HYPOTHECATION. (Fr. *Contrat hypothécaire*, Ger. *Verpfändung*, Sp. *Contrato hipotecario*, It. *Contratto ipotecario.*)

This is the act by which property is hypothecated, that is, pledged or mortgaged.

I. This letter occurs in the following abbreviations:—

Ib., Ibidem—in the same place.
Id., Idem—the same.
Inst., Instant—of the present month.
Int., Interest.
Inv., Invoice.

IMPERSONAL ACCOUNTS. (Fr. *Comptes fictifs (simulés)*, Ger. *Sachkontos*, Sp. *Cuentas ficticias*, It. *Conti fittizi o simulati.*)

In book-keeping, these are the accounts which deal with things and not with persons, as charges account, cash account, goods account, etc. They are often known as nominal accounts.

IMPORT LIST. (Fr. *Liste des importations*, Ger. *Einfuhrliste*, Sp. *Lista de importaciones*, It. *Lista d'importazioni.*)

The import list is an alphabetical table of imported articles, classified and arranged for statistical purposes.

IMPORTATION. (Fr. *Importation, Entrée*, Ger. *Einfuhr, Import*, Sp. *Importación*, It. *Importazione.*)

This is the act of bringing goods into one country from another.

IMPORTERS. (Fr. *Importateurs*, Ger. *Importeure*, Sp. *Importadores*, It. *Importatori.*)

Importers are the persons who are engaged in the importation of goods.

IMPORTS. (Fr. *Importations*, Ger. *Einfuhrwaren*, Sp. *Importaciones*, It. *Importazioni, merci importate.*)

These are the goods brought from a foreign country in the way of commerce.

The United Kingdom is largely dependent upon other countries, not only for food, but for raw materials and natural products for the purpose of manufacture and re-exportation. The names, nature and the places of production of the principal animal, mineral, and vegetable articles of commerce are given under *Commercial Products.*

IMPOSTS. (Fr. *Impôts*, Ger. *Auflage, Steuern*, Sp. *Derechos de importación*, It. *Imposte, tasse.*)

Imposts are taxes, especially those levied on imports.

IN BALLAST. (Fr. *Sur lest*, Ger. *ohne Ladung*, Sp. *En lastre*, It. *In zavorra.*)

When a vessel leaves a port without cargo she is said to be in ballast, as she carries some kind of weight—gravel, sand, etc.—to give her stability.

IN BOND. (Fr. *En dépôt*, Ger. *unter Zollverschluss, in Depot*, Sp. *En depósito*, It. *In deposito.*)

Instead of paying duty at the time of importation, importers often defer it until the goods are actually required. During this period the Government stores them, and this is called keeping them in bond.

IN FORMA PAUPERIS. By certain rules of the High Court, which were first promulgated in 1914, any person who can satisfy the court that he or she is not possessed of means exceeding £50 (or in some cases £100) besides the cause of action in question, may receive legal aid free of charge for the conduct of any litigious matter, provided that the court is satisfied that there is a *primâ facie* cause of action. In London, application must be made at the Law Courts, Strand, W.C., and in the provinces at the office of the nearest District Registrar. In order to safeguard the advantages to be derived from this species of assistance, there are stringent inquiries made and many preliminaries to be observed. It is unnecessary, however, to enter into details as to the procedure. This can only be learned in its entirety when the officials have been approached with an applicant's concrete case.

INCH. (Fr. *Pouce*, 2½ *centimètres*, Ger. *Zoll*, Sp. *Pulgada*, It. *Pollice, metri* ·025.)

This is a linear measure, the twelfth part of a foot, and equal in length to three barleycorns.

INCOME. (Fr. *Revenu*, Ger. *Einkommen*, Sp. *Renta*, It. *Rendita, entrata.*)

Income is the gain, profit, interest, or revenue arising from a business or other source.

INCOME TAX. (Fr. *Impôt sur le revenu*, Ger. *Einkommensteuer*, Sp. *Impuesta sobre la renta*, It. *Imposta sulla rendita.*)

This is a tax in the form of a poundage levied upon incomes arising from property, professions, trades, offices, etc. It was first imposed, in its modern form, in 1799. It was looked upon as essentially a war tax, and between 1816 and 1842 it was abolished with the exception of a single year. In the last named year it was revived, and although various propositions have been made for its discontinuance, notably on the dissolution of Parliament in 1874, it was declared in 1907 to be a permanent tax. After the outbreak of the Great War in 1914 it gradually rose to unimagined

heights, and it is impossible to estimate what its rate will be even for a year. For this reason it would be useless to give figures which might be out of date almost immediately. Let it suffice to say that incomes are taxed on a graduated scale, that a distinction is made between earned and unearned incomes, and that abatements are allowed in certain cases in respect of wives and of children under sixteen and in respect of incomes below £700. At present incomes under £120 are not taxed.

Income tax is payable by persons who are domiciled in the United Kingdom upon incomes derived from sources outside the United Kingdom, whether the same are received in the United Kingdom or not.

In certain cases, particulars of which can be obtained from the Inland Revenue Authorities, the income tax may be paid by instalments.

For purposes of convenience taxable incomes are divided into five classes or schedules:—

Schedule A.—Incomes from property in lands and buildings.

Schedule B.—Incomes from the occupation of certain lands.

Schedule C.—Incomes by way of interest and dividends arising out of the public funds.

Schedule D.—Incomes by way of profits from professions, trades, or other callings.

Schedule E.—Incomes by way of annuities, salaries, etc., payable out of the revenue or the funds of public companies.

The tax under Schedule A is payable by the owner of the property, and is based upon the assessment of the annual value of the lands. Relief is given in certain cases in respect of this schedule, the particulars of which are supplied by the commissioners.

Under Schedule B the tax is payable in respect of the occupation of farms, etc., and is calculated on one-third of the annual value.

Under Schedule D a return must be made annually by traders and others showing their profits:—

(1) Upon the annual average of the three preceding years, either ending on April 5 preceding the date of the return, or the date immediately preceding such April 5 to which the accounts of the trade, etc., have been made up.

(2) If the trade, etc., has been set up or commenced within three years, upon the annual average from the date of the commencement of the same.

(3) If the trade, etc., has been commenced within a year of assessment, the profits are to be estimated in accordance with the knowledge and belief of the person making the return, in which case the grounds upon which the amount has been estimated must be stated.

The forms which are annually supplied by the income tax collectors give every possible particular as to the incidence and the rate of the tax.

INCONVERTIBLE PAPER CURRENCY. (Fr. *Papier-monnaie inconvertible*, Ger. *nicht konvertierbares Papiergeld*, Sp. *Papel moneda inconvertible*, It. *Carta monetata inconvertibile.*)

This is paper money which cannot be converted into cash at its face value on demand, but which must be accepted as representing the value printed upon it.

When paper money is inconvertible it usually falls in value, since it is uncertain whether the obligation of the issuer will be carried out. In reality the paper is at a discount, though it is often said under such circumstances that gold and silver are at a premium.

INDEMNITY. (Fr. *Indemnité*, Ger. *Entschädigung*, Sp. *Indemnidad*, It. *Indennita, indennizzo.*)

An indemnity is compensation for loss or injury. Contracts of fire, marine, and accident insurance are examples of contracts of indemnity. An indemnity must be carefully distinguished from a guarantee, on account of the different legal requirements of the two. (See *Guarantee.*)

INDENT. (Fr. *Commande*, Ger. *Auftrag*, Sp. *Orden por contrato*, It. *Ordinazione, contratto.*)

This is the commercial name given to an order for goods from an agent or correspondent abroad, with full particulars and conditions as to price, etc. These orders were formerly written on forms torn in a zigzag fashion from a counterfoil, the idea being to detect forgery or fraud. Hence the name, which is derived from the same origin as the more familiar term "indenture." Owing to the spread of telegraphic communication, and the rapid diffusion of information as to prices, etc., indents do not now differ much from ordinary orders for goods.

INDENTURES. (Fr. *Contrats, engagements*, Ger. *Kontrakte*, Sp. *Contratos, carta partida*, It. *Contratti, impegni.*)

Indentures are written agreements or contracts between two or more parties. These were originally written in as many parts as there were parties, and the

edges were indented so as to correspond with and to fit into each other.

INDEX. (Fr. *Table des matières, index*, Ger. *Inhaltsverzeichnis*, Sp. *Indice*, It. *Indice.*)

This is the name given to a table of the subjects contained in a book arranged in alphabetical order.

INDIRECT EXCHANGE. (Fr. *Change indirect*, Ger. *indirekter Kurs*, Sp. *Cambio indirecto*, It. *Cambio indiretto.*)

When exchange operations are carried out through the medium of a third nation and not directly between two countries, the exchange is called indirect. (See *Direct Exchange.*)

INDIRECT TAXES. (Fr. *Contributions indirectes*, Ger. *indirekte Steuern*, Sp. *Contribuciones indirectas*, It. *Tasse indirette, imposte indirette.*)

These are the taxes which are levied upon goods, either customs or excise, and which reach the government in a manner other than that of direct payment. (See *Direct Taxes.*)

INDORSE. (Fr. *Endosser*, Ger. *girieren, indossieren*, Sp. *Endosar*, It. *Girare, eseguir la girata.*)

This means to write on the back of any legal or commercial document, thereby assigning or giving one's sanction to the paper.

It has been held that a signature on the face of a bill, purporting to be of the same effect as an indorsement, is a valid indorsement.

INDORSEE. (Fr. *Porteur*, Ger. *Indossat*, Sp. *Portador*, It. *Giratario.*)

This is the person to whom a bill of exchange, a bill of lading, etc., is assigned by way of indorsement, giving that person a right to sue thereon.

INDORSEMENT. (Fr. *Endos*, Ger. *Indossament*, Sp. *Endoso*, It. *Girata.*)

This word is used to signify—

(1) The act of indorsing, or writing on the back of a bill or other commercial document in order to transfer it.

(2) That which is written upon the back of a bill or other commercial document.

If the document is a negotiable instrument, the indorsement coupled with the delivery of the same, transfers the property in it to the indorsee. If it is not a negotiable instrument the indorsee obtains no better title to it than the transferor had.

An indorsement of a bill of exchange, including a promissory note or cheque, in order to operate as a negotiation must comply with the following conditions:—

(1) It must be written on the bill itself, or upon an allonge or a copy thereof (in a country where copies are recognised), and be signed by the indorser. The simple signature, without any additional words, is sufficient.

(2) It must be an indorsement of the entire bill. A partial indorsement, i.e., an indorsement which purports to transfer to the indorsee a part only of the amount payable, or which purports to transfer the bill to two or more indorsees severally, does not operate as a negotiation of the bill. But although a partial indorsement, which purports to split the right of action on a bill, is invalid as a negotiation, it may operate as an authority to receive payment of the amount thereby specified.

(3) Where a bill is payable to the order of two or more payees or indorsees who are not partners, all must indorse, unless the one indorsing has authority to indorse for the others.

(4) Where, in a bill payable to order, the payee or indorsee is wrongly designated, or his name is mis-spelt, he may indorse the bill as therein described, adding, if he thinks fit, his proper signature.

(5) Where there are two or more indorsements on a bill, each indorsement is deemed to have been made in the order in which it appears on the bill, until the contrary is proved.

The indorsement should always correspond with the name of the person as entered on the face of the document. Thus, if a bill or cheque is made payable to Thomas Smith, the proper indorsement should be Thomas Smith and not T. Smith, although it must be admitted that the latter is generally accepted. Such entries as Mr., Mrs. or Esquire, should be ignored. If the name is wrongly entered on the bill, it is pointed out in (4) above how indorsement should be made. If a bill, cheque, or promissory note is made payable to Mrs. Smith, Mrs. Smith should omit the "Mrs." and prefix her surname Smith with her correct Christian name. If again, the maiden name of a lady is used, she ought to indorse in her correct name and add her former maiden name thus, "Edith Jones, *née* Smith."

An indorsement may be made in blank or special, or it may contain terms making it restrictive, qualified, or conditional.

A "blank" indorsement is one which specifies no indorsee, and a bill so indorsed becomes payable to bearer.

When a bill has been indorsed in blank, any holder may convert the blank indorsement into a special indorsement by writing above the indorser's signature a direction to pay the bill to or to the order of himself or some other person.

A "special" indorsement specifies the person to whom, or to whose order, the bill is to be payable. A bill so indorsed can only be negotiated by that person's indorsement. If a special indorsement follows an indorsement in blank, the special indorsement controls the effect of the blank one.

A "restrictive" indorsement is one which prohibits the further negotiation of the bill or which expresses that it is a mere authority to deal with the bill as thereby directed, and not as a transfer of the ownership thereof, e.g., "Pay D. only," or "Pay D. for the account of X.," or "Pay D. or order for collection." Such an indorsement gives the indorsee a right to receive payment of the bill and to sue any party thereto, provided the indorser could have sued him, but it confers no power to transfer his rights as indorsee unless he is expressly authorised to do so. If the restrictive indorsement authorises a further transfer, all subsequent indorsees take the bill with the same rights and subject to the same liabilities as the first indorsee under the restrictive indorsement.

A "qualified indorsement" expressly negatives or limits the personal liability of the indorser. A common indorsement of this kind is one to which the words "*sans recours*" are added.

A "conditional indorsement" is one which purports to transfer the bill subject to some condition. The condition may be disregarded by the payer, and payment to the indorsee is valid, whether the condition has been fulfilled or not. This does not, however, affect the position of the indorser and indorsee in respect of the condition between themselves.

The transfer of a bill payable to order by a holder, without indorsing it, only gives to the transferee such rights as were possessed by the transferor. The court may compel a transferor to indorse a bill if he improperly refuses to do so.

A forged or unauthorised indorsement is wholly inoperative, and no holder of a bill can acquire any right through the same. An unauthorised indorsement not amounting to a forgery may be ratified. A banker is liable for paying a bill under a forged indorsement unless the bill is one drawn on himself payable on demand, that is, a cheque, or the payee is a fictitious or non-existent person, or the person against whom it is sought to enforce payment is precluded by his own conduct or otherwise from setting up the forgery.

The indorsement of a bill by a party who has no capacity to incur a liability on it, e.g., an infant or a corporation, does not invalidate the instrument. All other parties thereto remain liable.

Indorsements on a bill may be struck out at any time by a holder. The striking out, if done intentionally, discharges that indorser, and all indorsers subsequent to him, from their liabilities on the instrument.

INDORSER. (Fr. *Endosseur*, Ger. *Indossant*, Sp. *Endosante*, It. *Girante.*)

This is the person by whom a bill of exchange, a cheque, a bill of lading, etc., is indorsed. To complete the contract delivery of the instrument is essential.

The indorser of a bill of exchange by indorsing it engages that on due presentment it shall be accepted and paid according to its tenor, and that if it is dishonoured he will compensate the holder or a subsequent indorser who is compelled to pay it, provided that the requisite proceedings on dishonour are duly taken. He is precluded from denying—

(*a*) To a holder in due course the genuineness and regularity in all respects of the drawer's signature and all previous indorsements.

(*b*) To his immediate or a subsequent indorsee that the bill was at the time of his indorsement a valid and subsisting bill, and that he had then a good title to it.

An indorser may qualify his liability in several ways. (See *Indorsement.*)

INFANT. (Fr. *Mineur*, Ger. *der* or *die Unmündige*, Sp. *Menor*, It. *Minorenne.*)

A person who, by reason of his age, has but a limited legal capacity, is known in law as an infant. By English law the age of majority is fixed at twenty-one, and all persons who are below that age are called infants or minors. Since the law takes no notice of a portion of a day, an infant legally completes his twenty-first year at the commencement of the day preceding his twenty-first birthday. For many purposes, in connection with the law of real property, an infant is legally supposed to be born at the moment of conception.

An infant below the age of seven is not criminally responsible. Between seven and fourteen he cannot be

convicted of certain offences. After fourteen he is no more exempt than an adult.

Infancy is no defence to an action founded in tort—that is a wrong committed independently of contract.

A father is bound to support his infant children if he is able to do so, and the same is true of the mother, if she is of ability. But there is no legal obligation on either to pay a debt incurred by the infant, unless responsibility has been assumed or authority given, even though the debt has been incurred for necessaries.

It is the right of the father to have the custody of his infant children, and to have them educated in his own religion. But since the welfare of the children is the paramount consideration, the court may in certain cases, where the conduct of the father is shown to be such that he is an unfit person to have charge of his children, refuse to allow him either of these rights. On the death of the father, the mother is the legal guardian, and is entitled to the custody of her infant children. She can act either alone, or in conjunction with any other guardian or guardians appointed by her husband. A mother can also appoint a guardian for her infant children to act in conjunction with the father. If the father and mother are divorced, or judicially separated, it is the ordinary practice to give the custody of the infant children to the innocent party, subject to such conditions of access as seem just and expedient to the court.

The court assumes a very wide jurisdiction in the case of infants who are entitled to property on coming of age. It will empower the trustees of any settlement, where proper provision has not been made for the education, maintenance, and advancement of the infants, to do such things as may appear to be for their benefit. Extensive powers have been conferred by the Conveyancing Act, 1881, so far as the income of the settled funds is concerned; but these powers may be extended to the settled fund itself if it is shown to be for the benefit of the infants that this should be done.

The legal position of an infant as to contracts is set out under *Contract*. In other matters an infant's position is as follows:—

(1) Action. An infant plaintiff must sue by a person who is known as his "next friend," and where an infant is defendant in an action a guardian *ad litem* is appointed. A guardian *ad litem* is not responsible for costs properly incurred in a suit, but a "next friend" cannot escape in the same manner. The only exception to this rule is where an infant sues in a county court for wages due to him. He does not then require a "next friend."

(2) Administration. An infant cannot act as administrator, since he is unable to be bound by the bond which an administrator must give faithfully to administer the estate. If, therefore, the right of administration devolves upon him, the court will appoint an administrator *durante minore aetate*, to act during the infant's minority.

(3) Agency. Since an agent does not exercise his own powers, but only those delegated to him by his principal, an infant may always be appointed as agent. But he cannot act as proxy for a creditor in bankruptcy proceedings, nor for a contributory in winding-up procedure.

(4) Bankruptcy. It is doubtful whether an infant can ever be made bankrupt, even upon a judgment debt founded on a tort. If he is a member of a partnership firm, the whole of the proceedings in bankruptcy are taken without including him.

(5) Bills of Exchange. An infant cannot incur any liability upon a bill of exchange in any capacity, even though the consideration is the price of necessaries supplied to him. Similarly, if an infant signs a cheque on a date before the attainment of his majority, but post-dates it to a date after his twenty-first birthday, he is not liable upon the same.

(6) Companies. An infant may sign the memorandum of association and hold shares in a joint-stock company. He cannot, however, be sued for calls until he has attained his majority. He can avoid his liability by repudiating the shares either before he comes of age, or within a reasonable time afterwards.

(7) Executorship. An infant who is appointed executor cannot act so long as he is a minor. If there are other executors, they can act without him, so long as he is under incapacity; but if he is sole executor an administrator with the will annexed must be appointed to act during the minority, and the infant must prove the will as soon as he comes of age.

(8) Limitation of Actions. The periods of six, twelve, or twenty years do not begin to run against an infant until he has attained his majority.

(9) Partnership. An infant may be a partner, but his liability in case of bankruptcy is limited. All proceedings are taken without including him. But the whole of the partnership assets are available for the creditors, including the infant's share in the same. The creditors cannot, in case of deficiency, make any claim upon the separate estate of the infant.

(10) Will. An infant cannot make a will unless he is actually engaged in military service, or is a mariner at sea.

INGOT. (Fr. *Lingot*, Ger. *Barren*, Sp. *Barra*, It. *Verga di metallo, barra di metallo.*)

This name was formerly applied to the mould or matrix into which molten metal was poured for the sake of forming it into bars, but it is now used exclusively to denote the bars themselves. Conventionally, ingot is applicable to bars of the precious metals only, gold and silver, others being simply called bars.

INHABITED HOUSE DUTY. (See *House.*)

INJUNCTION. (Fr. *Arrêt de suspension*, Ger. *Gerichtliche Aufforderung, Verbot*, Sp. *Injunccion judicial*, It. *Ingiunzione, comando, ordine.*)

This is a form of judgment issued chiefly out of the Chancery Division of the High Court. An injunction forbids a person or persons to do certain things, and it is the relief granted to a suitor in such cases as the infringement of a patent or copyright, trespass upon land, or any other similar matter where money damages could not possibly compensate an aggrieved party for the loss which might arise or the hardship or nuisance suffered. Refusal to obey an injunction renders the person in default liable to committal for contempt of court. When the form of judgment orders a person to do a certain thing, which order must be obeyed under the same pains and penalties as an injunction, it is called one of "specific performance."

INLAND BILL. (Fr. *Lettre de change sur l'intérieur*, Ger. *inländischer Wechsel*, Sp. *Letra de cambio sobre el interior*, It. *Cambiale per l'interno.*)

An inland bill of exchange is one that is drawn and payable within the British Islands, or drawn within the British Islands upon some person resident therein. (See *Bill of Exchange.*)

INLAND MONEY ORDERS. (Fr. *Mandats sur l'intérieur*, Ger. *inländische Postanweisungen*, Sp. *Giro mutuo*, It. *Vaglia postale per l'interno.*)

Inland Money Orders are used for transmitting money from one part of the kingdom to another. They are in printed form and are filled in with particulars, so that the party to whom the money is payable may be identified at the other end.

INLAND TELEGRAMS. (Fr. *Télégrammes pour l'intérieur*, Ger. *inländische Telegramme*, Sp. *Telegramas para el interior*, It. *Telegrammi per l'interno.*)

Inland Telegrams are those which are sent and received from any part of the United Kingdom.

INNKEEPER. (Fr. *Aubergiste*, Ger. *Gastwirt*, Sp. *Posadero*, It. *Oste.*)

The keeper of a house where a traveller is furnished with everything he has occasion for while on his way.

An innkeeper is bound by the custom of the realm to receive as a guest any traveller who conducts himself properly, and is ready to pay for his accommodation, at any hour of the day or night, so long as there is room in the inn. A refusal renders him liable to an action, or he may be indicted. He is not compelled, however, to allow the traveller to remain indefinitely. As soon as the character of a traveller has been lost, the guest may be compelled to leave, on reasonable notice being given.

Whilst the relationship of innkeeper and guest remains, the liability of the former for the safe keeping of the goods of the latter is very great at common law. The innkeeper is, in fact, responsible for all losses, except those arising by the act of God or the king's enemies, unless it is clearly shown that such losses have arisen through the fault of the guest himself.

To limit this heavy liability the Innkeepers Act, 1863, was passed. Under this Act an innkeeper is never bound to pay more than £30 for losses or injuries to goods brought by a traveller to his inn except—

(1) Where the goods lost or injured are "a horse or other live animal, or any gear appertaining thereto, or any carriage."

(2) Where the goods have been stolen, lost, or injured through the wilful act, default, or neglect of the innkeeper, or of one of his servants.

(3) Where the goods have been expressly deposited with the innkeeper for safe custody. An innkeeper may require, as a condition of his liability, that the goods shall be deposited in a box or other receptacle, and fastened and sealed by the depositor.

If an innkeeper refuses to accept

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goods for safe custody he is not entitled to the protection of the Act, and he is likewise outside its protection unless an exact copy of the first section of the Act, printed in plain type, is posted up in a conspicuous part of the entrance hall of the inn. With respect to horses, carriages, etc., no liability will rest upon him if the guest himself gives specific instructions as to the custody and pasturage of the same.

An innkeeper cannot detain the person of his guest in default of payment of his bill, nor seize any of the clothes which he is wearing. But he has a lien upon all goods brought by the guest to the inn, whether they belong to the guest or not. And he has also a lien upon goods hired and sent to the guest, unless the innkeeper knew that they were actually hired and were not the property of the guest. In a general way a lien does not carry with it a right of sale, but by the Innkeepers Act, 1878, authority is given to sell by public auction any goods, chattels, carriages, horses, wares, etc., deposited or left at an inn by a customer indebted to the innkeeper for the amount of his board and lodging, or for the keep and expenses of any horse or other animals. Before such sale can take place, however, the goods, etc., must have remained in the charge of the innkeeper for six weeks, and one month at least before the sale an advertisement must be inserted in one London newspaper, and in one country newspaper circulating in the district where the goods were left, giving notice of the sale.

The only duties and obligations of an innkeeper referred to in this section are those which arise out of contract. Those which have reference to the granting of licences, the conduct of an inn, and other similar matters are not treated of. The following provision, however, of the Licensing (Consolidation) Act, 1910, may be noticed. Where an innkeeper dies before the expiration of his licence, or where he is adjudged a bankrupt, the heirs, executors, administrators, or assigns in the first case, and the trustee in bankruptcy in the second, may continue the business without incurring any penalties during the period which must elapse before a transfer of the licence can be effected.

INSCRIBED STOCK. (Fr. *Actions inscrites*, Ger. *Inscriptionen*, Sp. *Valores inscritós*, It. *Capitale registrato.*)

This means stock for which no actual certificates are granted to the holders, but whose names and the amount of the stock they hold are inscribed in a register kept for the purpose, either at the Bank of England, the office of the Crown Agent for the Colonies, or some other bank where the stock was issued. Such stock can only be transferred by the holder, or his representative appointed by power of attorney, signing the register that he has assigned his right to some other person.

INSOLVENT. (Fr. *Insolvable*, Ger. *Insolvent*, *Bankrott*, Sp. *Insolvente*, It. *Insolvente*, *insolvibile.*)

A person is said to be insolvent when he is unable to pay his debts as they become due in the ordinary course, or when his liabilities exceed his available assets.

INSPECTING ORDER. (Fr. *Ordre d'inspection*, Ger. *Besichtigungsschein*, Sp. *Autorización de inspección*, It. *Ordine di ispezione.*)

This is a letter written by parties having goods for sale, which are lying at some dock or wharf, requesting the superintendent to allow the bearer to inspect the goods, and, if necessary, to take a small sample away with him. Inspecting orders are issued in cases where a sample of the goods would scarcely show what the bulk was like, or in cases where a sample would be too large to be carried about.

INSTALMENT. (Fr. *Acompte*, Ger. *Abschlagzahlung*, Sp. *Plazo*, It. *Acconto, rata, versamento parziale.*)

An instalment means one of the parts of a debt paid at a different time from any other part or the balance. The word also signifies a payment on account.

