance, the company then authorized the issue of a certificate certifying that Gillies was the registered owner of £8,000 debenture stock of the company, and deposited it with a banker for Gillies. Gillies had no communication with the company, and had no notice of any fraud by the brokers, and advanced the brokers £6,000 in good faith. The brokers only paid to the company £3,000, and concealed the fact that they had exceeded their authority by raising a further sum of £3,000. The company having been ordered to be wound up, Gillies claimed to prove as a creditor in respect of the £8,000 stock, and to receive dividends on his claim until the £6,000 advance should be fully satisfied; on the part of the other debenture holders it was claimed that Gillies was not entitled to prove for more than £3,000, and that it was his duty to have seen that the whole £6,000 advanced by him was paid to the company, and that even if the company were