INSURABLE INTEREST. (Fr. *Intérêt d'assurance*, Ger. *versicherbares Interesse* Sp. *Interés asegurable*, It. *Interesse assicurabile.*)

No person can legally effect any insurance in this country unless he has some interest, i.e., pecuniary interest, in the thing insured. It is the possession of this interest which distinguishes a contract of insurance from one of wagering.

The statute 14 Geo. III, c. 48, was passed in 1774, to prevent a "mischievous kind of gaming," and enacted—

"(1) No insurance shall be made by any person or persons, bodies politic or corporate, on the life or lives of any person or persons, or on any other event or events whatsoever, wherein the person or persons for whose use, benefit or on whose account such policy or policies shall be made, shall have no interest,

or by way of gaming or wagering; and that every assurance made contrary to the true intent and meaning hereof shall be null and void to all intents and purposes whatsoever.

"(2) It shall not be lawful to make any policy or policies on the life or lives of any person or persons, or other event or events, without inserting in such policy or policies the person or persons, name or names interested therein, or for whose use, benefit, or on whose account such policy is so made or underwritten.

"(3) In all cases where the insured hath interest in such life or lives, event or events, no greater sum shall be recovered or received from the insurer or insurers than the amount or value of the interest of the insured in such life or lives, or other event or events."

The necessity of insurable interest in the case of marine insurance had been provided for in 1776 by the statute 19 Geo. II, c. 37.

There is nothing, however, to prevent a man effecting an insurance upon his own life. And since life insurance is not a contract of indemnity, but an agreement to pay a fixed sum upon the happening of a certain event, there is no limit to the amount for which an insurance upon one's own life can be made, if the insurance company will undertake the risk. Also, for the same reason, when an insurance is effected by one person upon the life of another, it is only necessary that the interest shall exist at the time when the policy is taken out. For example, a creditor may insure his debtor's life for the amount of his debt, and recover that amount from the insurance office at the debtor's death, even though the debt has been extinguished.

Interest means pecuniary interest. Such an interest a man has in his own life, and a creditor in the life of his debtor. A trustee may insure in respect of the interest of which he is a trustee, and a beneficiary may insure the life of his trustee. A wife has an interest in the continuance of the life of her husband, but there was no presumption of a corresponding interest on the part of the husband in the life of his wife until it was decided, in 1909, that he had such an interest. It is a question of fact whether a parent has an insurable interest in the life of a child. Reasonable funeral expenses may be insured by persons who are under a moral obligation to bury the deceased since the passing of the Assurance Companies Act, 1909.

In cases of marine insurance it may not be known at the time of effecting the insurance whether the ship insured is in existence. The words "lost or not lost" inserted in the policy make the insurance valid even though the loss occurred prior to the insurance, if unknown at the time to the insured.

The following persons have such an insurable interest as is required by law so as to enable them to effect marine insurances:—

(*a*) The shipowner, and the owners of the goods.

(*b*) A mortgagee of the ship.

(*c*) An insurer, to the extent of his liability.

(*d*) A person to whom freight is payable.

(*e*) The master and the seamen, to the extent of their wages.

In order to avoid heavy losses falling upon them at any one time upon the happening of one event, insurance companies very commonly re-insure when the property is of a valuable character. One office has always a sufficient insurable interest in any property which has been insured with it to re-insure in another office.

INSURANCE, OR ASSURANCE. (Fr. *Assurance*, Ger. *Versicherung* or *Assekuranz*, Sp. *Seguro*, It. *Assicurazione*.)

This is a contract whereby one person, called the "insurer" or "assurer," undertakes to indemnify another person, called the "insured" or "assured," against a loss which may arise, or to pay a sum of money to him on the happening of a specified event. The consideration is either a single or a periodical payment, and is called the "premium." In the case of marine insurance the name of "underwriter" is more commonly used than "insurer" or "assurer." The document in which the contract of insurance is contained is termed the "policy of insurance."

The forms of this contract have become very varied, and it is now possible to insure against almost any conceivable risk. Many insurance offices combine various kinds of insurance. The principal, however, are Accident, Fire, Life, and Marine. (See under each heading.)

The main distinction between a contract of insurance and an ordinary wager consists in the fact that the insurer has an interest of a pecuniary nature in the risk against which he insures, a thing which is absent from a wagering contract.

In contracts of insurance every

material fact must be disclosed which would be likely to affect the judgment of the insurer. It is not enough that there should be an absence of misrepresentation. If any information, which is within the knowledge of the assured, is withheld, the policy of insurance will be void. The reason for the necessity of full disclosure is that "one of the parties is presumed to have means of knowledge which are not accessible to the other, and is then bound to tell him everything which may be supposed likely to affect his judgment." Contracts which require a disclosure of all material facts and the utmost good faith are said to be *uberrimae fidei*.

A case heard in 1902 shows the necessity of the insured taking care that he does not leave the filling up of a proposal form to a third person. A policy of insurance against accidental injury was effected with an insurance company through their local agent. The proposal form was filled up by the agent, many of the answers being false in material respects. The false answers were inserted without the knowledge or authority of the applicant, who signed the proposal form without reading it. The proposal contained a declaration in which the applicant agreed that the statements in the proposal should form the basis of the policy, and the policy contained a proviso that it was granted on the express condition of the truthfulness of the statements in the proposal. The applicant was injured shortly after the insurance had been effected, and in an action to recover the amount insured from the company it was held, first, that it was the duty of the applicant to read the answers in the proposal form before signing it, and that he must be taken to have read and adopted them; and secondly, that in filling in the false answers in the proposal the agent was acting not as the agent of the insurance company, but as the agent of the applicant, and that, therefore, the policy was void.

The principle of insurance is founded on the doctrine of probabilities. The business is generally carried on by companies having a large subscribed capital, by means of which they are able, without difficulty, to meet any heavy loss, while their premiums being proportioned to their risks, their profit is, on an average, independent of such contingencies.

No insurance of any kind can be effected unless the insurer has an "insurable interest" in that which is insured at the time of effecting it.

(See *Accident*, *Fire*, *Life*, and *Marine Insurance*.)

INSURANCE BROKER. (Fr. *Courtier d'assurances*, Ger. *Versicherungsmakler*, Sp. *Corredor de seguros*, It. *Agente di assicurazione*.)

This is a person who acts as agent for effecting insurances on ships, cargoes, etc.

INSURANCE, NATIONAL. (See *National Insurance Act*.)

INSURANCE POLICY. (Fr. *Police d'assurance*, Ger. *Versicherungsschein*, *Versicherungspolice*, Sp. *Póliza de seguros*, It. *Polizza di assicurazione*.)

This is the stamped document upon which the insurance guarantee is written, giving full particulars of all the risks insured against.

INSURANCE PREMIUM. (Fr. *Prime d'assurance*, Ger. *Versicherungsprämie*, Sp. *Prima de seguro*, *premio de aseguro*, It. *Premio di assicurazione*.)

The periodic payment which the insured pays to the insurer as the consideration for the insurance is called the premium.

INTERBOURSE SECURITIES. (Fr. *Obligations internationales*, Ger. *internationale Wertpapiere*, Sp. *Valores internacionales*, It. *Obbligazioni internazionali*.)

These are the securities, the loans for which were originally raised simultaneously in different countries. They are dealt in at a fixed rate of exchange, as indicated in the body of the bond. The chief are the Greek, Italian, Portuguese, Russian, Spanish, and Turkish loans.

INTEREST. (Fr. *Intérêt*, Ger. *Zins(en)*, Sp. *Interés*, It. *Interesse*.)

Interest is generally defined as money paid for the use of money. It is generally calculated at a certain rate per annum. The money lent is called the principal; the sum per cent. or per hundred agreed upon is the rate of interest.

Though it is true to say that the interest charged is the money agreed to be paid for the use of money, it is nevertheless divisible into two parts, for the rate charged increases as the risk undertaken is greater. Hence, one portion is for the use of the money, the remainder being a compensation for the chance of losing the whole owing to the insecurity of the investment.

Simple interest is computed upon the principal only and is invariable. Compound interest is calculated upon the principal and upon any interest which has accrued due and has not been paid.

Compound interest is not favoured by law, since it is the duty of a creditor to demand his interest as soon as it becomes due.

Unless agreed upon by the parties, no interest is allowed by the court in legal proceedings except in the following cases:

(1) Where there is a usage of trade;

(2) Where interest is specially given by a jury;

(3) When a judgment is not immediately satisfied.

INTEREST OR NO INTEREST. (Fr. *Intérêts ou sans intérêts*, Ger. *Zinsen oder ohne Zinsen*, Sp. *Intereses ó sin intereses*, It. *Interessi o senza interessi.*)

This is a term which used to be in common use in marine insurance policies, when underwriters insured against risks at sea whether the person insuring had or had not any pecuniary insurable interest in the subject matter. These so-called "honour" policies were invariably met. They are illegal by statute —The Marine Insurance (Gambling Policies) Act, 1909.

INTEREST WARRANTS. (Fr. *Mandats d'intérêt*, Ger. *Dividendenscheine, Koupons*, Sp. *Cupones de intéres*, It. *Mandati pel pagamento degli interessi o dividendi.*)

These are orders for the payment of periodical dividends on stocks and shares as they fall due. These documents are generally sent through the post to shareholders.

INTERIM DIVIDENDS. (Fr. *Dividendes par intérim* (*intérimaires*), Ger. *Abschlagsdividenden*, Sp. *Dividendos provisorios*, It. *Dividendi provvisori.*)

These are dividends declared before the whole profits of an undertaking for any period have been ascertained.

In the case of a joint-stock company the dividends are declared by the company in general meeting; but provision is often made by the articles of association for the directors to declare dividends before the whole of the profits have been ascertained. If an interim dividend is declared, the shareholders are asked at the next general ordinary meeting of the company to ratify the proceeding before the declaration of a further dividend.

INTERNATIONAL LAW. (See *Conflict of Laws.*)

INTERPLEADER. (See *Fieri facias.*)

IN TRANSITU. (Fr. *En transit*, Ger. *In Transit*, Sp. *En transito*, It. *In tránsito.*)

This Latin phrase signifies "in the course of transmission," or "on the way." (See *Stoppage in transitu.*)

INVENTORY. (Fr. *Inventaire*, Ger. *Inventar*, Sp. *Inventario*, It. *Inventario.*)

This is a list of articles, such as furniture, stock, etc., found in a house, or a catalogue of furniture and goods.

An inventory is always required to be attached to a bill of sale. It is also the duty of an executor or administrator to make a complete inventory of all the goods, chattels, wares, and merchandise of the deceased

INVESTMENT. (Fr. *Placement*, Ger. *Kapitalanlage*, Sp. *Inversion, empleo*, It. *Investimento, impiego di capitali.*)

An investment is money which is put out at interest in some fund or company, or laid out in the purchase of land, houses, or other property.

INVOICE. (Fr. *Facture*, Ger. *Faktur, Rechnung*, Sp. *Factura*, It. *Fattura.*)

A written statement giving full particulars of the price, nature, and quantity of goods sold or consigned.

There are several different kinds of invoices, the more important of which are as follows:—

(1) A consignment invoice, made use of when goods are shipped to a firm abroad, to be sold on commission for the shipper. The following is the usual heading for a consignment invoice:—

INVOICE of *one case of printed cotton*, shipped at *Liverpool* per s.s. *Bombadier* to *Bombay*, and consigned to *Messrs. Cross & Co.*, for sales on account and risk of BARNARD BARTON.

(2) A consular invoice, which must be made out by a merchant who exports goods to the United States, Portugal, Chili, and some of the other republics of South America. Three or four of these documents have to be made up and declared before the consul of the place in the United Kingdom from which the goods are exported. The bales or other packages enclosing the goods must have the words

Made in Great Britain

written or printed upon them, together with a description of the goods, the usual marks and numbers, a declaration of the exporter, and a certificate from the consul.

(3) A cost and freight invoice has upon it the price of the goods, the cost of packing and of carriage to the ship, the shipping charges, and the freight to the port of destination.

(4) A cost, insurance, and freight invoice, abbreviated C.I.F., and pronounced "siff," contains the price of the goods, the cost of packing and of carriage to the ship, the shipping charges, the

freight to the port of destination, and the premium of insurance.

(5) An export invoice contains the description, marks, numbers, weight or measure, price, and charges upon the goods shipped.

(6) A franco invoice includes all charges up to the time that the goods are delivered at the door of the purchaser. Franco invoices for the continent of Europe have the quantities expressed in metric weights and measures; the amounts written in the currency of the country to which the goods are consigned, and the wording is expressed in the language of the continental country.

A free alongside invoice, abbreviated F.A.S., contains all prices and charges up to the time the goods are placed alongside the ship.

A free on board invoice, abbreviated F.O.B., includes all prices and charges up to and including the placing of the goods on board ship.

An inland invoice is one used in the home trade, for goods sold and delivered within the United Kingdom.

A loco invoice gives the original cost of goods either at the place of production or port of export. Additional charges to be paid by the exporters are afterwards added.

I.O.U. (Fr. *Reconnaissance*, Ger. *Schuldschein*, Sp. *Pagaré*, It. *Dichiarazione di debito.*)

This is a memorandum of debt, a conventional way of writing "I owe you." In form it is generally something like the following:—

"*January* 1, 1916.

To Joseph Brown.

I.O.U. £50. *James Jones.*"

It is neither a receipt, an agreement, nor a negotiable instrument. It requires no stamp. In an action to recover money lent, the production of an I.O.U. by the plaintiff, signed by the defendant, is evidence of an account stated between the parties, though not of the amount of money lent. Unless the date and the names of the parties are set out as in the example given, a document purporting to be an I.O.U. is valueless.

J. This letter occurs in the abbreviations:—

J/A, Joint Account.
Jun. } Junior.
Jr. }

JERQUE NOTE. (Fr. *Certificat de déclaration d'entrée*, Ger. *Zeugnis der Eingangs-Deklaration*, Sp. *Certificado de declaración de entrada*, It. *Certificato di dichiarazione di entrata.*)

This is another name for the certificate of a ship's clearance inwards (*q.v.*).

JERQUER. (Fr. *Vérificateur des douanes*, Ger. *untersuchender Zollbeamter*, Sp. *Revisador de aduana*, It. *Inspettore di dogana, verificatore di dogana.*)

This is an officer of customs who searches vessels on their arrival in port, to ascertain whether any prohibited or unentered goods liable to duty are secreted on board with a view to their being smuggled into the country.

JERQUING. (Fr. *Visite de douane*, Ger. *Zolluntersuchung*, Sp. *Visita de aduana*, It. *Ispezione de dogana.*)

This means the searching of vessels by the jerquer (*q.v.*) or other officer of customs.

JETSAM. (Fr. *Objets jetés à la mer*, Ger. *Notauswurf*, Sp. *Echazón, alijamiento*, It. *Oggetti gettati in mare.*)

These are goods thrown overboard in time of peril, and which remain under water.

JETTISON. (Fr. *Jeter en mer*, Ger. *Überbordwerfen*, Sp. *Echar al mar*, It. *Gettare a mare.*)

This is the act of deliberately throwing overboard cargo or ship's tackle to lighten the ship in a storm, or when otherwise in danger. All loss which arises in consequence of extraordinary sacrifices made or expenses incurred for the preservation of the ship and the cargo comes within general average, and this must be borne proportionably by all who are interested. (See *Average, General.*)

JOBBERS. (Fr. *Agioteurs*, Ger. *Effektenhändler*, Sp. *Agiotistas*, It. *Speculatori sui fondi pubblici, giuocatori alla borsa.*)

This is the name given to the dealers in stocks and shares, who act on their own account with other jobbers on the Stock Exchange, and indirectly with the public through stockbrokers, the latter only buying and selling on account of their clients.

JOINT ACCOUNT. (J/A.) Fr. *Compte à demi*, Ger. *gemeinschaftliche Rechnung*, Sp. *Cuenta á mitad*, It. *Conto collettivo.*)

An account of the transactions in a particular business or undertaking, where two or more parties or firms combine so as to provide the necessary capital and services, and agree to divide the profits and losses arising out of the same.

JOINT STOCK. (Fr. *Capital social*, Ger. *Gesellschaftskapital*, Sp. *Capital social*, It. *Capitale sociale.*)

This is stock held jointly or in a company.

JOINT STOCK BANK. (See *Bank, Joint Stock.*)

JOINT STOCK COMPANIES. (See *Companies, Limited Liability.*)

JOURNAL. (Fr. *Journal,* Ger. *Journal, Tagebuch,* Sp. *Diario,* It. *Giornale, diario.*)

In book-keeping this is the book which contains an account of each day's transactions, made up from the waste book, and arranged for posting in the ledger. Sometimes it is necessary, in businesses of any magnitude, to break up the journal into various subsidiary books, and the whole of these then comprise what is called the journal. One column always shows the page in the ledger where the entries are to be found.

JOURNALISE. (Fr. *Porter au journal,* Ger. *Journalisieren,* Sp. *Llevar al diario, entrar al diario,* It. *Mettere a giornale.*)

This is the act of entering up the journal.

JUDGE'S ORDER. (Fr. *Mandat de juge,* Ger. *richterliches Urteil,* Sp. *Orden judicial,* It. *Mandato giudiziario.*)

A judge's order is one made by a judge, either of the High Court or of a county court, upon any matter brought before him.

JUDGMENT CREDITOR. (Fr. *Créancier autorisé,* Ger. *gerichtlich anerkannter Gläubiger,* Sp. *Acreedor reconocido,* It. *Creditore riconosciuto o autorizzato.*)

This is a person who has brought an action for debt or damage against another in a court of law, and has obtained judgment for the whole or a part of the amount claimed. The rights of a judgment creditor are—

(1) An action for non-payment of the judgment debt.

(2) Power to issue execution.

(3) Power to issue a bankruptcy notice.

(4) A committal of the debtor to prison under certain conditions.

JUDGMENT DEBTOR. (Fr. *Débiteur condamné,* Ger. *gerichtlich anerkannter Schuldner,* Sp. *Deudor condenado,* It. *Debitore condannato.*)

A debtor against whom a judgment has been obtained, ordering him to pay a sum of money, such order not having been satisfied. A judgment debtor may be examined as to his means, and the judgment creditor may proceed against him by issuing an execution, serving a bankruptcy notice upon him, or getting an order for committal if it is proved that he has had means to pay the amount of the judgment debt since the judgment, and has refused to do so.

JURY. (Fr. *Jury,* Ger. *Schwurgericht,* Sp. *Jurado,* It. *Giuria.*)

A jury is a body of men selected and sworn to declare the truth of any particular matter on the evidence placed before them. A grand jury is composed of any number between twelve and twenty-three men, and a coroner's jury of thirteen or more; every other jury in England and Ireland is composed of twelve, except in the county courts, where the number is eight.

Every man between the ages of twenty-one and sixty is liable to serve as a juryman, who—

(1) Has a clear income of £10 a year arising out of landed property, or who is entitled to that amount for his own life or the life of another;

(2) Has a clear income of £20 a year arising out of leasehold lands or tenements held for a term of twenty-one years or more, or for a term terminable on life or lives;

(3) Is a householder rated for inhabited house duty in Middlesex at not less than £30, and in any other county at not less than £20;

(4) Occupies a house with not less than fifteen windows.

Any man who fulfils any of these conditions is qualified, and is liable to serve at all trials, criminal or civil, in the High Court, in the superior courts of the counties palatine of Lancaster and Durham, and in any assize court, provided that the trial takes place in the county in which the juror resides. He is also qualified and liable to serve on grand and petty juries at sessions, borough or county, in his own county. Any burgess of a borough which has a separate court of quarter sessions, or a borough civil court, is liable to serve on the juries of the same, unless he is exempted by reason of age or other infirmity. Aliens can only be called upon to act as jurors, if otherwise qualified, when they have been domiciled in England or Wales for ten years.

A man is qualified to act as a special juryman if his name is on the jurors' book for any county, and he is legally entitled to be called an esquire, or is a person of higher degree, or is a banker or merchant, or occupies a private dwelling-house rated and assessed at not less than £100 in a town containing 20,000 inhabitants or more, and at

£50 in a less populous place, or occupies premises other than a farm rated and assessed at not less than £100, or a farm rated and assessed at £300 or more.

A juryman for any court other than a coroner's court must be duly summoned to appear at any court at least six days before the date fixed for attendance. Unless the notice is regularly and properly served, an absent juror is not liable to any penalty if he fails to attend.

The qualifications for jurymen at coroners' inquests are very wide, and vary in different localities according to custom. There does not appear to be any limit as to age, nor are there any special qualifications required. But it seems that exemptions can be claimed as in the case of other juries.

The remuneration of a special juryman is one guinea for each case in which he is sworn. By arrangement between the parties this amount may be increased when the trial extends over a considerable period of time. A common juror in the High Court or a county court is entitled to one shilling a case, and at most assizes the sum payable is eightpence. In the Mayor's Court, held at the Guildhall, fourpence (the old groat) is paid. There is no allowance made in criminal cases.

Reasonable refreshments, and the use of a fire when out of court, may now be granted by leave of the judge, but at the expense of the jurors. Only in the gravest crimes are jurors prevented from separating during the progress of a trial.

If a name appears on the jury list, no exemption is granted unless the leave of the judge is obtained at the court to which the juror is summoned, or unless he is suffering from illness. The jury lists should therefore be periodically examined to see that names are not improperly inserted. No man who has been convicted of treason, felony, or any infamous crime, unless he has been pardoned, can sit upon a jury, and the following are exempted by Act of Parliament from serving:—

Peers, M.P.'s, judges, clergymen, Roman Catholic priests, dissenting ministers and Jewish rabbis whose place of meeting is duly registered, provided they follow no other occupation except that of schoolmaster, sergeants, barristers, certificated conveyancers, special pleaders, if actually practising, members of the society of doctors of law and advocates of the civil law, if actually practising, attorneys, solicitors and proctors, if actually practising and having taken out their annual certificates, and their managing clerks and notaries public in actual practice, officers of the courts of law and of equity and the clerks of the peace and their deputies, if actually exercising the duties of their respective offices, coroners, gaolers and keepers of houses of correction, and all subordinate officers of the same, keepers in public lunatic asylums, all registered medical practitioners and pharmaceutical chemists if actually practising, officers of the army, navy, militia and yeomanry, while on full pay, the members of the Mersey Docks and Harbour Board, the master, warden and brethren of the Corporation of Trinity House of Deptford Strand, pilots licensed by the Trinity House of Deptford Strand, Kingston-upon-Hull, or Newcastle-upon-Tyne, and all masters of vessels in the buoy and light service employed by any of these corporations, and all pilots licensed under any Act of Parliament, officers of the post-office commissioners of customs and inland revenue, and those employed by them in collection and management, sheriff officers, police officers, metropolitan magistrates and their clerks, ushers, doorkeepers, and messengers, members of the council of the municipal corporation of any borough, and the town clerk and treasurer, and every justice assigned to keep the peace therein, so far as relates to any jury summoned to serve in the county where such borough is situated, burgesses of every borough in which a separate court of quarter session is held, so far as relates to a jury summoned for any sessions in the county where the borough is situated, justices of the peace within the place of their own jurisdiction, officers of the Houses of Parliament, and territorials.

A committee was appointed to inquire into the whole jury system in 1911, and the report was issued in May, 1913. Drastic changes have been suggested, but these must naturally await the time when Parliament can attempt by statute to give effect to them.

KEEL. (Fr. *Quille*, Ger. *Kiel*, Sp. *Quilla*, It. *Chiglia, carena.*)

(1) The lowest part of the frame of a ship or boat.

(2) A unit of weight for coals, equal to twenty-one and one-fifth tons, which is in use among the Tyne ports.

KEELAGE. (Fr. *Droits d'ancrage, Droits de port*, Ger. *Kielgeld*, Sp. *Derechos de quilla*, It. *Diritti del porto.*)

These are dues that have to be paid for the keeping of a ship in port.

KEEP HOUSE. (Fr. *Se cloîtrer volontairement*, Ger. *sich fernhalten*, Sp. *Dar con la puerta*, It. *Rinchiudersi, segregarsi.*)

A debtor is said to "keep house" if he denies his creditors an interview when they call at reasonable hours. This constitutes an act of bankruptcy (*q.v.*).

KENTLEDGE or **KINTLEDGE.** (Fr. *Gueuse, saumon*, Ger. *Ballasteisen*, Sp. *Lingotes de hierro*, It. *Gabarra da zavorra.*)

This name is given to the permanent ballast of a ship, which is deemed to be a part of such ship. The ballast generally takes the form of pigs of iron, or some other such weighty material.

KHAKIS. (Fr. *Consolidés anglais, Khakis*, Ger. *Konsols, Khakis*, Sp. *Consolidados ingleses, Khakis*, It. *Consolidati inglesi.*)

The name given on the Stock Exchange to the National 2¾ per cent. War Loan raised during the Boer War of 1899-1902.

KILDERKIN. (Fr. *Demi-baril*, Ger. *Eimer*, Sp. *Medio barril*, It. *Bariletto, barile della capacità di litri* 80 *circa.*)

A kilderkin is a small barrel containing eighteen gallons.

KILOGRAMME. (Fr. *Kilogramme*, Ger. *Kilogramm*, Sp. *Kilógramo*, It. *Chilogrammo.*)

This is the unit of weight in the French metric system, consisting of a thousand grammes. It is equal to 2·20462 lbs. avoirdupois, or a little more than 2⅕ lbs.

KITE. (Fr. *Billet de complaisance*, Ger. *Kellerwechsel*, Sp. *Letra de acomodación*, It. *Cambiale di favore.*)

This is another name for an accommodation bill (*q.v.*).

KITEFLYING. (Fr. *Émission de billets de complaisance*, Ger. *Wechselreiterei*, Sp. *Emisión de letras de acomodación*, It. *Emissione di cambiali di favore.*)

Kiteflying is the dealing in fictitious or accommodation paper in order to raise money or keep up one's credit.

KNOT. (Fr. *Nœud*, Ger. *Knoten, Seemeile*, Sp. *Nudo*, It. *Nodo.*)

A knot is a nautical mile, equal to 2,028 yards, or one-sixtieth of a degree of latitude.

KOPECK. (Fr. *Copeck*, Ger. *Kopeke*, Sp. *Copec*, It. *Copec.*)

This is a Russian copper coin, equal to the hundredth part of a silver rouble. A rouble is of the value of 2*s.* 1½*d.* sterling, and a kopeck is therefore almost equivalent in value to one-fourth of a penny. The intrinsic value of the rouble and the kopeck with silver at its present low price is considerably less.

The word is derived from the name of a lance, as a figure of St. George with a lance in his hand was formerly impressed on the coin.

L. This letter is used in the following abbreviations:—

L/c, Letter of Credit.
Led., Ledger.
L.S., *Locus sigilli*—Place for Seal.
£E., Pounds Egyptian.
£T., Pounds Turkish.
Ltd., Limited.

LAC, or **LAKH.** (Fr. *Lac, lack*, Ger. *Lack*, Sp. *Lac*, It. *Lac.*)

This is a Hindustani term which, in its original acceptation, is applied to the computation of money in the East Indies. It signifies 100,000. Thus, a lac of rupees is equal to 100,000 rupees, and its value, at the exchange of 1*s.* 4*d.* for the rupee, is about £6,667. A hundred lacs is called a crore.

In Indian notation the commas marking off the periods are placed after the lacs and crores, and not after the thousands and millions. Thus, a lac of rupees is written, 1,00000.

LACHES. (Fr. *Négligence, retard*, Ger. *Säumnis, Vernachlässigung*, Sp. *Descuido, dilación*, It. *Trascuranza, trascuratezza, indugio.*)

This is a legal term which is used to indicate delay or neglect of such a nature as to disentitle a person of such rights as he would otherwise have been entitled to.

LADEN IN BULK. (Fr. *Chargé en volume, chargé en bloc, chargé en grenier*, Ger. *Sturzladung, Sturzgüter*, Sp. *Cargado en bulto*, It. *Caricato in volume.*)

This shipping term is used to indicate that a cargo is laden loose or in bulk, dunnage being used to prevent damage. Cereals are often shipped in this way.

LADING, BILL OF. (See *Bill of Lading.*)

LAGAN. (Fr. *Objets recouvrables par moyen d'une bouée*, Ger. *Wrackgut*, Sp. *Objectos sumergidos atados á una boya*, It. *Oggetti gettati in mare attaccati ad un galleggiante.*)

These are goods thrown overboard from a ship which sink, but which are buoyed so that they may be subsequently recovered.

LAME DUCK. (Fr. *Spéculateur insolvable*, Ger. *verkrachter Börsenspekulant*, Sp. *Agente de bolsa declarado insolvente*,

It. *Speculatore o giuocatore insolvibile o espulso.*)

This expression is in use on the Stock Exchange to indicate a defaulter who, being unable to pay his differences, or meet the claims made upon him, is hammered and expelled from the House.

LAND MARKS. (Fr. *Amers*, Ger. *Landmarken, Baken*, Sp. *Marcas, hitos*, It. *Qualunque oggetto elevato che serva di guida ai naviganti, limite che divide le terre.*)

These are conspicuous objects which serve as guides to travellers, and for marking out boundaries.

LAND STEWARD. (Fr. *Intendant*, Ger. *Gutsverwalter*, Sp. *Intendente*, It. *Fattore.*)

A person who manages a landed estate for its owner.

LAND TAX. (Fr. *Impôt foncier*, Ger. *Grundsteuer*, Sp. *Impuesto territorial*, It. *Imposta territoriali, tassa fondiaria.*)

This is a tax assessed upon land. The quota payable by each parish, as fixed in 1798, less the amount redeemed, is raised by an equal pound rate, the rate of assessment not to exceed 1*s.* in the £. Where the income of the owner of the land does not exceed £160, he is exempt from payment of land tax, and if the owner's income does not exceed £400 one-half of the tax is remitted.

New taxes were introduced by the Finance Act of 1909-10, called "Land Values Duties," and these may be summarised as follows:—

(1) *Increment Value Duty.*—This is a duty payable on the occasion

(*a*) Of any transfer or sale of land or any interest therein.

(*b*) Of any lease for more than fourteen years.

(*c*) Of the land, or interest in it, passing on death.

In the case of corporations, in addition to (*a*) and (*b*), and in substitution for (*c*), a duty is payable in 1914 and every fifteen years thereafter.

The duty is payable as a stamp duty by (*a*) the seller, (*b*) the lessor, (*c*) the deceased's estate, or (*d*) the corporation; and is calculated as follows: £1 for every £5 of "increment value," that is, the increase in the value of the site since the 30th April, 1909, or since the last payment of duty. In making the calculation, the buildings and the other erections thereon are not to be taken into account.

Exemptions from this increment value duty are allowed in the following cases:—(i) Agricultural land, while it has no higher value than for agricultural purposes only. (ii) Small residences occupied by the owner, or the holder of a lease for fifty years, where the annual value does not exceed £40 in London, £26 in towns of 50,000 or more, and £16 elsewhere. (iii) Small agricultural holdings, where the land and the dwelling do not exceed £30 in annual value, occupied and cultivated by the owner, and not exceeding 50 acres (and the average value does not exceed £75 an acre). (iv) Recreation grounds owned by corporate and other bodies, without view of a profit, are not liable to the periodical charge (*d*). (v) Flats (transfer, lease, etc., of separate dwelling). (vi) Ten per cent. of increment is allowed free on first and on any subsequent occasion, but such allowances are not to amount to more than 25 per cent. in any period of five years. (vii) Allowance is made where Reversion Duty has been paid for the same benefit or increment. (viii) Minerals which were the subject of a mining lease or were being worked on the 30th April, 1909. (ix) Minerals not so exempt are subject to a special basis of charge to Increment Value Duty, as an annual duty.

(2) *Reversion Duty.*—This is a duty which is payable by a lessor upon the determination of a lease.

The rate of duty is £1 for every £10 of the value of the benefit accruing to the lessor.

Exemptions from reversion duty are granted in the following cases:—(i) Reversions purchased before the 30th April, 1909, under leases which determine within forty years of purchase. (ii) Leases of agricultural land. (iii) Leases the original term of which did not exceed twenty-one years. (iv) An allowance is made where a fresh lease is granted before the expiration of the original lease, 2½ per cent. of duty for each unexpired year, up to 50 per cent. of the whole duty. (v) An allowance is made where Increment Value Duty has been paid for the same benefit or increment. (vi) Mining leases are not charged.

(3) *Undeveloped Land Duty.*—This duty is payable by the owner (including a lessee for a term of fifty years or more) of any land which has not been developed by the erection of dwelling-houses or buildings for the purpose of any trade, etc., other than agriculture (but including glass-houses or greenhouses as trade buildings), or is not otherwise used

bonâ fide for any trade, etc., other than agriculture.

The rate of this duty is one halfpenny annually for every £1 of the "site value," that is, the market value of the fee simple of the land if divested of buildings, timber, etc., and less the value of any minerals.

Exemptions from this undeveloped land duty are granted in the following cases:—(i) Land the site value of which does not exceed £50 an acre. (ii) Agricultural land, except on such part of the site value as exceeds its agricultural value. (iii) Parks and spaces open to the public as of right, or to which the public are allowed reasonable access. (iv) Recreation grounds, used as such under agreements for not less than five years. (v) Land not exceeding one acre occupied with a dwelling-house. (vi) Garden (with a dwelling-house) up to five acres, when the site value of the whole does not exceed twenty times its annual value. (vii) Agricultural land held under an existing agreement and not chargeable until the termination of the agreement. (viii) Agricultural land occupied and cultivated by the owner, if the whole of the land owned by him does not exceed £500 in value.

An allowance is made where increment value duty has already been paid in respect of undeveloped land.

(4) *Mineral Rights Duty.*—This is a duty payable in respect of the rental value of all rights to work minerals lying under the lands of the owners thereof, and also in respect of all wayleaves.

The rate of this duty is 1*s.* annually for each £1 of the rental value. It is payable by the proprietor of the land where he himself works the minerals, and in any other case by the immediate lessor of the working lease.

Exemptions from this mineral rights duty are granted in the cases of the working for common clay, common brick clay, common brick earth, sand, chalk, limestone, and gravel.

No reversion duty is payable upon the determination of a mining lease, and no increment duty is payable upon the granting of the same. There are also certain exceptions made in the case of mining leases granted before the 30th April, 1909.

There is still much controversy and litigation with respect to these various new land taxes, and it is therefore impossible at present, to enter into greater details than those just given.

LAND TRANSFER ACT, 1897. Under this Act the real estate (except copyholds) of a deceased person vests in the executor or administrator, instead of vesting at once in the devisee or heir-at-law. No change is made in the devolution of realty, in case of intestacy, but the personal representative holds it in trust for those persons who are entitled to it, and these persons have the right to require a transfer of the realty to them as they had previously a right as to the personalty. Consequently, probate and administration are now granted in respect of real estate, even though there is no personal estate.

In the administration the real estate is now liable in the hands of the personal representative for the debts of a deceased person, whether expressly charged or not, and the representative is empowered to deal with the same by way of sale, mortgage, or otherwise. But no difference has been made in the order of administration. The residuary personalty is primarily liable, and resort can only be had to the realty when the personalty is exhausted.

Another object of this Act is the compulsory registration of land; but its provisions are such as to make the system of registration quite optional. No land in any county is affected unless an Order in Council has been made to that end. This portion of the Act is now in operation in the whole of the county of London. All ordinary sales of freeholds, all sales of leaseholds having forty or more years still to run, or two or more lives still to fall in, and grants of leases or underleases for the same periods are to be registered. But registration does not apply to a lease created for mortgage purposes, or containing an absolute prohibition against alienation.

The procedure on registration is as follows. The applicant or his solicitor attends the registry with the deeds relating to the property, and a copy of the same, written on stout paper, for filing. A plan must also be produced. The land is identified on a large scale ordnance map kept at the registry, and the draft entries for the register are prepared and settled. A land certificate is then drawn up and forwarded to the applicant or his solicitor. The register is private, and no examination can be made except with the authority of the registered owner, or on notice to him.

The offices of the Land Registry are

at 34, Lincoln's Inn Fields, but the business of registration is carried on at 6, Portugal Street, and 3, Clement's Inn, for the portions of the county of London lying north and south of the Thames respectively.

LAND WAITER. (Fr. *Douanier*, Ger. *Zollinspektor*, Sp. *Carabinero*, It. *Guardia doganale o daziaria.*)

This is an officer of the customs who tastes, weighs, measures, and examines goods liable to duty, and takes an account of them, for the purpose of taxation, on their being landed from a ship; or, in the case of exported goods, who watches over and certifies that the goods are shipped in accordance with the prescribed form. He is also frequently known as a "searcher."

LANDING ACCOUNTS. (Fr. *Comptes de débarquement*, Ger. *Landungsscheine*, Sp. *Cuentas de desembarco*, It. *Conti di sbarco.*)

These documents are compiled by dock companies and warehouse-keepers respecting goods landed at their wharves, showing:—

(1) The ship from which the goods were landed.

(2) The marks, numbers, and weights of the packages.

(3) The date from which the rent commences.

LANDING BOOK. (Fr. *Livre des marchandises débarquées*, Ger. *Landungsbuch*, Sp. *Libro de entradas*, It. *Libro o registro degli sbarchi.*)

This is a book kept by dock companies and warehouse-keepers containing particulars similar to those in landing accounts, and from which the latter are made up.

LANDING ORDER. (Fr. *Ordre de débarquement*, Ger. *Löschschein*, Sp. *Orden de desembarco*, It. *Ordine di sbarcare.*)

This is a Custom House document addressed to the chief officer of a ship after the importer has passed his entry and paid the duty, if any, upon the goods he is importing, authorising him to deliver the goods overside so as to permit of their being landed. The goods are inspected by the searcher as they leave the ship, and the landing order is signed by him as showing that the entry has been found correct.

LANDING WEIGHT. (Fr. *Poids au débarquement*, Ger. *Landungsgewicht*, Sp. *Peso de desembarco*, It. *Peso di sbarco.*)

Landing weight signifies the actual weight of the cargo as it is taken out of the ship. The shipowner frequently reserves the right, in a contract of affreightment, of charging the freight upon the weight of the cargo either at the time of shipment or of landing. His choice will depend upon the nature of the cargo—some increasing in weight, others decreasing during transit.

LANDLORD AND TENANT. (Fr. *Propriétaire et locataire*, Ger. *Gutsbesitzer* or *Hausbesitzer und Mieter*, Sp. *Propietario e inquilino*, It. *Padrone e inquilino.*)

The relationship of landlord and tenant arises whenever one person who has a legal estate in houses or lands grants to another person a less legal estate in the same in consideration of a payment in money or of some specified service called rent. In general the same principles of law are applicable to every kind of letting, whether the property dealt with is a piece of land, a dwelling-house, a shop or warehouse, or a limited portion of any of them. The principal exceptions are connected with agricultural lettings and leases.

Until the passing of the Statute of Frauds, all leases and agreements as to tenancies could be made by word of mouth. And the same is still true when a lease does not exceed three years from the making, and the rent reserved is at least two-thirds of the improved value of the premises. All other leases, however, were required by the Statute of Frauds to be in writing, and since 1845 all leases which are required to be in writing must be made by deed. But if the tenant does not go into possession at once there must still be some agreement in writing as to the tenancy, in order to satisfy the fourth section of the Statute of Frauds as to an interest in land. For example, if a tenant agrees to take a house for three months commencing next week, and there is no evidence of the same in writing, he will have no right of action against the landlord if the latter refuses to admit him. But if the tenant once gets into possession the parol agreement is quite enough for all purposes.

Since the Judicature Act an agreement for a lease (being properly stamped as a lease) is just as effectual as a deed if the tenant has gone into possession. "A tenant holding under an agreement for a lease, of which specific performance would be decreed, stands in the same position as to liability as if the lease had been executed. He is not, since the Judicature Act, a tenant from year

to year; he holds under the agreement, and every branch of the court must now give him the same rights. There is an agreement for a lease under which possession has been given. Now, since the Judicature Act, the possession is held under the agreement. There are not two estates as there were formerly, one estate at common law by reason of the payment of the rent from year to year, and an estate in equity under the agreement. There is only one court, and the equity rules prevail in it. The tenant holds under an agreement for a lease. He holds, therefore, under the same terms in equity as if a lease had been granted, it being a case in which both parties admit that relief is capable of being given by specific performance."

A tenant in fee simple being as nearly as possible the absolute owner of his land, he can grant leases of any description for any period he chooses, and without any restrictions. A tenant in tail, and a tenant for life, unless under a special power, can only grant an occupation or an agricultural lease for a period not exceeding twenty-one years, a mining lease for sixty years, and a building lease for ninety-nine years. A mortgagor or mortgagee in possession, unless restrained by the mortgage deed, is also able to grant occupation or agricultural leases for twenty-one years, and building leases for ninety-nine years. In other cases the mortgagor and mortgagee must concur in order to make a valid lease. An executor can grant a lease even before probate. A copyholder cannot grant a lease for a longer period than a year without the consent of the lord of the manor. Any attempt to do so is generally a ground of forfeiture.

The contents of a lease will vary greatly with the nature of the property. As in any other document which embodies the terms of a contract, the names of the parties, the property dealt with, the length of the term, and the rent to be reserved must be set forth. The rest of the lease must depend upon the peculiar circumstances of each case, and no general rules can be laid down as to the covenants it should contain. Those will be a matter of arrangement between the landlord and the tenant. They should be set forth with the utmost clearness and certainty, as the decisions of the court as to the meaning of such words as "outgoings" and "impositions" have been somewhat conflicting. The express covenants have reference, in general, to the payments of rates, taxes, etc., to insurance, to repairs and to the uses to which the premises are to be put. It is also a very general covenant on the part of the tenant not to assign or underlet without the consent in writing of the landlord. The words "such consent not to be arbitrarily withheld," are commonly added to the covenant. When this is so the tenant is absolutely compelled to apply to the landlord for his consent in the first instance, if he wishes to assign or under-let. But if the landlord refuses to give his consent, and the assignee or under-lessee is really a responsible person, the assignment or under-letting is good without such consent.

When there is an express covenant on the part of the landlord to repair there is no obligation on him to do the repairs until he has been served with a notice as to the same. The insertion of such a covenant in the lease gives the landlord an implied right to inspect the premises as to the repairs necessary. When the tenant covenants to repair he is bound to give up the premises at the expiration of his lease in the same condition that they were at the date of the lease, allowance only being made for any diminution in value by lapse of time. If the premises are destroyed the tenant must replace them. For that reason a tenant who enters into such a covenant to repair must protect himself by insurance.

But in the absence of express covenants there are certain implied ones. The principal one on the part of the landlord is a covenant for quiet enjoyment, that is, an undertaking that there shall be nothing done to interfere with the peaceful possession on the part of the tenant during the currency of the lease, so far as the landlord himself is concerned, or any person who claims through him, or through whom he claims. But this is not a guarantee that there shall never be any interference at all. A person who has a title paramount to that of the landlord may always evict a tenant of the landlord, seeing that he is in no better position than that of a trespasser. The tenant on his part impliedly covenants to pay rent, and in England, though not in Scotland, he is not freed from this liability, even though the premises are destroyed by fire. The landlord, moreover, in the absence of any covenant

on his part to repair, is under no obligation to restore the premises which have been burned down. In agricultural leases there is an implied covenant on the part of the tenant to keep up the fences and hedges, and to cultivate the land in accordance with the custom of the country. But it is not an implied covenant on the part of the landlord that the premises are fit for human habitation, except in the case of the letting of furnished houses and apartments, and also of tenements under the Housing of the Working Classes Act, 1890.

As a lease is made for a fixed period it is determined by effluxion of time. No notice of its termination is necessary. But it may come to an end earlier by reason of a breach of one or more of the covenants. It is a common practice to insert a clause in a lease to the effect that on a breach taking place the landlord shall have a right of re-entry. If the landlord is able to re-enter peaceably he can terminate the lease by retaking possession. But although he may have this right to re-enter, he cannot use force. His remedy is then an action at law. But in almost every case the court will grant relief against the forfeiture, on the tenant fulfilling his obligations under the covenant and paying the costs occasioned by the breach. But no relief will be granted to a tenant who has been made a bankrupt, or who has assigned or under-let, when there is a covenant in the lease that either of these shall be a cause of forfeiture.

Where a lease has been granted for a period, the tenant holds for his term in spite of any conveyance made by his landlord during the currency of the lease. It is also a rule of law that a tenant may not dispute his landlord's title. If, therefore, a tenant has ever acknowledged a person as his landlord, either expressly or by conduct, he is estopped from denying the same in any proceedings at law that may be taken.

A tenancy from year to year arises when land is let from year to year, or when it is let without any express stipulation to that effect, but with the reservation of a yearly rent, or when a tenant holds over after the expiration of his term, and pays rent for so doing. The courts lean, in the absence of any specific agreement, towards tenancies from year to year, and if there are other circumstances which help them to arrive at such a conclusion, the mere fact that rent is paid half-yearly or quarterly will make no difference. But the mode of paying rent is generally a strong proof of the nature of the tenancy. For example, it would be difficult to set up anything but a monthly or a weekly tenancy when the rent is paid either monthly or weekly.

A letting for "one year certain, and so on from year to year," is a tenancy for two years at least, unless there is a stipulation that the tenancy may be determined at the end of the first year.

A tenancy from year to year is determinable by either landlord or tenant, upon a half-year's notice being given, such notice expiring at the end of the current year of the tenancy. In agricultural lettings, however, a year's notice is required. A monthly tenancy requires a month's notice, and a weekly tenancy a week's notice. In the case of lodgings a reasonable notice only is required, and what is a reasonable notice depends on the circumstances of each particular case.

The notice to quit need not be a written one, but it is much safer not to depend upon a mere verbal notice. The wording should be clear and distinct, so that the tenant cannot be under any mistake as to the object of the notice; but the courts are ready to overlook trifling inaccuracies. A notice must be construed in accordance with the intention of the landlord. But a notice in the alternative, either to quit or pay an increased rent, is insufficient. It it were so worded as to first give the notice, and then to add that in case the tenant did not leave the landlord would demand double rent, the notice would be good. There is no need for the notice to be served personally. It may be left with a servant at the house of the tenant, and its purport explained to him. The great object is to take care that the notice does get into the hands of the tenant, or that he is acquainted with it. It has, therefore, been held a sufficient service to place the notice under the door, or to send it by post. When there has been an under-letting, the notice must be served upon the lessee, and not upon the sub-lessee.

A tenancy at will is one which is terminable at the pleasure of either the landlord or the tenant. But unless there is an express agreement that the tenancy is to be one at will, the courts will always endeavour to construe it as anything but a tenancy at will.

A tenancy by sufferance is one in which possession is taken lawfully, but afterwards continued without leave or objection on the part of the landlord. It most frequently arises when a tenancy has come to an end in the ordinary course, and the tenant continues to hold. A tenant by sufferance cannot be ejected unless the landlord has made a previous demand for possession.

On the expiration of the term of the tenancy it is the duty of the tenant to deliver up possession of the premises, together with all the buildings, erections, and landlord's fixtures. If there has been any under-letting, it is for the tenant to see that his under-tenant is out of that part which has been underlet, for the landlord is entitled to complete possession, and the responsibility of the tenant does not cease until the complete possession has been obtained. The tenant is entitled to take away all fixtures which are known as tenant's fixtures. (See *Fixtures.*)

Mutual Remedies. — (*a*) Landlord against tenant. For the non-payment of rent the landlord has the summary remedy of distress. (See *Distress.*) But if distress has become impossible, owing to any circumstances, the tenant may be sued upon his covenant to pay rent, or the landlord may claim the right to re-enter. It has been already stated that a clause is usually inserted in well-drawn leases providing for the right of re-entry without demand. This gives an immediate right of action. But if there is no such proviso, a proper demand must be made, varying with the nature of the tenancy. When the rent exceeds £100 a year, proceedings must be taken in the High Court; when it is below that amount the county court is the proper tribunal. If, however, the rent does not exceed £20 a year, and the term is for a period not greater than seven years. the landlord may summon the tenant before the justices, who are empowered to issue a warrant authorising the constable of the district to eject the tenant and give possession to the landlord. For the breach of any other covenant than that of the non-payment of rent the landlord may rely upon his right of action for breach of the covenant, or claim to re-enter.

(*b*) Tenant against landlord. The usual remedy is an action for damages for breach of covenant. Deductions from rent are doubtful remedies, and cannot be relied upon except in three cases: (1) if the landlord has undertaken to pay a tax levied upon the tenant, and has failed to do so; (2) if the tenant has been compelled to pay the landlord's tax, owing to the latter's default; and (3) if the tenant has made payments to protect himself from a distress levied by a superior landlord or from the claims of a mortgagee.

Payment of Poor Rates.—Where premises are let for a less period than three months, the tenant is entitled to deduct the amount paid for the poor rate from his rent, the landlord being bound to allow the deduction. If the tenancy exceeds three months, but the tenant is not in occupation for the whole period for which the poor rate is made, he is only responsible for the part of the poor rate which is proportionate to the time during which he has been in occupation.

Stamps.—Where a lease is made of a dwelling-house or any part thereof for a definite period not exceeding one year, and the rent does not exceed £10 per annum, the stamp duty is 1*d.* If the premises let are a furnished dwelling-house or apartments, the rent of which does not exceed £25 per annum, and the term is definite and less than one year, the stamp duty is 5*s.* In all other cases the duty is calculated as follows:—

	For a period not exceeding 35 years.			*Between 35 and 100 years.*			*Exceeding 100 years.*		
	£	*s.*	*d.*	£	*s.*	*d.*	£	*s.*	*d.*
When the rent does not exceed £5 a year . .		1	0		6	0		12	0
Exceeds £5, and does not exceed £10 . .		2	0		12	0	1	4	0
Ditto £10, Ditto £15		3	0		18	0	1	16	0
Ditto £15, Ditto £20		4	0	1	4	0	2	8	0
Ditto £20, Ditto £25		5	0	1	10	0	3	0	0
Ditto £25, Ditto £50		10	0	3	0	0	6	0	0
Ditto £50, Ditto £75		15	0	4	10	0	9	0	0
Ditto £75, Ditto £100	1	0	0	6	0	0	12	0	0
Ditto £100, for every fractional part of £50		10	0	3	0	0	6	0	0

Agreements for leases not exceeding thirty-five years are stamped as leases.

Holding Over.—If a tenant for life or years contumaciously disregards his landlord's written requirements to give up the premises, and wrongfully holds over, he will be liable to pay compensation at the rate of double the yearly value of the premises. This does not apply to weekly tenancies, and it has been doubted whether it applies to quarterly tenancies. In the calculation of the double value only the land and its appurtenances are included. If a tenant holds over after he has himself given notice, he will be liable to pay compensation at the rate of double the yearly rent. This applies to tenancies of all kinds.

LARBOARD. (Fr. *Bâbord*, Ger. *Backbord, linke Seite*, Sp. *Babor*, It. *Babordo.*)

This term was formerly applied to that side of a ship which is on the left hand of a person looking forward from the stern. The name "port" is now generally used instead of larboard.

LASCAR. (Fr. *Lascar*, Ger. *Lasker*, Sp. *Lascar*, It. *Lascaro, marinaio indiano.*)

This word is borrowed from the Hindu, properly signifying a camp-follower, but now commonly applied to a native Indian seaman, many of whom are employed in the English mercantile navy, especially that portion which trades in the Eastern seas.

LASTAGE. (Fr. *Lestage*, Ger. *Ballast*, Sp. *Lastre*, It. *Zavorra.*)

This is the name given to sand, gravel or ballast, when used for the purpose of keeping a ship steady in the water.

LAW MERCHANT, LEX MERCATORIA, OR LEX MERCATORUM. (Fr. *Code commercial*, Ger. *Handelsgesetz*, Sp. *Derecho mercantil*, It. *Legge mercantile.*)

In a general sense the law merchant signifies the usages and customs which regulate matters relating to commerce. Some of these were derived from the practices of foreign merchants, some from the Roman law, and others, especially those referring to maritime commerce, from various foreign codes. For many years the English courts refused to recognise these customs and usages; but in the seventeenth and the eighteenth centuries the efforts of Lord Holt and Lord Chief Justice Mansfield engrafted the law merchant upon the common law of England. In the case of *Goodwin* v. *Robarts*, 1875, L.R. 10 Ex., at p. 346, the following remarks were made in the course of the judgment: "The law merchant is sometimes spoken of as a fixed body of law, forming part of the common law, and, as it were, coeval with it. But, as a matter of legal history, this view is altogether incorrect. The law merchant thus spoken of with reference to bills of exchange and other negotiable securities, though forming part of the general body of the *lex mercatoria*, is of comparatively modern origin. It is neither more nor less than the usages of merchants and traders in the different departments of trade, ratified by the decisions of courts of law, which, upon such usages being proved before them, have adopted them as settled law with a view to the interests of trade and the public convenience, the court proceeding herein on the well-known principle of law that, with reference to transactions in the different departments of trade, courts of law, in giving effect to the contracts and dealings of the parties, will assume that the latter have dealt with one another on the footing of any custom or usage prevailing generally in the particular department. By this process, what before was usage only, unsanctioned by legal decision, has become engrafted upon, or incorporated into, the common law, and may thus be said to form part of it." In another case, Lord Campbell says: "When a general usage has been judicially ascertained and established, it becomes a part of the law merchant, which courts of justice are bound to know and recognise."

LAY DAYS. (Fr. *Jours de planche*, Ger. *Lade-* or *Liegetage*, Sp. *Dias de plancha*, It. *Stallie.*)

This is a term used in shipping to signify the number of days allowed for loading or unloading ships, as agreed upon by the owners and charterers, or the owners and freighters, as the case may be. The lay days commence as soon as the ship has been given permission to load or to discharge.

LAZARETTO. (Fr. *Lazaret*, Ger. *Lazarett*, Sp. *Lazareto*, It. *Lazzaretto.*)

A lazaretto is an establishment found in many foreign ports for the fumigation of goods landed from a ship in quarantine previous to the introduction into the markets. Passengers as well as their baggage are at times subjected to a process of fumigation, if they have come from ports which are under suspicion of being infected with contagious diseases.

LEAKAGE. (Fr. *Coulage*, Ger. *Gewichtsverlust*, Sp. *Merma*, It. *Abbuono o diffalco per colamento.*)

In commerce, an allowance made on liquids for what may be lost by leaking.

LEASE. (Fr. *Bail*, Ger. *Pacht*, *Pachtbrief*, Sp. *Arriendo*, *contrato de arriendo*, It. *Contratto di fitto*, *scrittura di fitto*.)

Either a grant of land or tenements for a fixed period, or for life, by one person called the lessor, to another called the lessee, or the document which sets out the terms of the same. Every lease which is made for a longer period than three years must be made by deed. An under-lease is a letting by a person who himself holds the land or tenements under a lease. (See *Landlord and Tenant*.)

LEASEHOLD. (Fr. *Tenure à bail*, Ger. *Pachtgut*, Sp. *Contrato de arrendamento*, *propiedad arrendata*, It. *Proprieto tenuta in affitto*.)

The lands or tenements which are held under a lease. Leaseholds are personal estate, irrespective of the length of the term. They are subject, however, on the death of the lessee to succession, and not to legacy, duty.

LEDGER. (Fr. *Grand livre*, Ger. *Hauptbuch*, Sp. *Libro mayor*, It. *Mastro*, *libro mastro*.)

This is the principal book of accounts employed by merchants and others in book-keeping by double entry. In it the whole of the entries recorded in all the other books are summarised and classified for the purpose of ready reference. The act of transferring the various entries from other books is called "posting" the ledger.

LEEMAN'S ACT. This is the name given to an Act of Parliament, passed in 1867, by which it was enacted that all contracts and agreements for the sale of shares or stock in any banking company of the United Kingdom, exclusive of the Banks of England and Scotland, should be null and void, unless the distinguishing numbers of such shares or stock are set forth in the contracts or agreements, and, in the absence of such distinguishing numbers, the person or persons in whose name or names the shares or stock are or is registered. It has been the custom of the Stock Exchange to treat this Act as a dead letter, but it has been declared by the courts, quite recently, to be of full force.

LEEWARD. (Fr. *Sous le vent*, Ger. *leewärts*, Sp. *Sotavento*, It. *Sottovento*.)

This is the side of the ship facing the quarter towards which the wind is blowing.

LEGACY. (Fr. *Legs*, Ger. *Legat*, Sp. *Legado*, It. *Legato*.)

A gift of personalty made by will is known as a legacy.

Legacies are of three kinds:—

(*a*) General, when payable out of the general assets of the testator.

(*b*) Specific, when a particular or specific part of the personalty of the testator is bequeathed.

(*c*) Demonstrative, when the testator has indicated a particular fund out of which the legacy is to be paid. If the particular fund has ceased to exist at the death of the testator a demonstrative legacy becomes a general one.

These distinctions are of great importance. In the administration of assets the order of the application of a legacy depends upon whether it is considered to be general or specific; so that upon the construction put upon it in this respect, the question as to whether the legatee shall enjoy it or not may wholly rest. In this respect the position of a specific legatee is more advantageous than that of a person whose legacy is general. But in another respect the contrary is the case. Thus, if after a testator has given a specific legacy the thing specifically given ceases to exist, or ceases to belong to the testator, the legacy is held to be adeemed. The legatee loses the entire benefit of it, and cannot claim compensation out of the general estate. A general legacy, on the other hand, is not liable to ademption. It is payable out of any and every part of the assets not required for the payment of debts, and not specifically disposed of; and all general legacies, in the case of an insufficiency of assets, are payable *pari passu*, unless the testator has given to some a priority over others.

Another important division of legacies is into vested and contingent. This will depend upon the wording of the will, for if the testator has made it clear that it is his desire that the legatee should have the legacy in any event, though the time of enjoyment is postponed, and the legatee dies before that date arrives, the legacy is vested and therefore payable to the administrators of the legatee. But if the gift is purely contingent upon the legatee attaining a certain age, or upon the happening of a certain event, then the legacy is a contingent one, and unless the condition is fulfilled the legacy will not go to the administrators of the legatee.

A legacy will lapse if the legatee dies in the lifetime of the testator, even though the bequest is made to the legatee, his executors, administrators, and assigns. The lapsed legacy will fall into the residue of the estate, and the

property comprised in it will become the property of the residuary legatee. If it is the residuary legatee who dies before the testator, the lapse of his share creates an intestacy as to that amount.

There is an exception to this rule as to lapse when the legatee is a child or other issue of the testator. It has been provided by the Wills Act, 1837, that in such a case the children or issue of the legatee, if there are any, shall not suffer by the death of the legatee during the lifetime of the testator, but that, unless there is a contrary intention expressed in the will, the intended legacy shall take effect as if the death of the intended legatee had happened immediately after the death of the testator.

At common law there was no right of action against an executor to recover legacies unless the executor had assented to them. If payment of a legacy was withheld recourse was had to equity, and proceedings are now taken in the Chancery Division. If the value of the estate of the testator does not exceed £500, proceedings may be taken in the proper county court.

Specific legacies are payable and interest thereon runs from the death of the testator, from which time also dividends accrue to the legatee. General legacies, on the contrary, unless otherwise provided by the testator, are not payable until the expiration of twelve months after his decease, and only carry interest for that time. But if the testator has expressed an intention as to either the acceleration or the postponement of payment, interest is payable from the directed time of payment. There are a few exceptions to this rule. Thus, where a legacy is given in satisfaction for a debt, the legacy is payable and carries interest from the death. Again, where a parent bestows a legacy upon an infant, interest will generally be allowed from the death by way of maintenance, unless there is a special fund provided for that purpose. Demonstrative legacies resemble general legacies as to both time of payment and interest. The rate of interest is generally four per cent.

Subject to a few exceptions, legacy duty is payable upon all bequests of personalty made by a testator who is domiciled in the United Kingdom at the time of his death. The duty is also payable upon *donationes mortis causâ*, upon profits derived from the management of the deceased's estate, when expressly conferred by the will, and upon releases from debts due to the testator. Formerly legacy duty was divided into five distinct classes, according to the degree of relationship, but now the rates of duty, subject to certain exceptions, which are set out in the Finance Act, 1909-10, are, generally speaking, as follows:—

	Per cent.
Husband or wife, or lineal ancestors or descendants of the testator .	1
Brothers and sisters of the testator, or their descendants	5
Any other person	10

Exemptions from the payment of legacy duty were granted in numerous cases before the passing of the Finance Act, 1909-10, but they are now on the same footing as exemptions under succession duty. The following are also exempt:—

(*a*) On legacies for the benefit of the Royal Family.

(*b*) On specific, but not pecuniary, legacies under the value of £20.

(*c*) When the total value of the personalty does not exceed £100.

(*d*) When the net value of the estate does not exceed £1,000, and estate duty has been paid.

(*e*) On books, prints, and specific articles given to a public body for preservation and not for sale, and also on plate, furniture, and similar things, not yielding income, given to different persons in succession. The duty becomes payable whenever the property passes to a person who is the absolute owner.

The burden of paying the legacy duty falls on the legatee, unless the will provides otherwise, and a failure to do this renders the defaulter liable to heavy penalties.

LEGAL DAY. (Fr. *Jour légal*, Ger. *gesetzlicher Tag*, Sp. *Día legal*, It. *Giorno legale.*)

A legal day is the whole of the day, continuing up to midnight. When there is an obligation to do a certain thing by a fixed day, the whole day must pass before there can be default. For example, if rent is payable on a quarter day, it is not in arrear until the day following.

LEGAL QUAY. (Fr. *Quai de douane*, Ger. *Zollkai*, Sp. *Muelle de aduana*, It. *Molo della dogana.*)

This is a wharf which is licensed by the customs to land and store bonded goods.

LEGAL TENDER. (Fr. *Monnaie légale*, Ger. *gesetzliches Zahlmittel*, Sp. *Moneda corriente*, It. *Moneta legale.*)

This is such money as a creditor is obliged to receive in requital of a debt expressed in terms of money of the realm. By the Coinage Act of 1870 the following are declared to be legal tender in the United Kingdom:—

(1) Gold coins up to any amount.

(2) Silver coins up to two pounds.

(3) Bronze coins (pence and half-pence) up to one shilling.

"In England and Wales (but not in Ireland or Scotland) Bank of England notes payable to bearer on demand are a legal tender for any sum above £5, so long as the bank continues to pay its notes in legal coin, except at and by the bank itself or its branches. The bank in London is bound, on presentation, to pay the holder of any of its notes in money; its branches are bound to pay in money only such notes as are made specially payable at the branch where the note is presented for payment."

It will be noticed that a £5 note is not a legal tender for a debt of £5, though quite good as such if used in part payment of a debt exceeding that amount.

The gold coinage of colonial mints is made legal tender in any part of the British dominions by Royal Proclamation. (See *Tender.*)

During the Great War which began in 1914, gold was practically withdrawn from circulation, and its place was taken by one pound and ten shilling notes.

LESSEE. (Fr. *Preneur d'un bail*, Ger. *Mietmann, Pächter*, Sp. *Arrendatario, arrendado*, It. *Pigionale, inquilino, locatario.*)

This is the person to whom a lease is granted. (See *Landlord and Tenant.*)

LESSOR. (Fr. *Bailleur*, Ger. *Verpachter*, Sp. *Arrendador*, It. *Affittatore, appigionante.*)

This is the usual name given to the person who grants a lease. (See *Landlord and Tenant.*)

LETTER OF ALLOTMENT. (Fr. *Lettre de répartition*, Ger. *Zuteilungsbrief*, Sp. *Carta de repartición*, It. *Lettera di assegnazione, lettera di ripartizione.*)

This is a letter issued in answer to a letter of application for a portion of a public loan, or for shares in a commercial undertaking, informing the applicant that a certain amount has been placed in his name. Letters of allotment must be stamped—

Less than £5 . . .	1*d.*
£5 and upwards . . .	6*d.*

LETTER OF ATTORNEY. (See *Attorney, Power of.*)

LETTER OF CREDIT. (Fr. *Lettre de crédit*, Ger. *Kreditbrief*, Sp. *Carta de crédito*, It. *Lettera di credito o credenziale.*)

A letter of credit is an order given by a banker or other person, at one place, to his agent in another place, authorising the latter to pay to a particular individual a certain sum of money. Owing to its vagueness a letter of credit is not a negotiable instrument, and therefore payment can only be legally demanded by the person who is named in it.

LETTER OF HYPOTHECATION. (Fr. *Lettre hypothécaire*, Ger. *Verpfändungsbrief*, Sp. *Carta hipotecaria*, It. *Lettera ipotecaria.*)

This is a letter which is given to a banker by the owner of goods contained in a bill of lading, when the banker advances money against the goods. This letter gives the banker a lien on the goods, although the property still remains in the borrower.

LETTER OF INDEMNITY. (Fr. *Garantie d'indemnité*, Ger. *Schadloshaltungsbürgschaft*, Sp. *Garantía de pérdida*, It. *Garanzia d'indennità.*)

This is a written indemnity whereby a person, who signs and issues the document, undertakes to guarantee the person to whom it is addressed and delivered from loss or damage which may arise on the happening or the failure of a particular event, or on the performance or non-performance of a specified event. (See *Guarantee.*)

LETTER OF INTRODUCTION. (Fr. *Lettre d'introduction*, Ger. *Empfehlungsbrief*, Sp. *Carta de recomendación.* It. *Lettera d'introduzione o commendatizia.*)

This is a letter addressed to a correspondent at a distance, introducing the bearer, and requesting a favourable reception for him.

LETTER OF LICENCE. (Fr. *Permis, licence*, Ger. *Licenz, Moratorium*, Sp. *Escritura moratoria, carta de espera*, It. *Moratoria.*)

A letter of licence is an agreement signed by the creditors of an insolvent or embarrassed trader, permitting him, or some other person, to carry on the business for a certain time without first satisfying their claims, and undertaking not to molest him until the time agreed upon has expired.

LETTER OF MARQUE (or **MART**). (Fr. *Lettre de marque*, Ger. *Kaperbrief*, Sp. *Carta de marca*, It. *Lettera di marca.*)

This was a species of licence granted by a belligerent Government to the owner or owners of any private ships, commissioning them to attack and to seize the ships and the property of the

enemy. By strict international law there is no longer any right to issue such letters.

LETTER OF REGRET. (Fr. *Lettre de regret*, Ger. *Ablehnungsbrief*, Sp. *Carta de sentimiento*, It. *Lettera di rincrescimento.*)

This is a communication sent to unsuccessful applicants for shares in a loan or a newly-formed joint-stock company, expressing the regret of the directors that no shares have been allotted to them. The deposit required to be made on application is returned with the letter of regret.

LETTER OF RENUNCIATION. (Fr. *Lettre de renoncement*, Ger. *Verzichtleistung*, Sp. *Carta de renunciación*, It. *Lettera di rinuncia.*)

A letter of renunciation is one which is sometimes sent with a letter of allotment, by signing which the allottee can renounce his right to the allotment.

LETTERS OF ADMINISTRATION. (Fr. *Droit d'administrer la succession*, Ger. *Verwaltungsrecht*, Sp. *Derecho de administración*, It. *Diritto di amministrazione.*)

When a person dies without having made a will, or without having nominated any person or persons to act as executor or executors, application must be made either at Somerset House or at one of the District Probate Registries for authority to act in the distribution of the effects of the deceased. This authority is given by a grant of letters of administration. (See *Executor.*)

LETTERS PATENT. (Fr. *Lettres patentes, brevet d'invention*, Ger. *Patent, Privilegium*, Sp. *Letras patentes*, It. *Lettere patenti, brevetto d'invenzione.*)

This term is applied to the Government document conferring a patent or authorising a person to enjoy some special privilege for a specified time. The document is so called from *litterae patentes*, open letters, being addressed to the nation at large. (See *Patent.*)

LEVANT TRADE. (Fr. *Commerce du Levant*, Ger. *Levantischer Handel*, Sp. *Comercio del Levante*, It. *Commercio del Levante.*)

This term refers to the trade which is carried on with Turkey and the neighbouring countries.

LEX MERCATORIA. (See *Law Merchant.*)

LIABILITIES. (Fr. *Passif*, Ger. *Verbindlichkeiten*, Sp. *Pasivo*, It. *Passivo, passività, responsabilità.*)

The word "liabilities" signifies the obligation of any person, firm, or company under any contract or contracts entered into by them. The word is most commonly used to express indebtedness, and therefore is generally confined to the total amount of money owing by one person to another or others.

For the purposes of the Bankruptcy Act, 1914, liability is defined as "any compensation for work or labour done, any obligation or possibility of an obligation to pay money or money's worth on the breach of any express or implied covenant, contract, agreement, or undertaking, whether the breach does or does not occur, or is or is not likely to occur, or capable of occurring before the discharge of the debtor, and generally it shall include any express or implied engagement, agreement, or undertaking to pay, or capable of resulting in the payment of money or money's worth, whether the payment is, as respects amount, fixed or unliquidated; as respects time, present or future, certain or dependent on any one contingency, or on two or more contingencies; as to mode of valuation, capable of being ascertained by fixed rules, or as matter of opinion."

LIEN. (Fr. *Gage, droit de rétention*, Ger. *Pfandrecht*, Sp. *Derecho de detención*, It. *Pegno.*)

Lien may be divided into three main classes: (*a*) possessory, (*b*) maritime, (*c*) equitable.

A possessory lien signifies the right of a person, who has possession of the goods of another, to retain such possession until a debt due to him has been paid.

Possessory liens may be either particular or general.

A particular lien is a right which arises in connection with the goods as to which the debt arose. The most common instances are those of a carrier, who can retain the goods delivered to him for carriage until his charges are paid; an innkeeper, who can detain the goods of his guest; a tradesman or labourer, who is not bound to give up goods upon which he has expended labour unless he is rewarded for the same, and a warehouseman, who is entitled to recompense for the trouble to which he has been put. But in addition to these liens, which are implied by law, the owner of goods and the possessor may create a particular lien over the same by express agreement between themselves.

A general lien, which arises from custom or contract, is a right to detain

goods not only for debts incurred in connection with them, but also for a general balance of account between the owner and the possessor. The most common instances of general lien are those of factors, bankers, wharfingers, solicitors, and, in some instances, insurance brokers.

A possessory lien, to whichever class it belongs, does not give the possessor any right to deal with the goods except such as belongs to the possessor merely. Thus he has no right of sale. This is, however, subject to any special agreement between the parties.

A lien is lost or extinguished if the possessor agrees to give credit to the owner for the amount due, or if he agrees to accept some other security for the debt due to him. A surrender of possession naturally destroys the lien, except in the case of the unpaid seller of goods, who may retake possession by exercising the right of stoppage *in transitu*.

Maritime lien is independent of possession. It is a peculiar right which attaches to a ship in connection with a liability arising out of an adventure at sea, and attaches to the ship wherever she may be. It is enforceable by arrest and sale, if necessary, at the instance of the Admiralty Court. In addition to liens arising out of salvage and bottomry bonds there are those which attach for damages through collision, seamen's wages, payments made by the master on account of the ship, and the services of pilots.

An equitable lien has nothing to do with possession, but is a right to have a specific portion of property dealt with in a particular way for the satisfaction of specific claims.

LIFE ANNUITY. (Fr. *Rente viagère*, Ger. *Lebensrente*, Sp. *Renta vitalicia*, It. *Rendita annua vitalizia*.)

A life annuity is one that is paid to a person during life, but which is to cease on the death of the annuitant.

LIFE ESTATE. (Fr. *Propriété viagère*, Ger. *unvererbliche Güter*, Sp. *Propiedad vitalicia*, It. *Rendita vitalizia*.)

This is an estate or interest held for the term of the life of the holder, or of another person (*par autre vie*). The holder is called the tenant for life, and owing to the settlements that prevail among landowners, it is possible that more of the land in England is held by tenants for life than by any other class.

Until the passing of the Settled Land Acts, especially those of 1877, 1882, and 1890, a tenant for life was almost entirely prevented from dealing with the life estate, or the produce of it, except in so far as the provisions of the settlement under which he held gave him special powers. By these Acts, however, a very considerable change has been made in the law. The policy of the whole of them is to keep the capital amount representing the value of the land intact, but otherwise to allow the tenant to enjoy as far as possible the powers and privileges of any other holder of land, and under certain conditions even to sell or to exchange the estate. What these powers are and the manner in which they are to be exercised, must be gathered from the Acts themselves.

LIFE INSURANCE. (Fr. *Assurance sur la vie*, Ger. *Lebensversicherung*, Sp. *Seguro sobre la vida*, It. *Assicurazione sulla vita*.)

"A contract by which the insurer, in consideration of certain payments, either in a gross sum, or by annual payments, undertakes to pay to the person for whose benefit the insurance is made, a certain sum of money or annuity, on the death of the person whose life is insured." This is the definition given in Smith's *Mercantile Law*. The late Sir George Jessel defined it as "a purchase of a reversionary sum in consideration of a present payment of money, or, as is generally the case, of the payment of an annuity during the life of the party insuring."

The forms of life insurance are very numerous, and novel methods are being continually introduced, owing to the competition between various companies. One of the most favoured methods is the system of endowment policies, by which it is stipulated that the payment of the policy money shall be made either on the death of the person insured, or after the lapse of a specified number of years, whichever shall first happen. The premium is naturally much higher in the case of endowment policies than in that of ordinary policies, and varies inversely as the number of years after which the insurance money becomes payable.

The person effecting the insurance must have an insurable interest (*q.v.*) in the life insured. Every man is presumed to have an insurable interest in his own life, and since life insurance is not a contract of indemnity, there is no limit to the amount for which an insurance on his own life can be made by himself.

Before a policy of life insurance is granted to the insured, a proposal form has to be filled up. This consists of a number of inquiries as to the life, habits, and antecedents of the proposer. The answers must be made with the greatest care, because the proposal form is regarded as a part of the policy, and since the contract is one of the class known as *uberrimae fidei*, any misstatements may render the policy void. The risks insured against are set out in the policy itself, also the time during which the contract is to remain in force, the names of the parties and the amount of the insurance, and the method of payment of the premium. It is a common custom for insurance offices to allow a certain number of days of grace for the payment of any instalment of the premium. This does not follow as a matter of course, and a clause to this effect should be inserted in the policy if the insured wishes to rely upon it. As in every other contract evidenced by writing the utmost care should be taken to see that all the desired terms are inserted in the policy, since evidence to vary the policy is not admissible.

Stamping.—Policies of life insurance must be stamped as follows:—

	s.	d.
Where the sum insured does not exceed £10	0	1
Exceeds £10, but does not exceed £25	0	3
Exceeds £25, but does not exceed £500, for every £50 or fractional part thereof	0	6
Exceeds £500, but does not exceed £1,000, for every £100 or fractional part thereof	1	0
Exceeds £1,000, for every £1,000 or fractional part thereof	10	0

This does not apply to insurances of lives against accidents, for which the stamp duty is one penny.

Assignment of Policies.—By the common law a policy of insurance, being a *chose in action*, could not be assigned or transferred to a person who was not a party to the contract. But by an Act passed in 1867, a life policy can now be assigned, either by indorsement of the policy or by a separate instrument, and the assignee can sue in his own name without showing that he possesses any personal interest. A written notice of the assignment must be given to the insurance office, and the insurer must, upon receiving notice, give a certificate acknowledging the receipt. The policy specifies the place of business to which the notice must be sent.

This power of assignment enables a person to effect an insurance upon his own life and then to transfer the policy to another person for the latter's benefit, when the same thing could not be carried out directly owing to the absence of "insurable interest."

The assignee takes the policy subject to all the equities, that is, he can be met in an action upon the policy by any of the defences which would be available against the assignor.

Income Tax and Life Insurance.—Under the Income Tax Acts every person is entitled to an abatement of income tax in respect of payments made as premiums on life insurance or on a deferred annuity on his own life, or the life of his wife, to the extent of not more than one-sixth of his income, provided that the rate of premium for the insurance does not exceed 7 per cent. of the sum payable at death, and that as regards any premium for any other benefits the total abatement does not exceed £100.

LIFE INSURANCE COMPANIES ACTS, 1870-72. These were three Acts regulating the conditions under which life insurance companies were permitted to commence business, differing from those which regulate ordinary joint-stock companies. The following were the most important:—

(1) Every life insurance company established after August 9, 1870, and every company commencing to carry on the business of life insurance after that date, must, if it carries on business within the United Kingdom, deposit £20,000 in the Chancery Division, and no certificate of incorporation can be issued until the deposit has been made.

(2) The deposit may be made by the subscribers of the memorandum of association of the company, or by any of them, in the name of the proposed company, and the deposit is deemed, upon the incorporation of the company, to have been made by and to be a part of the assets of the company.

(3) The deposit is invested by the court, and the income is paid to the company.

(4) The deposit is returnable as soon as the life insurance fund of the company, accumulated out of premiums, amounts to £40,000.

(5) Where a company carries on other business besides that of life insurance, a separate account must be kept of all receipts in respect of the life insurance and annuity contracts of the

company. The receipts must form a separate fund, called the life insurance fund of the company, and it must be as absolutely the security of the life policy-holders and the annuity-holders as though the company carried on no other business than that of life insurance.

(6) Life insurance companies are required to make annual statements of accounts, and to report, at frequent intervals, on their financial condition. Printed copies of the accounts and reports must be furnished to the shareholders and policy-holders of the company when required.

(7) An amalgamation of two or more life insurance companies cannot be effected without the sanction of the court upon petition. No sanction will be given if policy-holders to the extent of one-tenth of the total amount assured refuse their consent to the proposed amalgamation.

(8) A life insurance company may be wound up on the application of one or more policy-holders on proof of its insolvency. The court, in determining whether the company is or is not insolvent, takes into account its contingent or prospective liabilities under policies, annuities, or other contracts, and no hearing is granted unless security for costs is given and a *primâ facie* case made out to the satisfaction of the judge.

The following rules are given for calculating the values of annuities and policies:—

"An annuity shall be valued according to the tables used by the company which granted such annuity at the time of granting the same, and where such table cannot be ascertained or adopted to the satisfaction of the court, then according to the table known as the Government Annuities Experience Table, interest being reckoned at the rate of 4 per cent. per annum.

"The value of a policy is to be the difference between the present value of the reversion in the sum assured on the decease of the life, including any bonus or addition thereto made before the commencement of the winding-up, and the present value of the future annual premiums. In calculating such present value the rate of interest is to be assumed as being 4 per cent. per annum, and the rate of mortality as that of the tables known as the Seventeen Offices Experience Tables. The premium to be calculated is to be such premium as, according to such rate of interest and rate of mortality, is sufficient to provide for the risk incurred by the office in issuing the policy, exclusive of any addition thereto for office expenses and other charges."

(9) When a life insurance company transfers its business to another company, or amalgamates with one or more insurance companies, no policy-holder in the first company is presumed to have abandoned any of his rights or claims against that company by reason of the payment of premiums to the new company, or to have accepted the liability of the new company in place of the liability of the old company, unless he has signified the same by some document in writing signed by himself or by his lawful agent.

These salutary provisions were extended by various statutes to other kinds of insurance, but the above Acts, as well as the extending Acts, have now been repealed. In their place the Assurance Companies Act, 1909, has been passed, of which the most important sections are the following:—

1. This Act should apply to all persons or bodies of persons, whether corporate or unincorporate, not being registered under the Acts relating to friendly societies or to trade unions (which persons and bodies of persons are hereinafter referred to as assurance companies) whether established before or after the commencement of this Act, and whether established within or without the United Kingdom, who carry on within the United Kingdom assurance business of all or any of the following classes—

"(*a*) Life assurance business; that is to say, the issue of, or the undertaking of liability under, policies of assurance upon human life, or the granting of annuities upon human life;

"(*b*) Fire insurance business; that is to say, the issue of, or the undertaking of liability under, policies of insurance against loss by or incidental to fire;

"(*c*) Accident insurance business; that is to say, the issue of, or the undertaking of liability under, policies of insurance upon the happening of personal accidents, whether fatal or not, disease, or sickness, or any class of personal accidents, disease, or sickness;

"(*d*) Employers' liability insurance business; that is to say, the issue of, or the undertaking of liability under, policies insuring employers against liability to pay compensation or damages to workmen in their employment;

"(*e*) Bond investment business; that

is to say, the business of issuing bonds or endowment certificates by which the company, in return for subscriptions payable at periodical intervals of two months or less, contract to pay the bondholder a sum at a future date, and not being life assurance business as hereinbefore defined;

"Subject as respects any class of assurance business to the special provisions of this Act relating to business of that class."

A company registered under the Companies Acts which transacts assurance business of, say, such class as aforesaid in any part of the world shall, for the purposes of this provision, be deemed to be a company transacting such business within the United Kingdom.

2.—"(1) Every assurance company shall deposit and keep deposited with the Paymaster-General for and on behalf of the Supreme Court the sum of £20,000.

"(2) The sum so deposited shall be invested by the Paymaster-General in such of the securities usually accepted by the court for the investment of funds placed under its administration as the company may select, and the interest accruing due on any such securities shall be paid to the company.

"(3) The deposit may be made by the subscribers of the memorandum of association of the company, or any of them, in the name of the proposed company, and, upon the incorporation of the company, shall be deemed to have been made by, and to be part of the assets of, the company, and the registrar shall not issue a certificate of incorporation of the company until the deposit has been made.

"(4) Where a company carries on, or intends to carry on assurance business of more than one class, a separate sum of £20,000 shall be deposited and kept deposited under this section as respects each class of business, and the deposit made in respect of any class of business in respect of which a separate assurance fund is required to be kept shall be deemed to form part of that fund, and all interest accruing due on any such deposit or the securities in which it is for the time being invested shall be carried by the company to that fund.

"(5) The Paymaster-General shall not accept a deposit except on a warrant of the Board of Trade.

"(6) The Board of Trade may make rules with respect to applications for warrants, the payment of deposits, and the investment thereof or dealing therewith, the deposit of stocks or other securities in lieu of money, the payment of the interest or dividends from time to time accruing due on any securities in which deposits are for the time being invested, and the withdrawal and transfer of deposits, and the rules so made shall have effect as if they were enacted in this Act, and shall be laid before Parliament as soon as may be after they are made."

These first two sections are quoted with the object of showing the means devised by the legislature for securing the financial stability of various kinds of insurance companies. As to the special provisions of the Act in connection with returns, balance sheets, reports, etc., the reader must consult the statute at first hand.

LIFE INTEREST. (Fr. *Viager*, Ger. *Niessbrauch*, Sp. *Renta vitalicia*, It. *Vitalizio*.)

This is the beneficial interest in land or other property to last during the life of the beneficiary or some other person.

LIGAN. (See *Lagan*.)

LIGHT DUES. (Fr. *Droits de phare*, Ger. *Leuchtgelder*, Sp. *Derechos de faros*, It. *Diritti di faro*.)

Light dues are tolls levied on a ship by the Board of Trinity House to maintain the lights, beacons, buoys, and other contrivances shown for the guidance of navigators round the British coasts and estuaries.

LIGHTER. (Fr. *Gabare*, Ger. *Lichter*, *Leichterschiff*, Sp. *Gabarra*, It. *Chiatta*, *barca*, *barcone da trasporto*.)

A lighter is a large open boat used in loading and unloading ships and carrying goods.

LIGHTERAGE. (Fr. *Prix de transport par eau*, *frais d'allège*, Ger. *Lichtergeld*, Sp. *Gabarraje*, It. *Spese di scaricamento della nave con chiatte*, *alleggio*.)

This is the price paid for conveying goods by means of lighters.

LIGHTERMAN. (Fr. *Gabarier*, Ger. *Lichterleute*, *Auslader*, Sp. *Gabarrero*, It. *Barcaiuolo*, *scaricatore*, *navalestro*.)

This word means:—

(1) A man who is engaged in the navigation of lighters or barges.

(2) The owner of a number of lighters, carrying on business with them in conveying goods.

LIMIT. (Fr. *Limite*, Ger. *Limitum*, Sp. *Limite*, It. *Limite*.)

A limit is the fixed price given by a client to his broker for the purchase or sale of any securities or saleable commodities.

LIMITATIONS, STATUTES OF. (Fr. *Loi de prescription*, Ger. *Verjährungsrecht*, Sp. *Estatuto de limitaciones*, It. *Prescrizione.*)

These are statutes stating the law which fixes the limits of time within which actions may be brought. There are three principal statutes on the subject, passed in 1623, 1833, and 1874, but there are also several sections of the Mercantile Law Amendment Act, 1856, which have special reference to the limitation of actions. The first two deal with contracts generally, both simple and specialty, that of 1874 only with land.

In the case of a simple contract an action must be commenced within six years of the time when the cause of action arose, while twenty years are allowed for a contract under seal. There is an extension of time provided the plaintiff or the defendant is an infant or an insane person, as no action can be taken personally by or against either of them until the attainment of majority, or the recovery of sanity, as the case may be, by the party himself. If the defendant is beyond the seas, or out of the jurisdiction, when the cause of action arises, the period of limitation begins to run from the date of his return. But if the cause of action arises, and the defendant then goes out of the jurisdiction, the statute runs, and his departure makes no difference. Without an acknowledgment by which the debt can be kept alive, the only course open to the plaintiff is to issue a writ, and renew it continually until it has been served on the defendant.

An acknowledgment of a debt, either by part payment of the debt, by payment of interest, or by a confession of the same, is sufficient to keep the debt alive and to destroy the effect of the statute. Part payment and payment of interest are matters of fact to be proved in the usual way. But the confession of the existence of a debt must, since the passing of Lord Tenterden's Act, 1828, be in writing and signed by the debtor. The acknowledgment must be distinct and unconditional in its terms. The six years or the twenty years, as the case may be, will then begin to run from the date of the acknowledgment. If there are several joint debtors there must be an acknowledgment by each in order to keep the debt alive against the whole. The contrary is the case in a mortgage of land, the acknowledgment of one mortgagor being sufficient.

In the case of an ordinary contract the statute does not bar the right, but only the remedy. Therefore an executor is entitled to pay a debt of the testator which is statute-barred. A defendant who intends to rely upon the defence of the statute must specially plead it, or he will not be heard upon this point at the trial of the action.

The Act of 1874, which deals exclusively with real property, not only bars the remedy, but also the right. The first section is as follows: "No person shall make an entry or distress, or bring an action or suit, to recover any land or rent but within twelve years next after the time at which the right to make such entry or distress, or to bring such action or suit, shall have first accrued to any person through whom he claims; or if such right shall not have accrued to any person through whom he claims, then within twelve years next after the time at which the right to make such entry or distress, or to bring such action or suit, shall have first accrued to the person making or bringing the same." The usual disabilities noticed above, viz., infancy and insanity, are privileged, but the utmost limit allowed is thirty years, notwithstanding the existence of one or more disabilities during the whole period. By the seventh section of the Act a mortgagor is barred at the end of twelve years from the time when the mortgagee took possession, or from the last written acknowledgment.

A judgment is statute-barred after twelve years.

Trustees were unable to claim the benefit of any Statute of Limitation until the passing of the Trustee Act, 1888. Now they are on the same footing as other people, provided that in the action in which the statute is pleaded the claim is not—

(1) Founded upon any fraud or fraudulent breach of trust to which the trustee was a party or privy; or

(2) To recover trust property, or the proceeds thereof, which is still retained by the trustee, or which has been previously received by him and converted to his use.

LIMITED. (Fr. *À responsabilité limitée, en commandite*, Ger. *mit beschränkter Haftpflicht* (*m. b. H.*), Sp. *Limitada, en comandita*, It. *In accomandita o a responsabilità limitata.*)

This is the last word in the name of a company registered under the Companies Acts. It must be used upon every document issued by the company, and

the name itself in full must be painted or affixed to the outside of every office or place where the company carries on its business, under the risk, if omitted, of heavy penalties. Moreover, if any director, manager, or officer signs or authorises the signature of a bill of exchange on behalf of the company, and the name of the company is not mentioned therein, he is personally liable upon the instrument unless it is paid by the company.

The word "limited" may, under section 20 of the Companies (Consolidation) Act, 1908, be dispensed with by leave of the Board of Trade, when an association is formed for the promotion of art, science, religion, charity, etc., and there is no intention on the part of the promoters that any portion of the funds of the association shall be devoted to any other purposes than the advancement of the objects of the association; and that no dividends shall be paid to the members. The licence is obtained on written application to the Board of Trade, the application being accompanied by a draft in duplicate of the proposed memorandum and articles of association. But just as it is illegal for a company to neglect to use the word limited, as already pointed out, so it is an offence for any improper use to be made of it. By section 282 of the Act of 1908 it is provided: "If any person or persons trade or carry on business under any name or title of which 'limited' is the last word, that person or those persons shall, unless duly incorporated with limited liability, be liable to a fine not exceeding five pounds for every day upon which that name or title has been used."

LIMITED AND REDUCED. (Fr. *À responsabilité limitée et réduite*, Ger. *reduziert*, Sp. *De responsabilidad limitada y reducida*, It. *A responsabilità limitata e ridotta.*)

When a company presents a petition to the court for leave to reduce its capital, and such leave is granted, the words "and reduced" are almost invariably ordered to be added to the designation of the company for a certain time, to be fixed by the court.

LIMITED ASSIGNS. (Fr. *Ayant droit limité, cessionnaires limités*, Ger. *beschränkte Cessionare*, Sp. *Cesionarios limitados*, It. *Cessionari limitati.*)

This phrase is often used in colliery and mining leases, and means those approved persons to whom the lessor or ground landlord will only allow the lessee to assign the lease.

LIMITED LIABILITY COMPANIES. (See *Companies, Limited Liability.*)

LIMITED PARTNERSHIP. (See *Partnership.*)

LINE. (Fr., *Ligne*, Ger. *Dampferlinie*, Sp. *Linea*, It. *Linea di navigazione.*)

This word is used as a collective name for a fleet of steamers trading to and from certain foreign ports beyond the seas.

LIQUIDATED DAMAGES. (Fr. *Dommages-intérêts*, Ger. *berechnete Entschädigung*, Sp. *Reclamaciones ajustadas*, It. *Danni liquidati.*)

These are the damages agreed upon between parties, or ascertained by some other method, to be paid in respect of a breach of contract. It is frequently specified in a contract that a certain sum shall be paid in case of non-performance. This may be either the real estimate of the damage, or the maximum of what may be claimed. In the latter case it is, in reality, a penalty, and the sum named cannot be recovered if it is clearly in the nature of a penal sum and far in excess of the real amount of the damages suffered.

LIQUIDATION. (Fr. *Liquidation*, Ger. *Liquidation*, Sp. *Liquidación*, It. *Liquidazione.*)

A liquidation is a course of settlement of the closing up of all business transactions, or the winding-up of any company or business. When a joint-stock company is being thus wound up it is said to be in liquidation.

LIQUIDATOR. (Fr. *Liquidateur*, Ger. *Liquidator*, Sp. *Liquidador*, It. *Liquidatore.*)

This is the person who is employed in adjusting and settling the affairs of an estate, or in winding-up a joint-stock company which is in liquidation. In each case his business is to realise the assets of the estate or company, to pay all the costs incidental to the work of liquidation, to meet the liabilities as far as the assets are concerned, and to distribute any balance that may remain amongst the parties entitled.

In the winding-up of companies the Official Receiver acts as liquidator until a person is specially appointed to take up the work, and the proper security has been given. His chief duties are set out under *Companies*. He is frequently assisted by a "committee of inspection," who can control him in all important matters, but in all the ordinary duties connected with the determination of the existence of the company, he is able to act on his own initiative.

The remuneration of the liquidator is generally fixed by the committee of inspection, and it is in the nature of a commission on the surplus amount of assets available for the shareholders, after deducting all the costs of the proceedings and the amounts payable to secured creditors out of their securities.

The above is a very concise summary of the position of a liquidator in the case of the winding-up of a joint-stock company. As the matter is one of great importance, however, it is necessary to consider the wording of section 151 of the Act of 1908 for a full appreciation of his duties as fixed by statute.

"(1) The liquidator in a winding-up by the court shall have power, in the case of a winding-up in England with the sanction either of the court or of the committee of inspection, and in the case of a winding-up in Scotland or Ireland with the sanction of the court—

(*a*) To bring or defend any action or other legal proceeding in the name and on behalf of the company:

(*b*) To carry on the business of the company, so far as may be necessary for the beneficial winding-up thereof:

(*c*) In the case of a winding-up in England, to employ a solicitor or other agent to take any proceedings or do any business which the liquidator is unable to take or do himself; but the sanction in this case must be obtained before the employment, except in cases of urgency, and in those cases it must be shown that no undue delay took place in obtaining the sanction:

(*d*) In the case of a winding-up in Scotland or Ireland, to appoint a solicitor or law agent to assist him in the performance of his duties.

"(2) The liquidator in a winding-up by the court shall have power, but (subject to the provisions of this section) in the case of a winding-up in Scotland or Ireland only with the sanction of the court,—

(*a*) To sell the real and personal property, and things in action of the company by public auction or private contract, with power to transfer the whole thereof to any person or company, or to sell the same in parcels:

(*b*) To do all acts and to execute, in the name and on behalf of the company, all deeds, receipts, and other documents, and for that purpose to use, when necessary, the company's seal:

(*c*) To prove, rank, and claim in the bankruptcy, insolvency, or sequestration of any contributory, for any balance against his estate, and to receive dividends in the bankruptcy, insolvency, or sequestration in respect of that balance, as a separate debt due from the bankrupt or insolvent, and rateably with the other separate creditors:

(*d*) To draw, accept, make, and indorse any bill of exchange or promissory note in the name and on behalf of the company, with the same effect with respect to the liability of the company as if the bill or note had been drawn, accepted, made, or indorsed by or on behalf of the company in the course of its business:

(*e*) To raise on the security of the assets of the company any money requisite:

(*f*) To take out, in his official name, letters of administration to any deceased contributory, and to do in his official name any other act necessary for obtaining payment of any money due from a contributory or his estate which cannot be conveniently done in the name of the company; and in all such cases the money due shall, for the purpose of enabling the liquidator to take out the letters of administration or recover the money, be deemed to be due to the liquidator himself:

(*g*) To do all such other things as may be necessary for winding-up the affairs of the company and distributing its assets.

"(3) The exercise by the liquidator in a winding-up by the court in England of the powers conferred by this section shall be subject to the control of the court and any creditor or contributory may apply to the court with respect to any exercise or proposed exercise of any of those powers.

"(4) In the case of a winding-up in Scotland or Ireland the court may provide by any order that the liquidator may exercise any of the above powers, except the power to appoint a solicitor or law agent, without the sanction or intervention of the court.

"(5) Where a liquidator is provisionally appointed by the court, the court may limit and restrict his powers by the order appointing him.

"(6) In a winding-up by the court in Scotland the liquidator shall, subject to rules made under this Act, have the same powers as a trustee on a bankrupt's estate."

It is also advisable for any person who is appointed a liquidator in a winding-up to have the provisions of section 154 before him. The section is as follows:

"(1) Every liquidator of a company

which is being wound up by the court in England shall, in such manner and at such times as the Board of Trade, with the concurrence of the Treasury, direct, pay the money received by him to the Companies Liquidation Account at the Bank of England, and the Board shall furnish him with a certificate of receipt of the money so paid:

Provided that, if the committee of inspection satisfy the Board of Trade that for the purpose of carrying on the business of the company or of obtaining advances, or for any other reason, it is for the advantage of the creditors or contributories that the liquidator should have an account with any other bank, the Board shall, on the application of the committee of inspection, authorise the liquidator to make his payments into and out of such other bank as the committee may select, and thereupon those payments shall be made in the prescribed manner.

"(2) If any such liquidator at any time retains for more than ten days a sum exceeding fifty pounds, or such other amount as the Board of Trade in any particular case authorises him to retain, then, unless he explains the retention to the satisfaction of the Board, he shall pay interest on the amount so retained in excess at the rate of twenty per cent. per annum, and shall be liable to disallowance of all or such part of his remuneration as the Board may think just, and to be removed from his office by the Board, and shall be liable to pay any expenses occasioned by reason of his default.

"(3) A liquidator of a company which is being wound up by the court in England shall not pay any sums received by him as liquidator into his private banking account."

When the whole business of liquidation is completed and it has been ascertained that the accounts of the liquidator are in order, the liquidator is granted his release.

LIVERYMAN. (Fr. *Notable, électeur municipal*, Ger. *Zunftglied, Zunftgenoss*, Sp. *Concejal*, It. *Elettore comunale o municipale.*)

A freeman of the City of London, who is entitled to wear the livery, and to enjoy the other privileges of the company of which he is a member, is generally known under this name. The city companies are the modern successors of the guilds of the middle ages. Their establishment dates from the fourteenth century.

LLOYD AUSTRIAN. (Fr. *Lloyd autrichien*, Ger. *Österreichischer Lloyd*, Sp. *Lloyd Austriaco*, It. *Lloyd Austriaco.*)

This is an association of merchants, corresponding to the English Lloyd's, founded at Trieste in 1839, by C. L. von Brück. It owns lines of steamships of much importance, which are mainly engaged in the Mediterranean and Levant trades. One of its departments is devoted to literary and scientific matters. It publishes the *Giornale del Lloyd Austriaco*, a journal which dates from 1835.

LLOYD NORTH GERMAN. (Fr. *Lloyd allemand*, Ger. *Nord-deutscher Lloyd*, Sp. *Lloyd Alemán*, It. *Lloyd della Germania scttentrionale.*)

This is a large and important German company, formed for the purpose of owning and managing steam and other ships, and to trade with them to all parts of the world. The steamers owned by this company are among the fastest and finest in the world.

LLOYD'S. (Fr. *Lloyd*, Ger. *Lloyds Bureau*, Sp. *Despacho, Escritorio del Lloyd*, It. *Uffici o locali del Lloyd.*)

This institution is so called from having its headquarters in Lloyd's Rooms. The members of the institution are devoted to the business of marine insurance, or matters subsidiary thereto.

Lloyd's obtained an Act of Incorporation in 1871, in spite of much opposition.

The objects of the institution are:—

(1) The carrying on of the business of marine insurance by members of the society.

(2) The protection of the interests of members in respect of shipping, cargoes, and freight.

(3) The collection, publication, and diffusion of intelligence and information.

In order to carry out its objects, Lloyd's employs a staff of more than 1,500 agents in various parts of the world, who make constant reports to headquarters.

By an Act passed in 1896, every master of a British ship is compelled, under a penalty of £5, to notify at once to the agent of Lloyd's at his next place of call, or if there is no agent then direct to the secretary of Lloyd's, the existence on the high seas of any floating derelict vessel. The information so received must then be published by Lloyd's in the same manner and to the same extent as reports are made of shipping casualties, and communicated to the Board of Trade.

Members of Lloyd's may be either

underwriting or non-underwriting members. There are, in addition, annual subscribers and associates. A candidate for membership must be recommended by six members, and afterwards elected by the committee by ballot. Subscribers and associates are allowed to recommend gentlemen for election to their own grades.

A deposit of securities to the amount of at least £5,000 is required from each person who wishes to become an underwriter at Lloyd's before he can commence underwriting risks himself; but many persons without the least training become members of Lloyd's after depositing £7,500 with the secretary and giving an extra security. These latter are not allowed by the committee to underwrite risks themselves until they have satisfied the committee that they have worked under an experienced underwriter, and acquired a certain knowledge of the business of taking risks. The object of these members is generally to become a "name" in an underwriting firm, for which a premium is necessary to such firm, relying upon the ability and skill of the firm to take no risks but those which are good, and to enter upon no hazardous and speculative insurances. To be a "name" in an underwriting firm at Lloyd's signifies that the underwriter allows his name to be put down for a certain amount, above the amount underwritten by the firm, on all insurances undertaken by them. The dividends derived from the investment of the deposit is paid to the underwriters.

In addition to an entrance fee, members elected since January 1, 1893, pay an annual subscription of twenty guineas, those elected before that date paying sixteen guineas only. The members who are not underwriters pay no deposit, but are charged an entrance fee, and an annual subscription of seven guineas. Subscribers pay an annual subscription of seven guineas, and associates of five guineas.

LLOYD'S BONDS. (Fr. *Obligations spéciales de Lloyd*, Ger. *Lloyds besondere Obligationen*, Sp. *Bonos particulares de Lloyd*, It. *Obbligazioni speciali del Lloyd.*)

These bonds were introduced to evade the provisions of the Railway Regulation Act, 1844, and derive their name from the name of the counsel who first settled the form of the bond. By the above-named Act a company is prohibited from borrowing more than an amount equal to two-thirds of its paid up capital. The bonds consist of ordinary promissory notes, bearing interest payable to bearer. As between the company and the first holder they are void, as commercial frauds, and the first holder, being a party to the fraud, cannot recover either principal or interest. But if a first holder possesses such a bond for value, the subsequent holder, being an innocent party, is entitled just as if it were an ordinary bill transaction, and this legal fiction is sustained by the courts.

LLOYD'S CERTIFICATE. (See *Lloyd's Registry.*)

LLOYD'S REGISTRY. (Fr. *Liste du Véritas*, Ger. *Lloyds Register*, Sp. *Registro del Lloyd*, It. *Registro del Lloyd, registro marittimo.*)

This is an establishment for the purpose of surveying and classing ships so as to afford to underwriters and others interested an independent guarantee of the quality and condition of ships offered for insurance or employment. The registry publishes annually *Lloyd's Register of British and Foreign Shipping*, a book containing the names and description of all British ships, and of such foreign ships as are classed in the register. Ships which are intended for classification are built under the inspection of Lloyd's surveyors, the owners paying certain fees for their admission to the register. To wooden and composite ships, that is to say, ships with iron frames and wooden planks, of the first class, the mark A is assigned, and the period for which this class is to be continued varies with the material used in the construction, from four to fifteen years, subject to certain periodical surveys made by the surveyors of the society. Ships built of iron or steel are marked AA, no number of years being assigned, and the ships are maintained in this class as long as their condition warrants it, this being ascertained by an annual survey. The numeral which follows the letter denoting the class indicates the quality and condition of the stores, rigging, sails, etc. Various other signs are used to indicate ships of the second, third, or lower classes.

The committee of Lloyd's Registry grant a certificate upon the result of their periodical survey of vessels, and this certificate states the class and condition of the vessel to which it is granted,

based upon the reports which have been sent in by the surveyors.

LLOYD'S ROOMS. (Fr. *Lloyd*, Ger. *Lloyds Bureau*, Sp. *Despacho escritorio del Lloyd*, It. *Lloyd*.)

Lloyd's rooms form a portion of the Royal Exchange and are devoted to the use of underwriters, shipping agents, and insurance brokers.

The name Lloyd's is derived from one Edward Lloyd, who kept a coffee-house in Tower Street, towards the end of the seventeenth century. In 1692 the coffee-house business was removed to Lombard Street. The house was always famous, owing to the fact that Lloyd, by means of his various correspondents at home and abroad, was able to supply the best and the latest news of the movements of vessels. In 1696 *Lloyd's News* was commenced, which was changed, in 1721, to *Lloyd's List*. From being a mere news centre, Lloyd's began to be used as a place for conducting marine insurance, a business which rapidly increased. In 1771 the brokers and underwriters frequenting the coffee-house removed to Pope's Head Alley, which was known as New Lloyd's; but two years later rooms were taken in the upper part of the Royal Exchange, and since then the business has been carried on there.

The business was amazingly successful from 1775 to 1815, during the forty years of war, and the name of Lloyd's became known all the world over.

Lloyd's Rooms have been described as "the focus and centre of the world's sea-borne trade and commerce."

LOADING IN TURN. (Fr. *Chargement régulier*, Ger. *Verladung der Reihe nach*, Sp. *Cargar á turno*, It. *Caricare a turno*.)

This charter-party term is used in coal and other trades, meaning that when several boats are waiting at a loading berth to be loaded, the loading of each is to commence according to and in the order of their arrival at the berth.

LOAN. (Fr. *Prêt*, Ger. *Anleihe*, Sp. *Préstamo*, It. *Prestito*.)

A loan is a sum of money lent by one person to another, and returnable with or without interest, according to arrangement.

LOCKAGE. This word may mean—

1. (Fr. *Les écluses*, Ger. *Schleusen*, Sp. *Esclusas*, It. *Chiusa, cateratta*.)

The locks of a canal.

2. (Fr. *Éclusée*, Ger. *Schleusenhöhe*, Sp. *Almacenado*, It. *Altezza della cascata della cateratta*.)

The difference in the levels of a canal.

3. (Fr. *Péage d'écluse*, Ger. *Schleusengeld*, Sp. *Derechos de almacenaje*, It. *Diritti di chiusa o cateratta*.)

The tolls paid for passing through locks.

LOCKER'S ORDERS. (Fr. *Bulletins de marchandises pour exportation*, Ger. *Exportscheine*. Sp. *Boletines de los generos para Exportar*. It. *Bollettini delle merci o derrate per esportazione*.)

These are printed copies on the reverse side of bond notes, which give full particulars of the goods to be exported.

LOCK-KEEPER. (Fr. *Éclusier*, Ger. *Schleusenwärter*, Sp. *Guarda almacen*, It. *Guardia o custode della chiusa*.)

The lock-keeper is the person who attends to the locks of a canal.

LOCK-OUT. (Fr. *Fermeture des ateliers*, Ger. *Aussperrung*, Sp. *Paro forzoso*, It. *Serrata*.)

This is the act of an employer, or a combination of employers, in preventing workmen from returning to their labour, owing to disputes as to the terms of employment between the masters and the men. When the men themselves refuse to return to their work their action is called a "strike."

LOCUM TENENS. (Fr. *Suppléant, substitut*, Ger. *Stellvertreter*, Sp. *Suplemento, substituto*, It. *Locum tenens, sostituto, supplente*.)

A *locum tenens* is a person who acts as a deputy or substitute for another.

LOCUS SIGILLI. (L.S.) The place for the seal. When copies of documents under seal are made the place where the seal has been affixed to the original is indicated by a circle containing the two letters L.S., thus:—

L.S.

LOG-BOOK. (Fr. *Livre de loch, journal*, Ger. *Logbuch*, Sp. *Cuaderno de bitácora*, It. *Giornale di bordo, registro del corso di una nave*.)

This is the book kept by the master of a ship in which he records the daily progress of the vessel, the state of the wind and weather, and any events of interest occurring during the voyage.

LOMBARD STREET. (Fr. *Principal centre banquier à Londres*, Ger. *Hauptbankstrasse in London*, Sp. *Centro principal de banco en Londres*, It. *Centro principale bancario a Londra*.)

This name is used to signify the money market, and it arises from the fact that most of the bankers and

dealers in money have their places of business in Lombard Street or its vicinity.

LONG. (Fr. *Haussier*, Ger. *Haussier*, Sp. *Alcista*, It. *Giuocatore di borsa al rialzo.*)

This is an American term, which is equivalent to the market expression "bull." Instead of calling a person who holds stock for a rise a bull, the Americans say of him that he is "long in stock."

LONG-DATED BILL. (Fr. *Billet à longue échéance, à longue terme*, Ger. *langlaufender Wechsel*, Sp. *Letra á larga fecha*, It. *Cambiale a lunga scadenza.*)

This phrase is used in the money market to signify a bill which has a long term to run, such as a bill which is drawn at six or nine months after date or after sight. Long-dated bills are often spoken of as "long-dated paper."

LONG-DATED PAPER. (Fr. *Papier à longue échéance*, Ger. *langsichtiges Papier*, Sp. *Papel de larga fecha*, It. *Effetto a lunga scadenza.*)

This phrase has the same meaning as long-dated bill (*q.v.*).

LONG DOZEN. (Fr. *Treize à la douzaine, Treize-douze*, 13/12, Ger. *grosses Dutzend*, Sp. *Gran docena*, It. 13.)

This signifies thirteen articles which are reckoned as twelve.

LONG ROOM. (Fr. *Grande salle de la douane à Londres*, Ger. *grosser Zollsaal in London*, Sp. *Gran sala de aduana en Londres*, It. *Salone doganale a Londra.*)

This is the large room in every Custom House in which public business is transacted.

LOST BILL. (See *Bill of Exchange.*)

LOT MONEY. (Fr. *Lotissement*, Ger. *Losgeld*, Sp. *Derechos de correduría*, It. *Diritti del venditore all' incanto.*)

This is a charge made by an auctioneer for each lot of goods sold by him at a public auction.

LOTS. (Fr. *Lots*, Ger. *Lose, Partien*, Sp. *Lotes, partidas*, It. *Lotti, partite.*)

These are goods arranged in separate portions or parcels for sale by auction.

LUMBER. (Fr. *Bois de charpente*, Ger. *Bauholz*, Sp. *Maderaje*, It. *Legname da costruzione.*)

Lumber is the American term for timber.

LUMBERERS. (Fr. *Coupeurs, bûcherons, défricheurs*, Ger. *Holzhauer*, Sp. *Leñeros*, It. *Tagliaboschi.*)

Lumberers are men employed in felling timber and bringing it from the forests.

LUMBERING. (Fr. *Défrichement*, Ger. *Holzhauerei*, Sp. *Comercio de maderas*, It. *Mestiere del tagliaboschi.*)

This is the business of a lumberer.

M. This letter is used as an abbreviation in the following:—

M., Thousand.
M/C., Metalling Clause (marine insurance), and Marginal Credit (banking).
M/d., Months' Date.
mm., Millimetres.
MS., Manuscript.
M/s., Months' Sight.
MSS., Manuscripts.

MADE BILL. (Fr. *Billet endossé*, Ger. *girierter Wechsel*, Sp. *Billete endosado por un tercero*, It. *Cambiale girata.*)

A made bill is distinguished in commerce from a drawn bill, by having the name of a third party upon it in the form of an indorser. A drawn bill is a foreign bill negotiated direct from the drawer to a London foreign banker; a made bill is usually a foreign bill forwarded from some provincial town to a correspondent in London, where it is indorsed by the correspondent in his own name and then negotiated. A foreign bill, therefore, may be either a drawn bill or a made bill, according to the manner in which it is dealt with by the drawer.

Suppose a bill drawn as follows:—

"*Manchester, January* 1, 1916.

"£750.

Fifty days after sight pay this first Bill of Exchange (second and third unpaid) to our order, seven hundred and fifty pounds sterling, for value received.

Smith and Robinson.

To Mr. H. Hermann,
Berlin."

If this bill is sent by the drawer direct to the London offices of the banker who is the agent of the Berlin merchant, it is a drawn bill; but if, on the contrary, it is first sent to a London correspondent to be indorsed by him, and then indorsed and negotiated, it is a made bill.

Hence, all bills drawn and payable abroad, but previously negotiated in London, are made bills, bearing, as they do, the indorsements of a London firm or correspondent.

MAIL. (Fr. *Malle, dépêches*, Ger. *Post(sachen)*, Sp. *Correo*, It. *Corriere, posta.*)

The general term for letters and correspondence.

The following facts and figures are extracted from a recent issue of the *Post Office Guide*, which is a quarterly publication, and the rates, times, etc., are subject to periodical and great variations.

It is impossible to guarantee any statements as to the Post Office for a period longer than three months, and, at the present time, owing to the war, these charges may be of very frequent occurrence. The following are the rates in existence at present (1918).

Inland Letters.—Letters not exceeding 4 oz. in weight are charged 1½*d.*; for every additional 2 oz., or portion of 2 oz., an extra ½*d.* is charged. Letters to soldiers and sailors serving abroad or on board H.M. ships may still be sent for 1*d.* if the weight does not exceed 1 oz.

There is no limit as to weight; but the maximum allowed for size is length two feet, width one foot, depth one foot, unless sent to or from a Government office. A letter posted unpaid is charged with double postage on delivery; if insufficiently paid, with double the deficiency.

Most things may be sent by letter post; but explosives, offensive or obscene matter, eggs, fish, meat, fruit, and vegetables are not accepted.

Most of the railway companies of the United Kingdom have entered into agreements with the Postmaster-General by which letters can be conveyed by the earliest available train or steamboat. No letter must exceed one ounce in weight, and in addition to the usual stamp, a sum of twopence must be paid to the servant of the railway company. The letter may be addressed to be called for at the station to which it is sent, or may be transferred thence to the nearest letter-box for postal delivery. If the letter is not handed in at the passenger railway station it must be delivered at an express delivery post office for immediate conveyance to the railway station by special messenger. For this an express fee is charged at the rate of threepence per mile.

Letters and parcels can be more quickly delivered than in the ordinary way,

(1) By special messenger all the way; this being the most rapid service, costing 3*d.* for every mile or part of a mile from the office of delivery to the address. If a packet weighs more than 1 lb., a weight fee of 3*d.* is also charged. Letters or parcels intended to be sent by special messenger must be handed in at an express delivery office; but articles of a dangerous or offensive character are not accepted.

(2) By special messenger after transmission by post. Letters intended for express delivery from the post office of destination may be posted like ordinary letters, but they must be clearly marked

Express Delivery,

and have a thick perpendicular line drawn on each side of the envelope from top to bottom both front and back. The fee in addition to the ordinary postage is 3*d.* for every mile or part of a mile from the office of delivery.

(3) By special delivery in advance of the ordinary mail. Persons, or firms who wish at any time to receive their letters and other postal packets, including parcels, book packets, newspapers and circulars in advance of the ordinary delivery, may have them brought by special messenger by paying threepence per mile for one packet, and one penny for every additional ten or less number of packets beyond the first.

There are various other facilities for quickening the despatch of letters and parcels, both in the United Kingdom and in a number of foreign countries, full particulars of which will be found in the *Post Office Guide.*

As a rule, the prepayment of inland letters, private post cards, newspapers, book packets, and parcels can only be effected by means of postage stamps. In London, Edinburgh, Dublin, and certain provincial towns, prepayment may be made in money, provided the amount paid is not less than £1. The conditions upon which money will be received instead of stamps may be learned on applying at the post offices concerned.

Arrangements may be made with the postmaster of any place for postmen to collect ordinary letters from private letter boxes of approved pattern at hotels, business premises, or offices at a minimum charge of £3 per year. There is a special arrangement, at lower rates, in force in London. This is, however, quite experimental.

Private letter boxes may be rented at certain post offices for an annual rent of from one to three guineas a year; and private letter bags may be used in the country at varying rates.

Notice of removal and for the redirection of letters must be given on printed forms, which can be obtained from the local postmaster or from postmen. The notice holds good for twelve months. It may, however, be extended on payment of a fee of 1*s.* a year up to the end of three years after the removal.

Letters may be reposted on the day of arrival if they do not appear to have been opened or otherwise tampered with. If reposted more than a day

after delivery, Sundays and public holidays not being counted, the ordinary prepaid rate is charged.

Undelivered inland letters, bearing the full name and address of the sender, are returned unopened. Others are opened and returned, if possible, to the senders, a registration fee of twopence being charged if the letter contains anything of value. Those which contain no address and no articles of value are at once destroyed. Foreign letters which cannot be delivered are returned to the countries from which they were received. Book packets which have a request written or printed upon cover to return them in case of non-delivery, are charged with a second postage; otherwise they are destroyed.

Telegraph Letters.—In June, 1912, a new departure was made which deserves a few words of explanation. Difficulties have often been felt as to the early hour of closing the post in certain places, and also, as far as London is concerned, as to the interval between Saturday evening and Monday morning. It is now possible to communicate between certain towns after the post is closed by means of what are known as "night telegraph letters,"—the matter, of course, being telegraphed from one place to another—these letters being delivered at their destination on the first round in the morning. The places at first accommodated in this way were—

Aberdeen	Exeter	Newcastle-on-Tyne
Belfast	Falmouth	Newport (M)
Birmingham	Glasgow	Norwich
Bradford	Holyhead	Nottingham
Brighton	Hull	Penzance
Bristol	Inverness	Plymouth
Cardiff	Leeds	Portsmouth
Cork	Leicester	Queenstown
Devonport	Liverpool	Sheffield
Dover	London	Southampton
Dublin	Londonderry	Swansea
Dundee	Manchester	
Edinburgh		

Night telegraph letters may now be sent between any two towns in which the Head Telegraph Offices are open always.

These telegraph letters are charged at the rate of 9*d.* for thirty-six words or less, and the ½*d.* for every three words beyond thirty-six, and they are delivered as already stated, with the ordinary letters by the first post in the morning. They must be in plain language, should be written on telegram forms, and the charges prepaid in postage stamps. They may be handed in at or must reach the Head Office of the town of despatch before midnight. These letters must not bear multiple addresses, and registered telegraphic addresses will not be accepted

Registered Letters.—All letters containing coins, watches, or jewellery are subject to compulsory registration. The term "jewellery" includes gold or silver, manufactured or unmanufactured, diamonds and other precious stones. Letters containing documents of special value or securities for money or paper money should be registered. Under the term "paper money," the following are included—

(1) Authorities for the payment of money, (2) bank notes, (3) bank post bills, (4) bills of exchange, (5) bonds, (6) cheques, (7) coupons, (8) credit notes, which entitle the holder to goods or money, (9) exchequer bills, (10) money orders, (11) orders for the payment of money, (12) postal orders, (13) postage stamps (unobliterated), (14) promissory notes, (15) revenue stamps (unobliterated), (16) securities for money of all kinds, including Treasury notes.

Letters of which it might be important to prove the delivery should also be registered. By doing so the sender gains the benefit of the increased care taken by the post office to avoid loss. Every person who handles a registered letter has to give a receipt for the same.

The fee for registering an inland letter, postal packet, or parcel, is twopence. This fee, which must be prepaid with the postage, secures compensation in the event of loss or damage up to £5, except in the case of coin. Additional compensation up to a maximum of £400 can be obtained by paying higher fees, according to the following scale :—

Fee.	*Limit of Compensation.*	*Fee.*	*Limit of Compensation.*
2*d.*	£5	1*s.* 1*d.*	£220
3*d.*	£20	1*s.* 2*d.*	£240
4*d.*	£40	1*s.* 3*d.*	£260
5*d.*	£60	1*s.* 4*d.*	£280
6*d.*	£80	1*s.* 5*d.*	£300
7*d.*	£100	1*s.* 6*d.*	£320
8*d.*	£120	1*s.* 7*d.*	£340
9*d.*	£140	1*s.* 8*d.*	£360
10*d.*	£160	1*s.* 9*d.*	£380
11*d.*	£180	1*s.* 10*d.*	£400
1*s.*	£200		

Every article to be registered must be given to an agent of the post office, and a receipt obtained for it, or it will be liable to a double registration fee. It must be marked with the word *Registered*, and the amount of the fee

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paid according to the compensation secured. For letters and official papers the registered envelopes, with the registration stamp embossed on the flap, should be used ; and for specie they must be used.

The compensation paid in respect of loss or damage of coin never exceeds £5, whatever the amount of coin contained in the letter may have been, and no compensation will be paid at all if a registered envelope is not used.

Inland Post Cards.—These are either official or private. The former bear an impressed penny stamp ; reply post cards, twopence. The following regulations must be observed as to them :—

(1) Nothing likely to prevent the easy reading of the address may be written or printed on a post card.

(2) Private post cards are made of ordinary cardboard, no thicker than that used for official cards, and have a penny stamp affixed to the face of each. The largest size must be the same as that of the largest official card, that is, five and a half inches by three and a half inches ; and the minimum size must not be less than four by two and three-quarter inches.

(3) An official post card must be neither folded nor cut in any way so as to reduce the size below four by two and three-quarter inches.

(4) Nothing must be attached to a post card on either side except stamps in payment of additional postage or stamp duty, and a gummed label, not exceeding two inches long and three-quarters of an inch wide, bearing the address at which the card is to be delivered.

Printed Paper Rate.—The charge is ½*d.* for the first ounce, and 1*d.* for packets exceeding 1 oz. and not exceeding 2 oz. Above 2 oz. the letter rate operates. The limits of length, width, and depth are the same as those of letters, but the weight must not exceed 5 lb.

The printed paper rate applies to any matter wholly printed on paper (paper sent as stationery not admissible), books and periodicals, manuscript, invoices, deeds and agreements, circulars produced in identical terms by any mechanical process (but not to include typewriting or imitations thereof), prints or photographs (when not on glass, or in cases containing glass, or any like substance), together with the legitimate binding or mounting, and anything necessary for safe transmission. The packet must be open at the ends, but may be tied with string, or in an unfastened envelope or cover easily removed, and must contain no communication in the nature of a letter. The list has been greatly extended.

Newspapers.—These pass through the post within the limits of the United Kingdom for one halfpenny each, provided they are registered at the General Post Office, and that the weight does not exceed six ounces. Over six ounces the rate is one halfpenny for every additional six ounces or fractional part thereof. The cost of registration is five shillings a year. Unregistered newspapers are charged at the rate of one halfpenny for every two ounces. The weight of a packet of newspapers must not exceed 2 lbs., nor be of greater dimensions than two feet in length, and one foot in width or depth.

Samples.—The special sample rate is now abolished, and samples may be sent at the same rate as letters, namely, 4 oz. for 1½*d.* and an extra ½*d.* for every additional 2 oz. or fraction of 2 oz. The limit of weight is 8 oz., and no sample must exceed twelve inches in length, eight inches in width, and four inches in depth.

Poste Restante.—This is intended solely for the accommodation of strangers and travellers who have no permanent abode in the town. Letters and parcels may be addressed to the Poste Restante at all Post Offices except Town sub-offices. The Post Restante cannot be used for more than three months. Letters or parcels should have the words "Poste Restante" included in the address. No initials, or fictitious names, or Christian name only, will be taken in, but are at once sent to the Returned Letter Office for disposal ; and all persons applying for "Poste Restante" letters must prove their identity. Foreigners must produce their passports. Poste Restante letters from abroad are not kept more than two months ; at Provincial Post Offices only one month ; letters posted in London, for one fortnight. After these intervals they are sent up to the Returned Letter Office. When, however, letters addressed "to be called for" bear a request for their return within a specified time, if not delivered, they are dealt with in accordance with such request.

Inland Parcel Post.—In order that a packet may be sent by inland parcel post, it must be presented at the counter of a post office for transmission as a parcel ; and it must, on no account, be

deposited in a letter-box. The words "Parcel Post" should be written or printed on the left-hand side immediately above the address, and the sender's name and address should appear on the cover, but in such a manner that it cannot be mistaken for the address of the parcel.

The dimensions allowed for an inland postal parcel are—

Greatest length	3 ft. 6 in.
Greatest length and girth combined	6 ft.
Greatest weight	11 lbs.

For example, a parcel measuring 3 feet 6 inches in length may measure as much as 2 feet 6 inches in girth; and a shorter parcel may be thicker; thus should it measure no more than 3 feet in length, it may measure as much as 3 feet round its thickest part.

The full postage must be prepaid by means of postage stamps, which must be affixed by the sender. The postage stamps should be affixed either to the cover close above the address in the right-hand corner, as in the case of a letter, or to the official parcel post label which may be obtained at the post office.

The rates for inland parcel post, as revised in June, 1918, are :—

Weight not exceeding in lbs.	*Rates of Postage.*
3	6*d.*
7	9*d.*
11	1*s.* 0*d.*

The following must not be sent by post :—

(1) Anything of an offensive character.

(2) Explosives, dangerous, or noxious substances.

(3) Sharp instruments, not properly protected.

(4) Living creatures, except bees.

A postal packet must not contain an enclosure bearing a name and address differing from the name and address on the cover. Should any packet be observed to contain such enclosures, when tendered for transmission, it will be refused; and if any such packet is detected in transit, each forbidden enclosure is taken out, forwarded to the addressee, and charged with separate postage at the prepaid rate.

Liquids, glass, china, crockery, eggs, fruit, fish, meat, butter, etc., cannot be sent except by parcel post, and they must be carefully packed.

Foreign Mails.—On October 1, 1908, the postage of letters to the United States was reduced to 1*d.* per oz. It is now 1½*d.* for 1 oz. and 1*d.* for each additional ounce. Almost all other foreign countries are within the Postal Union, and the rates of postage are as follows :—

For a letter, 2½*d.* for the first ounce, and 1½*d.* per ounce afterwards; for a single post card, 1*d.*; for a reply post card, 2*d.*; for newspapers and other printed papers, ½*d.* per two ounces; for commercial papers, ½*d.* per two ounces, with a minimum charge of 2½*d.* Nothing in the nature of a letter may be sent at this rate; for patterns and samples, ½*d.* per two ounces, with a minimum charge of 1*d.* There are certain limits of weight with various countries, all of which are detailed in the *Post Office Guide.* No article liable to customs duty can be sent as a pattern or sample.

With the exception of a very few out-of-the-way islands and dependencies, the postage rate for places within the British Empire is 1½*d.* for 1 oz., and 1*d.* for each succeeding ounce. This applies also to Egypt, and to those places in Morocco which have a British post office.

Foreign and Colonial Parcel Post.—The regulations for prepayment, address, etc., are similar to those for inland postage. The rules as to dimensions and the rates of postage vary with different countries, full particulars of which may be obtained at any post office or from the *Post Office Guide.* Parcels for many foreign countries and British possessions abroad may be insured, and parcels containing coin, or any article of gold or silver must be insured.

Insurance may now be effected up to £400, according to destination at the following rates :—

	s.	*d.*
Up to £12	0	4
„ £24	0	6
„ £36	0	8
„ £48	0	10
„ £60	1	0
„ £72	1	2

and so on increasing 2*d.* for each £12. The fee is 5*s.* 8*d.* for £396, and 5*s.* 10*d.* for £400.

All foreign and colonial parcels are liable to be opened for customs examination, and their contents are subject to customs duty in the country or colony to which they are sent. This duty cannot be prepaid; but is, in each case, collected on delivery. The sender

of every parcel is required to make a customs declaration on a form provided for that purpose.

This form must contain

(1) An accurate statement of the nature and value of the contents of the parcel ;

(2) The date of postage ; and

(3) The net weight of the articles contained in the parcel.

It should be filled up in French and English, if destined to the continent of Europe, and should also be accompanied by a despatch note.

Letters and parcels may be insured to any amount at Lloyd's, with the underwriters there, or at any marine insurance offices in the same way as goods sent by sea ; and this applies to both inland and foreign letters or parcels.

The time required for the transmission of foreign and colonial parcels is rather longer than that for letters and newspapers.

MAIL-DAY. (Fr. *Jour d'expédition des dépêches*, Ger. *Posttag*, Sp. *Dia de correo*, It. *Giorno di corrispondenza.*)

This is the name given to the day set apart by merchants for foreign correspondence, being the day on which mails are despatched by the post office to certain places abroad. Owing to the easy methods of transmission and the frequent services between this and other countries, the name has become restricted to the days upon which mails must be sent to the particular country with which the merchant carries on his principal business. In normal times, letters are made up for India and must be posted every Friday evening, for South Africa every Saturday afternoon, for Australia every Friday evening, for Newfoundland every alternate Friday evening. There is daily communication with most countries in Europe, and letters are despatched at least three times a week to Canada and the United States.

MAINTENANCE. (See *Barratry* (2).)

MAKING-UP DAY. (Fr. *Jour de report*, Ger. *Reporttag*, Sp. *Dia de arreglo*, It. *Giorno del riporto.*)

This is the first day of the settlement on the Stock Exchange.

MAKING-UP PRICE. (Fr. *Cours de liquidation*, Ger. *Liquidationskurs*, Sp. *Curso de la liquidación*, It. *Corso di liquidazione.*)

This is a Stock Exchange phrase for the price at which stocks or shares, which are the subject matter of a speculative transaction, are closed for the current settlement, and carried over to the next settlement day. The stocks or shares are not taken up or delivered, but the transaction is closed, and then re-opened (plus the contango, or minus the backwardation) for the next account.

MALÅ FIDE. "In bad faith."

MALA FIDES. "Bad faith," the opposite of *bona fides*.

MANAGING DIRECTOR. (Fr. *Directeur gérant*, Ger. *Verwaltungsdirecktor*, Sp. *Director gerente*, It. *Direttore gerente.*)

In most companies one or more of the directors is or are chosen upon whom special powers as to the management of the concern are conferred. The name of managing director is conferred upon any person who is so chosen.

MANDAMUS. A Latin word, signifying "we command." It is a writ issued by the Court of King's Bench requiring a person or a body of persons to perform some particular act. Its use is practically confined to the enforcement of certain public rights and duties. The grant of the writ is discretionary, and if it appears that the applicant has some other effective mode of redress, the court will generally refuse it. The mode of procedure is for an application to be made in the first place *ex parte* to a Divisional Court, supported by affidavit, for a rule *nisi* calling upon the person or the body against whom it is desired to obtain the writ to show cause why the writ should not issue against him. If the rule *nisi* is granted, then at some future date the merits of the case are gone into fully, and the rule *nisi* is made absolute, that is, the application for the writ of mandanus is granted, or it is dismissed, that is, the application is refused, according to the merits and the circumstances of the case. The corresponding writ which forbids the performance of a particular act is one of prohibition.

MANDATE. (Fr. *Mandat*, Ger. *Mandat, Vollmacht*, Sp. *Mandato*, It. *Mandato.*)

This is a contract under which one man employs another to manage any business for him. The word also signifies a judicial command.

MANIFEST. (Fr. *Manifeste*, Ger. *Manifest*, Sp. *Manifiesto*, It. *Manifesto.*)

This is the document which contains the description, marks, numbers, etc., of the various packages comprised in the cargo of a ship. It is one of the documents included in the ship's papers, and is required for delivery to the Custom

House authorities at the port of destination.

MANUFACTURE. (Fr. *Fabrication*, Ger. *Fabrikation*, Sp. *Fabricación*, It. *Fabbricazione.*)

Originally this meant the making of anything by hand, but now it is generally applied to the transformation of raw materials into finished products, mainly by machinery.

MARGIN. (Fr. *Marge, limite*, Ger. *Hinterlegung*, Sp. *Margen*, It. *Margine, limite.*)

This is a Stock Exchange term referring to operations under the "cover" system, and it signifies the extreme point which a price must touch before the cover is exhausted. The term "margin" is sometimes used in the same sense as cover. It also signifies a discretion of so much per cent., or so much per share, allowed to work upon, over a named price, should it not be possible to do business at the price fixed.

MARINE INSURANCE. (Fr. *Assurance maritime*, Ger. *Seeversicherung*, Sp. *Seguro marítimo*, It. *Assicurazione marittima.*)

A contract of marine insurance is one whereby one party, for a stipulated sum, undertakes to indemnify the other against loss arising from certain perils or sea risks, to which his ship, merchandise, or other interest, such as freight, may be exposed during a certain voyage, or for a certain period of time. Like fire insurance, it is a contract of indemnity, that is, the insured cannot recover more than his actual loss. The insurance is generally effected with a number of individuals called "underwriters." This term arises from the fact that the persons who signify their willingness to take part in the risk as insurers subscribe their names to the policy, and state the sum for which they respectively agree to be liable. The best known association of underwriters is Lloyd's.

The law as to marine insurance was codified by the Marine Insurance Act, 1906.

The policy is generally negotiated by an insurance broker, employed by the insured. As the broker is personally liable to the underwriters for the premium, his position is rather that of a middleman than of an agent. The practice is for the broker to prepare a brief memorandum of the terms of the intended policy, and for the underwriters to initial it for the amount each of them proposes to underwrite. This document is called the "slip."

The policy of marine insurance is very complex in its terms. Every clause has been examined at some time or other by the courts, and the meaning of each is well known to persons connected with the shipping world.

The insured must have an insurable interest in the ship or its cargo at the time the insurance is effected. If the words "lost or not lost" are inserted in the policy, the insurance will be valid even though the loss occurred prior to the effecting of the insurance, if unknown at the time to the insured. In spite of this legal necessity for "insurable interest," there used to be an enormous amount of gambling in insurances amongst the classes who take up this kind of insurance, just as there is any amount of gambling, pure and simple, on the Stock Exchange. Gambling policies were declared invalid by the Marine Insurance Act, 1906, and by a subsequent Act, passed in 1909, heavy penalties may be imposed upon any persons, brokers or others, who deal in the same.

The principal kinds of marine insurance policies are:—

(1) Valued. The agreed value of the subject matter insured is stated in the policies. This statement of value is conclusive between the parties in case of loss, even though it is in excess of the actual value of the subject matter. As in other contracts fraud invalidates such policies. Ships and freights are generally so insured.

(2) Unvalued. In policies of this kind, which are also known as "floating policies," the value of the subject matter is not stated, but is left to be proved by evidence if any loss occurs. Goods are usually so insured, since their value can be easily ascertained.

(3) Voyage. The risk undertaken is confined to the particular voyage named in the policy.

(4) Time. The policy is made for a fixed period, not exceeding one year and thirty days in length, and the risk undertaken is for any loss which may happen during that time, irrespective of the voyage or voyages undertaken.

Policies of marine insurance are issued subject to certain express warranties inserted in them. Apart from special warranties there are certain implied warranties which have the same legal force as though they were set out in the policies. The principal implied warranties are seaworthiness, non-deviation, and the legality of the voyage, though

it appears that there is no implied warranty of seaworthiness in a time policy.

A ship may be totally lost, or it may be injured only. In the former case, where the ship and the cargo are totally lost or destroyed, the full amount of the loss is recoverable from the underwriters. In the case of a partial loss, the extent of the injury must be ascertained before any claim can be made. The amount recoverable is not the full extent of the damage sustained. The shipowner must bear a portion of the cost of renewing his ship, generally one-third, seeing that he is getting the benefit of new materials for repairs, and the underwriter can only be called upon to pay the remaining two-thirds. As to the amount recoverable for the partial loss of cargo, the calculation is made according to recognised rules, and the estimated loss depends mainly upon the different values of the goods (1) at the port of despatch; (2) at the port of destination as if perfect; (3) at the port of destination in their damaged condition.

There may be a constructive total loss, that is, the ship and the cargo may be in such a position as to render it doubtful whether they can be saved, or whether it is worth the cost of making an effort to save them. They are then abandoned to the underwriters, notice of such abandonment being given. (See *Abandonment.*)

The stamp duties on marine insurance policies as fixed by the Stamp Act, 1891, and the Finance Acts, 1901 and 1908, are as follows:—

(1) Where the premium does not exceed the rate of 2*s.* 6*d.* per cent. of the sum insured . . . . 1*d.*

(2) In any other case—

(*a*) For or upon any voyage:
In respect of every £100 and also any fractional part of £100 . . . . . 1*d.*

(*b*) For time:
In respect of every £100, and also any fractional part of £100:
Where the insurance is made for any time not exceeding six months . 3*d.*
Where the insurance is made for any time exceeding six months and not exceeding twelve months . . . . 6*d.*

By the Finance Act, 1901, it was made permissible to insert a continuation clause in a time-policy, which extended the validity of the insurance for a period not exceeding thirty days if the ship happened to be at sea when the policy expired. The extra stamp duty over and above the ordinary stamp duty to be paid when the continuation clause is inserted is 6*d.*

Prior to the Judicature Act, 1873, policies of marine insurance had been made assignable at law, although being *choses in action*, by the Marine Insurance Act, 1868 (31 & 32 Vict. c. 86).

MARINERS. (Fr. *Marins*, Ger. *Seeleute*, Sp. *Marinos, marineros*, It. *Ciurma, equipaggio.*)

When this term is used in shipping documents, it usually refers to the crew, or to those sailors who, outside the master and the pilot, manage and navigate the ship.

MARITIME LAW. (Fr. *Loi maritime*, Ger. *Seerecht*, Sp. *Derecho maritimo*, It. *Codice marittimo, legge marittima.*)

This is the branch of commercial law which relates to ports, harbours, ships, navigation, pilots, lighthouses, etc.

MARITIME LIEN. (Fr. *Sécurité de détention*, Ger. *Seepfandrecht*, Sp. *Seguridad maritima*, It. *Contratti di pegno marittimo, garanzia marittima.*)

This is a privileged claim upon a thing in respect of services rendered to it, in connection with some maritime adventure. It differs from the common law lien in that it does not depend upon possession, and attaches to the ship wherever she may be. It is enforceable by arrest and sale, if necessary, at the instance of the Admiralty Court. Maritime liens arise out of salvage, bottomry bonds, damages through collision, seamen's wages, payments made by the master on account of the ship, and the services of pilots.

MARK. (Fr. *Mark*, Ger. *Mark*, Sp. *Marco*, It. *Marka, bollo.*)

The mark is the unit of accounts and exchange in the German Empire, since January 1, 1876. The value of the coin is about 11$\frac{3}{4}$*d.* At par value, 20·4 marks are equal to £1.

MARKED CHEQUES. (Fr. *Chèques visés*, Ger. *markierte Bankanweisungen*, Sp. *Cheques visados*, It. *Cheque bollati, cheque vistati.*)

These are cheques which have been marked by the bankers upon whom they are drawn that they are in order and will be paid in due course. These cheques are largely used in Canada and the United States. They are also known as "certified cheques."

MARKET or **MART.** (Fr. *Marché*, Ger. *Markt*, Sp. *Mercado*, It. *Mercato, piazza.*)

A market is a public place used for the purposes of commerce.

MARKET OVERT. (See *Sale.*)

MARKET PRICE. (Fr. *Cours du marché*, Ger. *Marktpreis*, Sp. *Precio del mercado*, It. *Prezzo o corso del mercato.*)

This is the current price at which goods are sold in the market.

MARKET RATE OF DISCOUNT. (Fr. *Cours d'escompte*, Ger. *Privatdiskonto*, Sp. *Tipo de descuento*, It. *Tasso o corso di sconto.*)

This is the name given to the rate charged by bankers, bill-brokers, and others for discounting bills of exchange. It is usually lower than the bank rate, owing to competition, and the desire of the open market to get a good share of the business which is offered.

MARKET REPORT. (Fr. *Rapport du marché, mercuriale*, Ger. *Marktbericht*, Sp. *Revista del mercado*, It. *Ragguaglio del mercato.*)

This is the report which describes the state of the market and sets out the current prices.

MARKET VALUE. (Fr. *Cours du marché*, Ger. *Marktwert, Tageskurs*, Sp. *Valor del mercado*, It. *Valore del mercato.*)

This means the sum of money which can be obtained for goods or securities in the open market. Every article dealt in, even money itself, is at times enhanced or depreciated in value, owing to various affecting influences.

MARKING. (Fr. *Notation*, Ger. *Notierung*, Sp. *Cotizaciones*, It. *Quotazione, prezzi di chiusura.*)

On the Stock Exchange this signifies the recording of the prices at which actual business has been done in any security between the hours of eleven and three.

MART. (See *Market.*)

MARTINMAS. (Fr. *Le Saint Martin*, Ger. *Martinsfest*, Sp. *Fiesta escocesa de Noviembre*, It. *S. Martino.*)

This is the eleventh of November. This is one of the Scotch quarter-days.

MASTER AND SERVANT. (Fr. *Maître et serviteur*, Ger. *Herr und Untergebener*, Sp. *Maestro y servidor*, It. *Padrone e servitore.*)

The rights and duties arising out of the relationship of master and servant are generally settled by the contract of service. But there are a few points common to the hiring of servants, of whatever kind, to their dismissal, and to the giving of characters, which are practically settled by law, and to which no particular reference is made when the contract of service is entered into. These are the points which are here dealt with. The responsibilities of an employer are further dealt with under the Employers' Liability Act, the Truck Acts, the Workmen's Compensation Act, the Trades Boards Act, and the National Insurance Act.

Hiring.—When a servant is hired, whether an agent, a clerk, a domestic servant, or a governess, the contract may be a verbal one. But if the term of service is to extend beyond a year from the date of its commencement the contract should be evidenced by writing in order to satisfy the fourth section of the Statute of Frauds. What is required is some memorandum or note signed by the party to be charged therewith, or by some other person authorised by him. The memorandum need not be a formal one, but it must contain the names of the parties, must designate the date of the commencement of the service, and must set out the consideration for the hiring, that is, the amount of the salary or wages to be paid. An agreement may be collected from a series of letters, provided that the connection between them is clear upon the face of the documents themselves.

When no time is fixed for the duration of the contract of service, either expressly or by implication, the hiring is considered to be a general hiring, and the legal presumption is that it is a hiring for a year. Also, if the hiring is for a year, and the year's serivce is not performed, a servant cannot recover his wages. But this rule is of no practical importance, for there are many circumstances which will easily rebut the presumption of yearly service. The payment of wages at shorter intervals than a year, and the evidence of a general custom in a particular calling as to length of service would tend to show that the hiring was not for a year. Again, if there is no specific contract of hiring, but there is evidence of service, the servant can recover his reasonable wages for the time he has served. Servants of the Crown, whether civil, naval, or military—unless it is otherwise provided—hold their offices only during the pleasure of the Crown. And further, no engagements made by the Crown with any of its naval or military officers in respect of services, either present, past or future, can be enforced in any court of law.

Termination of Service.—The contract of service is terminated by the death of one of the parties, or by proper notice. The contract being a personal one, no substitute can be placed in the positions of the original parties. If, therefore, after the death of a master a servant is retained to do certain work, even of the same character which he has previously performed, it is a presumption of law that there is a new contract of service, entered into with the representatives of the deceased. As to the length of notice required, when the contract of service is to be terminated in this manner, much will depend upon the special circumstances of each case. If the hiring is a general one, that is, presumed to be for a year, a servant cannot be dismissed, except for misconduct, until the year has expired. This rule, however, is eaten up with exceptions. If wages are payable weekly, the hiring will generally be held to be a weekly one, and then a week's notice is sufficient. A clerk can be discharged with three months' notice, and a menial servant with one. The term "menial servant" has been held to include a head gardener residing in a detached house in his master's grounds, and a huntsman, but not a governess. When there is no stipulation as to the length of notice to be given, there must be a reasonable or customary notice. What is a reasonable notice is a question of fact in each case. In the case of an advertising agent a month's notice was found to be sufficient. In another case, where a stationery clerk in a telegraph office had a yearly salary of £135, paid fortnightly, it was left to the jury to say what was a reasonable notice for a person in his position, and they found that a month was. Of course, the more responsible the position, the longer, generally speaking, will the notice be. Where there is any doubt as to the notice which ought to be given, the matter should be settled by the parties themselves at the time of the formation of the contract.

The question as to what is a reasonable and customary notice in the case of domestic servants has been the subject of interesting judicial consideration. In one case the plaintiff entered the service of the defendant as a housemaid on March 1. On March 12 the plaintiff gave notice to leave on April 1, and did leave, but on leaving her mistress refused to pay her a month's wages. The case was first tried in a county court, where the servant endeavoured to establish that a custom was in existence under which either party to the contract of the hiring of a domestic servant was entitled, in the absence of special terms as to notice, to terminate the service at the end of the first month by a notice given before the expiration of the first fortnight. The servant further claimed that where notice is given in the first fortnight to leave at the end of the first month, the servant is entitled by custom to have the character with which she entered the service handed over to a subsequent employer. The county court judge decided that there was no such custom. In the Divisional Court, on appeal, it was held that the county court judge had come to a correct decision, but that the custom as to notice would not be unreasonable if clearly proved to exist. "As to the alleged custom of a servant under these circumstances being entitled to leave at the end of the first month, I think it would be a reasonable one, and, if established by evidence, ought to be acted upon. As to the alleged custom of handing on the character, I think such a custom would be unreasonable. There is no obligation imposed upon a master or mistress to give a character to a servant, but if a character is given, it ought to be a true one. Therefore, if a servant were hired with a good character from his or her last place, and it afterwards came to the knowledge of the master or mistress that such character was undeserved, and practical experience would be sufficient, it would be dishonest, with such knowledge, to pass on the good character to a subsequent employer."

Since the decision in this case another county court judge held that the custom was proved by the evidence adduced before him, and gave judgment for the servant for a month's wages, which were claimed under circumstances similar to those in the preceding case.

Mutual Duties.—A servant must use proper care in dealing with the property of his master which is entrusted to him. If he is guilty of gross negligence by which such property is injured, he will be liable to an action at law. There is no duty laid upon him to protect the property at all risks, and he will not be responsible for losses arising through robbery. The whole of the servant's working hours are at the disposal of his master, and may be utilised in any manner the master desires, though

no servant can be compelled to obey any unlawful command or order. The strictest honesty is demanded in dealing with the goods or property of the master, and also with any moneys paid to the servant for his master. If a servant retains and converts to his own use any sum of money which is paid to him on behalf of his master he is guilty of embezzlement. Such an act, on the part of any other person than a clerk or servant, has only been constituted a criminal offence, under certain circumstances, since the passing of the Larceny Act, 1901.

In the interests of the trading community, a servant is bound to keep any of the trade secrets of his master, and may be restrained by injunction from communicating them to other people.

A master is responsible for the negligent acts of his servant, whereby a third party is injured, provided the servant is acting in the ordinary course of his duty, and within the scope of his authority. But if the servant is engaged in some enterprise or business which is altogether unconnected with his service, or if he is chargeable with anything which imposes a criminal liability upon him, the master is not responsible.

Again, it is the duty of every master to indemnify his servant from the consequences of doing anything in obedience to orders, the servant at the time believing them to be lawful. But there is no obligation to indemnify if the servant knew that the orders were unlawful, nor if damage has arisen to the servant through acting in direct disobedience to his master's orders.

In the case of a domestic servant, no master or mistress should ever take upon himself or herself the responsibility of searching boxes, etc., if a theft is suspected. Either a search warrant should be obtained, or a constable should be consulted and asked to act upon the information given to him. The reason for the distinction is that whereas a constable can act upon reasonable suspicion of a felony having been committed, a private person must, in addition, have good grounds for suspecting a particular person before he can act with safety.

In recent times, it has become a common practice in many trades for a master to bind his servant, in case the latter leaves his employment, not to enter the services of any trading competitor or to trade on his own account, for a specified period. If there is nothing overreaching in the agreement, the restraint imposed may be held not unreasonable and not in restraint of trade. (See *Contract.*) There has, however, been a disposition lately to relax the strictness of the rules as to restraint of trade in the case of employers and employed, and it is now clear that if the restraint placed upon an employee is of such a character as to be detrimental to the interests of the public it will be void in law.

Dismissal.—A servant may be summarily dismissed for wilful disobedience, gross moral misconduct, inattention, incompetence, claiming to be a partner, and conduct incompatible with the performance of his duties. Little difficulty arises as to the first four of these grounds for dismissal, though a master must not act too capriciously, nor in too narrow a spirit. The last ground opens a much wider field. No general rule can be laid down as to what will constitute a good cause for summary dismissal, though the judgment of a former Master of the Rolls may be read with advantage as a valuable guide. In an action for wrongful dismissal the plaintiff was the confidential clerk of a firm of general merchants and commission agents, who were in a very large way of business. The defendants discovered that the plaintiff was speculating in differences on the Stock Exchange to the extent of many hundreds of thousands of pounds, and immediately dismissed him from their service. It was held that they were entitled to do so. The late Lord Esher said: "The rule of law is, that where a person has entered into the position of servant, if he does anything incompatible with the due and faithful discharge of his duty to his master, the latter has a right to dismiss him. The relation of master and servant implies necessarily that the servant shall be in a position to perform his duty duly and faithfully, and if by his own act he prevents himself from doing so, the master may dismiss him. It is not that the servant warrants that he will duly and faithfully perform his duty; because, if that were so, upon any breach of his duty his master might bring an action against him on the warranty. But the question is, whether the breach of duty is a good ground for dismissal. I have never hitherto heard any doubt that that is a true proposition of law. What circumstances will put a servant into the position of not being able to perform, in a due manner, his duties, or of not being able to perform

his duty in a faithful manner, it is impossible to enumerate. Innumerable circumstances have actually occurred which fall within that proposition, and innumerable circumstances which never have yet occurred, will occur, which also will fall within the proposition. But if a servant is guilty of such a crime outside his service as to make it unsafe for a master to keep him in his employ, the servant may be dismissed by his master; and if the servant's conduct is so grossly immoral that all reasonable men would say that he cannot be trusted, the master may dismiss him. The question is whether we can differ from the learned judge who has determined the question of fact with reference to a confidential clerk to merchants, who, in the course of his duty, might have to advise his masters upon monetary matters, and who, in the course of his duty, might be called upon by his masters to have in his hands securities of great value, but who is found during the service, secretly from his masters, to have been engaged not in one or two small transactions, but in enormously large gambling transactions on the Stock Exchange in differences, so that he might at any time be landed in immense losses; and whether we can say that the learned judge is wrong in holding that a man who has done that whilst he was a servant, has done that which is incompatible with a safe performance of his duty to his masters, and if the learned judge has held that such a clerk, by such a course of conduct to such an extent has brought himself into a position that the masters cannot fairly rely upon his faithfulness—because the clerk has palpably left himself open to temptation, so great that it is beyond safety to the masters and to the masters' business—the question is whether we can say that the learned judge is wrong, or that a jury would be wrong, in finding that that is incompatible with the safe performance of his duty to his master. Wherever a clerk in a mercantile service, or in a service of trust, breaks any of the rules of good conduct, and wherever a jury finds that the master was justified in dismissing him, I should like it to be known by all persons in that position that this court will uphold the decision, and I think that every judge and every jury, if such conduct is brought before them, as has been imputed to and proved against the plaintiff in this case, holding the position which he did in the office of merchants, would come to the conclusion that gambling to a large extent in differences is wholly incompatible with the due and faithful performance of his duties, if he does so unknown to his master. I should like to say in plain terms, so that it may be understood, that the moment it is made known to a master that his clerk has been gambling to anything like this extent on the Stock Exchange, that of itself will authorise any tribunal in saying that the master was justified in dismissing his servant."

On the dismissal of a servant, there is no necessity for the master to state the grounds for his dismissal. But if the servant brings an action for damages for wrongful dismissal, the master must prove that he had good grounds for acting as he did, otherwise he will be mulcted in damages. The measure of damages is the loss naturally arising from the effects of the dismissal. But a dismissed servant must not expect to receive, as a matter of course, his full wages for the unexpired term of service. The amount is to be reduced by his chances of obtaining other employment, and he must use his best efforts to get such other employment. It may, therefore, happen that the damages sustained are only nominal, and the servant cannot recover more.

In other cases a servant can only be dismissed after proper notice, or the payment of wages for the period of the notice. When the hiring is by the week or the month, or something similar, the notice should be given at the end of one of the periods to terminate at the following. If, however, a servant enters into an agreement for service, and it is stipulated amongst other things that the contract is to be terminable by a certain length of notice on either side, the master can give the notice at any time, or he may dismiss the servant summarily upon paying his wages for the period of the notice without giving any reason whatever for his act. In practice, when it is doubtful whether facts justify extreme action on the part of the master, this is the safest method to be adopted.

A servant may be liable in an action to his master for quitting his service without proper notice. But the remoteness of the chance of obtaining any damages awarded in an action of this kind causes this class of case to be of the rarest occurrence. For maliciously breaking a contract of service in connection with municipal gas or water

works, a servant may be criminally proceeded against, and summarily convicted.

Characters.—As already stated, there is no legal obligation upon a master or mistress to give a servant a character. But if a character is given, it must be an honest expression of the belief of the person giving it, and if it is so it belongs to the class of privileged communications, for which no action of defamation of character will lie. But the proof of the existence of express or implied malice will destroy the privilege. All facts should be disclosed which are material, but with as little gloss as possible; and there should be no suppression of the truth as to any matters which might affect the mind of any person likely to engage the servant. The giving of a wilfully false character whereby another person is damnified may be a good cause for an action of deceit.

The giving of false characters, or the conspiring with other persons to bring about a contract of service by means of false characters or assertions, renders the party guilty of the same liable to a penalty of £20 and costs.

Disputes between Master and Servant.—Special provision is made for the settlement of disputes between employers and workmen, other than seamen or apprentices to the sea service, by an Act of 1875. It does not apply to domestic or menial servants. Proceedings may be taken in a county court, and the court may—

(1) Adjust and set off against each other the claims of the employer and workman, whether the claims are liquidated or unliquidated, and are for wages, damages, or otherwise.

(2) Rescind, if it thinks proper, any contract between the workman and the employer on such terms as to the apportionment or payment of wages or damages as may appear just.

(3) Accept security from the defendant, with the consent of the plaintiff, that he will perform his contract. The security must be an undertaking by the defendant, and one or more sureties, that the defendant will perform his contract, subject, on non-performance, to the payment of a sum to be specified in the undertaking.

Where the amount claimed or in dispute does not exceed £10, the matter may be heard and determined by a court of summary jurisdiction. No security then taken may exceed £10.

It is an indictable offence for any persons to conspire together to obstruct an employer in the conduct of his business by persuading his workmen to leave him, so as to induce him to make a change in the mode of carrying on his business. But no action will lie against an official of a trade union for procuring the dismissal from their employment of non-union workmen in the same trade, unless the dismissal is brought about by the employer being induced to break his contract with the workmen.

Formerly, it was held that in certain cases where damage arose from the act of any trade union or other similar body, which would have given rise to a claim for damages if done by an individual, the funds of the trade union could be made liable for such damage. Now, practically, immunity has been obtained in all cases since the passing of the Trades Disputes Act, 1906.

For the settlement of trade disputes, powers have been conferred upon the Board of Trade by the Conciliation Act, 1896. When it is shown that any difference exists between an employer and his workmen, the Board has authority to inquire into the causes and circumstances of the dispute, to take steps to arrange a meeting of the parties, and to appoint a person or persons to act as arbitrator, conciliator, or as a board of conciliation. (See *Strike, Trade Union.*)

MASTER OF A SHIP. (Fr. *Maître, capitaine, patron,* Ger. *Kapitän, Schiffsführer,* Sp. *Patrón, capitán,* It. *Capitano, comandante.*)

The master is the commander of a merchant ship. The authority of the master is generally confined to the navigation of the ship, and to the absolute control over its management during the progress of a voyage. But this may be extended by special agreement, and in certain cases of necessity the master has power to raise money upon the ship or the cargo for the successful prosecution of the voyage. (See *Bottomry.*)

MASTER PORTER. (Fr. *Surveillant d'embarquement,* Ger. *erster Auslader,* Sp. *Portero principal,* It. *Capo-sorvegliante, soprintendente.*)

This is a person who is licensed by the various dock companies and harbour boards to attend to the receiving, weighing, and sorting of goods, or the proper discharge of vessels upon their arrival in port.

MATE. (Fr. *Lieutenant, second,* Ger. *Maat, Steuermann,* Sp. *Piloto, contramaestre,* It. *Pilota, comandante in seconda.*)

In the mercantile marine the mate is the person who is the deputy of, or the next in command to, the captain. There are first, second, and third mates.

MATE'S RECEIPT. (Fr. *Reçu du second*, Ger. *Steuermannsschein*, Sp. *Recibo del piloto*, It. *Ricevuta del pilota.*)

This is the document given by the mate of a ship acknowledging that he has received certain specified goods on board. The receipt is subsequently given up to the shipbroker in exchange for the bills of lading.

MATURE. (Fr. *Échoir*, Ger. *fällig werden*, Sp. *Vencer*, It. *Maturare, scadere.*)

In the case of a bill, to mature means to become payable.

MATURITY. (Fr. *Échéance*, Ger. *Verfalltag*, Sp. *Vencimiento*, It. *Maturità, scadenza.*)

This indicates the date upon which a bill of exchange, a promissory note, or other similar commercial document falls due, or is legally payable.

MAUNDY MONEY. (Fr. *Monnaie de jeudi saint*, Ger. *Almosenspende am Grũndonnerstag*, Sp. *Limosna de Jueves santo*, It. *Elemosina del Giovedi santo.*)

These are special coins struck every year for distribution by the sovereign on Maundy Thursday, that is, the day previous to Good Friday. They are of silver, and nominally valued at fourpence, threepence, twopence, and one penny. They never get into circulation, but are eagerly sought after by coin collectors and kept as curiosities.

MEASUREMENT ACCOUNT. (Fr. *Compte de marchandises au cubage*, Ger. *Massrechnung*, Sp. *Cuenta de detalle de géneros por cabida*, It. *Conti di cubatura o di volume.*)

This is an account taken by dock companies and shipbrokers of cased goods received for shipment, showing the length, breadth, and depth of the cases, for the purpose of calculating the freight, which, on light goods, is reckoned as 40 cubic feet to the ton.

MEASUREMENT GOODS. (Fr. *Marchandises au cubage*, Ger. *Massgüter*, Sp. *Géneros por cabida*, It. *Merci considerate secondo la cubatura o volume.*)

These are goods upon which the freight is charged by measurement, instead of by weight, 40 cubic feet being reckoned to the ton. Light goods in cases or bales are usually charged for in this way, as they take up so much more space than heavy goods.

MEMORANDUM OF ASSOCIATION. (Fr. *Bordereau d'association*, Ger. *Gesellschaftsvertrag*, Sp. *Memoria de asociación*, It. *Statuto o atto costitutivo di società.*)

This document is that which sets forth the objects for which a joint-stock company is formed, and the conditions under which it is incorporated. It is, in fact, the charter of the company. (See *Companies.*)

MERCANTILE. (Fr. *Mercantile*, Ger. *Kaufmännisch*, Sp. *Mercantil*, It. *Mercantile.*)

This word is frequently used for, and is synonymous with, commercial. It is derived from the Latin, *merx*, merchandise.

MERCER. (Fr. *Mercier*, Ger. *Seidenhändler*, Sp. *Mercero*, It. *Merciaio.*)

A mercer is a merchant dealing in silks and woollen cloths.

MERCERY. (Fr. *Mercerie*, Ger. *Ellenwaren*, Sp. *Merceria*, It. *Mercerie.*)

This is the name given to the goods of a mercer, or the trade of a mercer. It is an American term, like grocery.

MERCHANDISE. (Fr. *Marchandises*, Ger. *Handelswaren*, Sp. *Mercadería*, It. *Mercanzie, merci.*)

This is the general term applied to the goods or wares in which a merchant deals.

MERCHANT. (Fr. *Négociant*, Ger. *Kaufmann*, Sp. *Comerciante, negociante*, It. *Mercante, negoziante.*)

This name denotes:—

(1) One who carries on trade, especially on a large scale.

(2) One who imports and exports goods on his own account.

(3) One who receives the consignments of others and sells them on commission, when he is more properly an agent or broker.

(4) A dealer in home-trade industries, as a coal merchant, corn merchant, iron merchant, etc.

There are "general" merchants who trade to various parts with various goods; and there are "specific" merchants, engaged in particular branches of trade and to particular places.

MERCHANTMAN. (Fr. *Navire marchand, bâtiment marchand, bâtiment de commerce*, Ger. *Handelsschiff, Kauffahrteischiff*, Sp. *Buque mercante*, It. *Bastimento mercantile.*)

In nautical phraseology, this is the name applied to a vessel employed in the transport of goods and articles of commerce, in contradistinction to a man-of-war, or vessel used for warlike purposes.

MERCHANT'S MARK. (Fr. *Marque*,

marque de commerce, estampille, Ger. *Handelsmarke*, Sp. *Marca del comercio*, It. *Marca di fabbrica, marca di commercio.*)

In the Middle Ages, when tradesmen were forbidden to use heraldic insignia, they were allowed to use instead certain marks symbolic of their trade or occupation. Thus, a mason had his trowel and compasses, a tailor his shears, etc., whilst others used a monogram of initials as well. These marks were, in all probability, the origin of the trade-marks now in use.

MESSIEURS. (Fr. *Messieurs, MM.*, Ger. *Herren*, Sp. *Señores, Sres.*, It. *Signori.*)

This is the plural form of the French word *Monsieur*, and is generally contracted in English into *Messrs.*

MESSUAGE. (Fr. *Maison et dépendances*, Ger. *Haus mit Grundstücken*, Sp. *Casa y escritorio*, It. *Casa e annessi.*)

This word is generally used in legal documents to denote a dwelling-house, its offices, and outbuildings and the adjoining lands (if any) appropriated to the use of the household.

METALLIC CURRENCY. (Fr. *Numéraire*, Ger. *Metallwährung*, Sp. *Metálico*, It. *Numerario.*)

This is the authorised gold, silver, nickel, and bronze currency of a country as coined at the Government mints.

METALLING CLAUSE. (Fr. *Clause de doublage*, Ger. *Metallklausel*, Sp. *Cláusula de laminación*, It. *Clausola per la fodera metallica.*)

This clause is sometimes found in a marine insurance policy, and it relates to the metalling of the ship so that no claims can be made upon the underwriters for the ordinary wear and tear to which a steamship is subjected during a voyage.

METRE. (M.) (Fr. *Mètre*, Ger. *Meter*, Sp. *Metro*, It. *Metro.*)

The metre is the unit or basis of the metric system of weights and measures. The metre is supposed to be, though this is not quite true, the ten millionth part of a quadrant of the meridian, that is, the distance from the pole to the equator, measured along the surface of the sea. In English measure it is about 3 feet $3\frac{1}{2}$ inches, or more exactly, 39·370113 English inches, or 3·280843 English feet, or 1·093614 English yards.

METRIC SYSTEM. (Fr. *Système métrique*, Ger. *Dezimalsystem, Metermass*, Sp. *Sistema métrico*, It. *Sistema metrico.*)

This is the system of weights and measures now used by most civilised nations, of which the metre is taken as the unit or basis, and from which the units of surface, capacity, and weight are derived.

The United Kingdom and the United States are the great exceptions to the civilised countries which use the metric system. In both, however, Acts of Parliament and Congress have been passed authorising the use of the metric system, though with little result. The great objection to a change from the present arbitrary and cumbrous weights and measures to systematic ones is the confusion that might take place during the change. Inquiries have been made from English representatives abroad as to the effect of a similar change in foreign countries. All seem to agree that the confusion likely to arise is exaggerated. The following was a portion of the reply of the English Ambassador in Berlin to an inquiry on the subject in February, 1900:—

"The difficulties were overcome with comparative success. The purchasing public soon learned to appreciate the simplicity of the new system, and they accepted without serious complaint the inconvenience inevitably connected with the period of transition. The Weights and Measures Regulations came into force on January 1, 1892, that is to say, about three and a half years after its introduction had been announced. Permission to use the new measures was granted, however, as early as January, 1870, in so far as the other party to a particular transaction concurred in their use. The interval thus granted was sufficient to insure the adoption of the new system in all its details; it also enabled the local bureaux to acquire the necessary apparatus, and to produce and certify the accuracy of the new measures in such quantites as to render their exclusive use in the various branches of industry an accomplished fact by January 1, 1892. This is all the more noteworthy, as previous to that date a very large number of different systems had been in use in Germany at the same time. It cannot be said that a serious desire exists in Germany at the present day to revert to the former state of things."

The metric system is a decimal one. The basis of all measurements is the metre which is the ten millionth part of the assumed length of the direct distance from the Pole to the Equator. The calculation of this length was made in 1795, and was adopted by the French Government as the unit.

One of the principal advantages of the metric system is that there is one definite unit taken for each set of measures, and the remainder are powers of ten of this unit. For the construction of a table, as soon as the unit is known, the other parts are formed by the following prefixes:—

Myria	=	10,000 times.
Kilo	=	1,000 times.
Hecto	=	100 times.
Deca	=	10 times.
Deci	=	$\frac{1}{10}$ of.
Centi	=	$\frac{1}{100}$ of.
Milli	=	$\frac{1}{1000}$ of.

The reduction from one denomination to another is performed by multiplying or dividing by some power of ten. Hence there is no alteration in the figures, but simply an alteration in the position of the decimal point.

Measure of Length.

The fixed unit is the metre, which is a little longer than a yard.

1 metre = 39·370113 inches.
1 yard = 91·4399 centimetres.

10 millimetres (mm.)	=	1 centimetre.
10 centimetres (cm.)	=	1 decimetre.
10 decimetres (dm.)	=	1 metre.
10 metres	=	1 decametre.
10 decametres (Dm.)	=	1 hectometre.
10 hectometres (Hm.)	=	1 kilometre.
10 kilometres (Km.)	=	1 myriametre (Mm.)

The micron = $\frac{1}{10000000}$ metre is used for extremely small measures.

Measure of Area.

The unit of land measurement is 10,000 square metres, which is called a hectare. The are is, therefore, the square decametre.

1 are = 119·603 sq. yds.
1 sq. mile = 258·98945 hectares.

10 centiares ($\frac{1}{100}$ are)	=	1 deciare.
10 deciares ($\frac{1}{10}$ are)	=	1 are.
10 ares	=	1 decare.
10 decares	=	1 hectare.

Measure of Volume.

The unit is the cubic metre, called a stere.

1 stere = 1·307954 cub. yds.
1 cub. yd. = 0·7645 stere.

10 decisteres	=	1 stere.
10 steres	=	1 decastere.

Measure of Capacity.

The unit of capacity is the cubic decimetre, which is called a litre.

1 litre = 1·75980 pints.
1 gallon = 4·5459631 litres.

10 millilitres (ml.)	=	1 centilitre.
10 centilitres (cl.)	=	1 decilitre.
10 decilitres (dl.)	=	1 litre.
10 litres	=	1 decalitre.
10 decalitres (Dl.)	=	1 hectolitre.
10 hectolitres (Hl.)	=	1 kilolitre (Kl.).

Measure of Weight.

The unit of weight is the weight of a cubic centimetre of distilled water at 4° Centigrade, and at a normal pressure of 760 millimetres.

1 gramme	=	15·4323 grains.
1 kilogramme	=	2·20462 lbs. avdp.
1 grain	=	0·0648 gramme.
1 lb. avoirdupois	=	0·4536 kilogrm.
10 milligrammes (mg.)	=	1 centigramme
10 centigrammes (cg.)	=	1 decigramme.
10 decigrammes (dg.)	=	1 gramme.
10 grammes	=	1 decagramme.
10 decagrammes (Dg.)	=	1 hectogrme.
10 hectogrammes (Hg.)	=	1 kilogr. (Kg.).

100 kilogrammes is called a quintal.
1,000 kilogrammes is called a tonneau.

The following table gives the English equivalents for all the ordinary measures and weights of the metric system.

METRIC TABLE.

Linear Measure.

1 millimetre	=	0.03937 in.
1 centimetre	=	0·3937 in.
1 decimetre	=	3·937 ins.
1 metre	=	39·370113 ins. 3·280843 ft. 1·093614 yds.
1 decametre	=	10·936 yds.
1 hectometre	=	109·36 yds.
1 kilometre	=	0·62137 mile.

Square Measure.

1 sq. centimetre	=	0·15500 sq. in.
1 sq. decimetre	=	15·500 sq. ins.
1 sq. metre	=	10·7639 sq. ft. 1·1960 sq. yds.
1 are	=	119·599 sq. yds.
1 hectare	=	2·4711 acres.

Cubic Measure.

1 cubic centimetre	=	0·0610 cub. in.
1 cubic decimetre	=	61·024 cub. ins.
1 cubic metre	=	35·3148 cub. ft. 1·307954 c.yds.

Measure of Capacity.

1 centilitre	=	0·070 gill.
1 decilitre	=	0·176 pint.
1 litre	=	1·75980 pints.
1 decalitre	=	2·200 gallons.
1 hectolitre	=	2·75 bushels.

Measure of Weight.

		Avoirdupois.
1 milligramme	=	0·015 grain.
1 centigramme	=	0·154 grain.
1 decigramme	=	1·543 grains.
1 gramme	=	15·432 grains.
1 decagramme	=	154·323 grains.
1 hectogramme	=	3·527 ounces.
1 kilogramme	=	15432·3564 grains. 2·20462 lbs.
1 quintal	=	1·968 cwt.
1 tonneau	=	0·9842 ton.

A gramme is also equivalent to 0·03215 oz. or 15·432 grains troy, and to 0·2572 drams, or 0·7716 scruples, or 15·432 grains apothecaries' weight.

MIDDLE PRICE. (Fr. *Cours moyen*, Ger. *mittlerer Preis*, Sp. *Precio medio*, It. *Prezzo medio*.)

This is the central price between those at which a dealer offers to buy and to sell. For example, if a dealer offers to buy at six, or to sell at eight, the middle price will be seven, and it is very probable that a bargain may be struck at this last-mentioned figure.

MIDDLEMEN. (Fr. *Intermédiaires*, Ger. *Vermittler*, Sp. *Intermediarios*, It. *Agenti, intermediari, mediatori*.)

Middlemen are brokers, merchants, or warehousemen, who act as intermediaries between producers and consumers, buyers and sellers, etc. Although in some trades there has been an effort made to dispense with their services, it is impossible in many cases to ignore them, owing to the extensive commerce carried on between different countries, and sometimes between different places in the same country.

MILE. (Fr. *Mille*, Ger. *Meile*, Sp. *Milla*, It. *Miglio*.)

This is the English statute mile, and consists of eight furlongs, each of 220 yards, a furlong being equal to forty poles of 5½ yards, or 16½ feet each. It is, consequently, 1,760 yards, or 5,280 feet in length.

In France, Italy, and the Netherlands, the metrical mile of 1,000 metres, or 1,093·6 English yards, is used. A kilometre, or 1,000 metres, is equal to 0·6214 of an English mile. The geographical mile, or the sixtieth part of a degree of latitude, or about 2·025 yards, is used in England and Italy. The geographical league of three such miles, or 6,075 yards, is used in England and France. In Germany, the geographical mile is one-fifteenth part of a degree of the Equator, or about four English geographical miles, viz., 8,100 yards.

MILEAGE. (Fr. *Prix par mille*, Ger. *Meilengeld*, Sp. *Derecho peaje por milla*, It. *Prezzo al miglio*.)

Mileage is the name given to fees paid by the mile for travel or conveyance.

MILREE, MILREA, or **MILREI.** (Fr. *Milreis*, Ger. *Milreis*, Sp. *Mil reis*, It. *Mille reis*.)

This is the name of a Portuguese silver coin, of the value of about 4*s*. 8½*d*., of English money representing 1,000 reis. At par value 4·5 milreis are equal to £1.

MINT. (Fr. *Monnaie, hôtel de la Monnaie*, Ger. *Münze*, Sp. *Casa de la moneda*, It. *Zecca*.)

The mint is the name of the place where the national money is coined. There is now only one Royal Mint in England, the operations of which are carried on at Tower Hill, London. Besides the Royal Mint, -there are several colonial mints. In Canada the decimal system has been adopted in the mint. The Calcutta mint is of great importance and there are also large mints at Madras and Bombay. Mints have also been established in Victoria, New South Wales, and West Australia, at Melbourne, Sydney, and Perth respectively.

All transactions between the Royal Mint and the public are conductedthrough the Bank of England. Any person may take bar gold, of standard fineness, of not less value than £20,000 to the Bank, and receive notes in exchange at the rate of £3 17*s*. 9*d*. per ounce. The market price of standard gold is £3 17*s*. 10½*d*. per ounce, and the difference of 1½*d*. per ounce is charged to cover interest until the gold is coined.

The word is derived from the Anglo-Saxon, *mynet*, money or coin.

MINT PAR OF EXCHANGE. (Fr. *Cours de change au pair de monnaie*, Ger. *Münzenparikurs*, Sp. *Cambio al par de moneda*, It. *Cambio al pari di moneta*.)

The mint par of exchange between any two countries means that certain amount of currency in the one which is equal to a certain amount of currency in the other, always supposing that the currencies of both countries are of the precise weight and purity fixed by their respective amounts.

MINUTE BOOK. (Fr. *Agenda, carnet*, Ger. *Protokollbuch*, Sp. *Libro de minutas*, It. *Libro dei verbali, registro*.)

This is the book which contains the minutes, or short notes of the proceedings at a meeting of any company or society.

The statutory directions as to the minutes of proceeding of meetings and directors are as follows:—

(1) Every company shall cause minutes of all proceedings of general meetings and (where there are directors or managers) of its directors or managers to be entered in books kept for that purpose.

(2) Any such minute if purporting to be signed by the chairman of the meeting at which the proceedings were had, or by the chairman of the next succeeding

meeting, shall be evidence of the proceedings.

(3) Until the contrary is proved, every general meeting of the company or meeting of directors or managers in respect of the proceedings whereof minutes have been so made shall be deemed to have been duly held and convened, and all proceedings had thereat to have been duly had, and all appointments of directors, managers, or liquidators, shall be deemed to be valid.

In large companies, if the business is transacted by committees, there is frequently a minute book for each committee.

Although the minute book is a most valuable record of the proceedings at any particular meeting, there is no rule which makes the minutes the only admissible evidence, and a bargain or a transaction may be made out and established against the company even though there is no record of it in the minute book. In one case so important a matter as a contract to give security by way of indemnity to directors was proved without there being any entry, and in another a person was proved to be a member of a company though there was no record of any allotment having been made to him.

An auditor should not omit an inspection of the minute book, seeing the peculiar and onerous position which he occupies and his liability for negligence in certain cases. (See *Auditor*.)

MINUTES. (Fr. *Notes du projet*, Ger. *Protokoll*, Sp. *Protocolo, minutas*, It. *Protocollo, minute*.)

Minutes are the reports of proceedings of any meetings, and are taken with a view to keeping a record of the same.

MIXED POLICY. (Fr. *Police à double fin*, Ger. *gemischte Police*, Sp. *Póliza de doble fin*, It. *Polizza mista*.)

This is the name given to a policy under which a ship is insured for voyages between two certain places for a definite period. It is a combination of a voyage and a time policy.

MOBILIER, CREDIT. (See *Credit Mobilier*.)

MOCK AUCTION. (Fr. *Fausse vente (aux enchères)*, Ger. *Scheinauktion*, Sp. *Subasta fingida*, It. *Asta simulata, asta apparente*.)

This is an auction in which the vendor or auctioneer employs and places confederates round the room to tout and bid for the goods to be sold, so as to run up the price against genuine buyers.

MONEY. (Fr. *Argent, monnaie, pièces*, Ger. *Geld, Valuta*, Sp. *Dinero, moneda*, It. *Danaro, moneta*.)

This word may mean:—

(1) That which is minted or coined.

(2) Pieces of stamped metal used in commerce.

(3) Any currency used as the equivalent of coined money.

MONEY CHANGERS. (Fr. *Changeurs*, Ger. *Geldwechsler*, Sp. *Cambistas de moneda*, It. *Cambiavalute*.)

These are persons who deal in the moneys of different countries.

MONEY LENDERS ACTS, 1900 and 1911. (See *Usury*.)

MONEY MARKET. (Fr. *Bourse, place*, Ger. *Geldmarkt*, Sp. *Bolsa*, It. *Mercato, borsa*.)

The general term for all dealings relating to money, such as the business of bankers, money changers, and bullion dealers.

MONEY ORDERS and **POSTAL ORDERS.** (Fr. *Mandats*, Ger. *Postanweisungen*, Sp. *Giros mutuos*, It. *Vaglia postali*.)

These are orders for money deposited at one post office and payable at another. The highest amount for which any one money order will be granted is £40. The commission charged is

For sums not exceeding £1 . .	2*d*.
For sums above £1, and not exceeding £3	3*d*.
For sums above £3, and not exceeding £10	4*d*.
For sums above £10, and not exceeding £20	6*d*.
For sums above £20, and not exceeding £30	8*d*.
For sums above £30, and not exceeding £40	10*d*.

No order may contain the fractional part of a penny. Under no circumstances will money orders issued in the ordinary course be paid on the day of issue.

The name and address of both the sender and the person to whom the money is to be paid must be given at the time of the issue of the order. An order may be crossed like a cheque, and made payable through a banker, and if payment is to be made to a company trading under a name different from the names of the persons composing it, it must be crossed. Payment may be stopped by the sender, but the Postmaster-General is in no way responsible if payment is made by mistake or negligence after notice of stoppage. Also payment may be deferred for any period not exceeding ten days.

A duplicate order will be issued in place of a lost order, on proper application being made and an extra commission of sixpence being paid.

A money order is legally void if payment is not claimed within twelve months from the month in which it was issued; but if a good reason can be given for the delay in the presentation, an application for a new order, subject to a deduction of sixpence, will always be entertained.

Money may be transmitted by telegraph money orders from any money order office in the United Kingdom, which is also a despatching office for telegrams, and may be made payable at any money order office which is also an office for the delivery of telegrams. At those offices which forward but do not deliver telegrams, telegraph money orders can be issued but cannot be paid.

No single telegraph money order can be issued for a greater amount than £40. The charges are as follows:—

(*a*) A money order poundage at the ordinary rate.

(*b*) A charge for the official telegram of advice at the ordinary rate for inland telegrams, the minimum being 9*d.*

(*c*) A supplementary fee of 2*d.* for each order.

In addition to the commission, a charge is made at the ordinary inland rate for the official telegram, authorising payment at the office of payment, the minimum being ninepence; and, if the order is to be delivered at the address of the payee, the proper charge for porterage must be prepaid. The telegraph charges cover only the cost of transmitting the official telegram of advice to the postmaster of the office of payment and its repetition. Any telegraphic communication which the remitter may wish to despatch to the payee must be paid for at the ordinary inland rate, the minimum charge being ninepence.

Except in cases in which the telegraphic money orders are delivered at the address of the payee, any person expecting such remittance must furnish satisfactory evidence that he is the person named in the order. He or some other person on his behalf must attend at the office to obtain payment.

Foreign Money Orders.—Money can be sent by means of foreign or colonial money orders to almost every foreign country or colony. There are special requisition forms which can be obtained gratuitously at all money order offices.

The scale of commission is—	*s.*	*d.*
For sums not exceeding £1 . .	0	3
For sums above £1 but not above £2	0	6
,, ,, £2 ,, ,, £4	0	9
,, ,, £4 ,, ,, £6	1	0
,, ,, £6 ,, ,, £8	1	3

and 3*d.* for every additional £2, with a maximum of £40, for which the charge is 5*s.* 3*d.* Money orders are restricted to a maximum of £10 and £20 in certain countries, particulars of which are to be found in the Post Office Guide.

By arrangement with their respective governments, telegraph money orders may be sent to and received from certain British Colonies, Dependencies, etc., and Foreign Countries which are indicated in the Post Office Guide. In certain of these countries, the telegraph money order service is restricted to particular offices, the names of which may be seen at the issuing office.

The charges made are as follows:—

(1) The money order commission at the ordinary rate for foreign money orders.

(2) A charge for the telegram of advice at the ordinary rate for telegrams addressed to the country of payment.

(3) A supplementary fee of sixpence for each order.

Postal Orders.—These are issued for different amounts, increasing by sixpences, from sixpence to one guinea, —with the exception of 20*s.* 6*d.*, for which there is no provision made—at all money order offices, and many of the smaller offices which are not money order offices, in the United Kingdom, during the hours in which the office is open for the sale of stamps. They are also issued and paid in a number of British Possessions and other places abroad, a list of which is given in the Post Office Guide.

The poundage payable on postal orders is 1*d.* each for orders from 6*d.* to 15*s.*, and 1½*d.* each for those of higher value.

If an order is not paid within three months from the last day of the month of issue, a commission equal to the original poundage will be charged. Postal orders which are not presented for payment within six months from the last day of the month of issue must be sent to the Money Order Department, London, with a request for payment at some, specified office.

Broken amounts, but not fractions of a penny, may be made up by the use of British postage stamps not exceeding fivepence in value, nor three in number, affixed to the face of any one postal

order. Perforated stamps cannot be accepted for this purpose.

The sender of an order must fill in the name of the person to whom it is sent, and, if he so wishes, he can fill in the name of any particular money order office, when the order will be cashed at that office and no other. The insertion of the name of the paying office affords a safeguard against payment being made to a wrong person.

Every person to whom a postal order is issued should tear off and retain the counterfoil. Its production will facilitate inquiry if the order should be lost.

If any erasure or alteration is made, or if an order is cut, defaced, or mutilated, payment may be refused.

Postal orders may be crossed like money orders or cheques, and payment will then be made only through a bank.

As doubts existed at one time as to the negotiable character of postal orders, the words "not negotiable" are now printed at the top. If, therefore, a holder of a postal order, who has had the same transferred to him for value, finds that the transferor had no title to the same, he must, on demand, restore it to the rightful owner.

For a period after the outbreak of the Great War in 1914, postal orders were treated as part of the currency of the realm, and consequently were negotiable instruments.

MONOMETALLISM. (Fr. *Monométallisme*, Ger. *Einzelwährung*, Sp. *Unidad monetaria del oro*, It. *Monometallismo.*)

A system of currency which is based upon a single standard of value, one metal alone being the legal tender for any and every amount. In England gold is the standard, whilst in India it is silver. Some countries have a double standard—one of gold and one of silver. The double standard is called "bimetallism."

MONOPOLISE. (Fr. *Monopoliser*, Ger. *den Alleinhandel haben, monopolisiren*, Sp. *Monopolizar*, It. *Monopolizzare.*)

This term means to obtain possession of a commodity so as to be the sole seller of it.

MONOPOLIST. (Fr. *Monopoleur, monopolisateur*, Ger. *Monopolist, Alleinhändler*, Sp. *Monopolizador*, It. *Monopolista.*)

This is one who has the sole power or privilege of selling a certain commodity.

MONOPOLY. (Fr. *Monopole*, Ger. *Monopol, Alleinhandel*, Sp. *Monopolio*, It. *Monopolio.*)

This is an exclusive right secured to one or more persons to carry on some branch of trade or manufacture, in contradistinction to a freedom of trade or manufacture enjoyed by all the world. Monopolies were abolished in England in 1624, except as regards patents. (See *Patent.*)

MONTH. (Fr. *Mois*, Ger. *Monat*, Sp. *Mes*, It. *Mese.*)

In every Act of Parliament passed since 1850, the word "month" has the meaning of a calendar month, unless the contrary is expressly stated. Formerly the word signified a lunar month of twenty-eight days, and it was decided as recently as 1904 that "month" still means a lunar month, unless a calendar month is expressly or constructively implied. On a bill of exchange half a month is fifteen days.

MORATORIUM. (Fr. *Moratorium*, Ger. *Frist, Moratorium*, Sp. *Moratorium*, It. *Moratoria.*)

This means an extension of time allowed under exceptional circumstances by the Government of a country for the payment of debts. During the Franco-German War, 1870-71, a French moratory law was passed by which the maturity of bills payable in Paris was postponed for three months. The moratory legislation during the great European War has been of a much wider character, and may be still further extended. It is unnecessary to refer to it in detail.

The expression is sometimes used commercially, and it then signifies that a creditor has granted to his debtor—particularly with respect to bills of exchange—an extension of time for payment, in order that the latter may collect the necessary funds to meet his engagements.

MORTGAGE. (Fr. *Hypothèque*, Ger. *Hypothek*, Sp. *Hipoteca*, It. *Ipoteca.*)

A mortgage is a conveyance or disposition of real or of personal property by a borrower, called the mortgagor, in favour of a lender, called the mortgagee, by way of security for the repayment of money borrowed, together with interest. A mortgage of personal property is generally by way of Bill of Sale.

A mortgage of freeholds is, in law, an absolute conveyance by which the fee in the land is passed to the mortgagee subject to an agreement for the reconveyance of it to the mortgagor on repayment of the loan on a fixed day, usually at the expiration of six months from the date of the advance, with interest.

By the common law, upon failure of the mortgagor to make such repayment within the stipulated period, the mortgagee could eject the mortgagor and turn him out of possession and take the land himself. The Court of Chancery considered that this was not fair dealing as between man and man. It therefore took it upon itself to decide that after the stipulated period had elapsed the mortgagor had still the right to redeem on payment of the debt, interest, and costs, and this right is accordingly known as the "equity of redemption."

A mortgage of leasehold property is effected either by assignment or by under-lease. But it is always advisable, except in the case of registered land, for the mortgagee to take by under-lease. If the mortgage is by assignment the mortgagee becomes the tenant of the mortgagor's lessor, and therefore directly liable to perform all the covenants of the lease. But if the mortgage is by under-lease the mortgagee is a tenant of the mortgagor only, and has no direct relationship with the original lessor. If then the covenants of the lease are not performed, the lessor must take proceedings against the mortgagor, or enforce his remedies of distress, re-entry, or ejectment against the land.

A mortgage of copyholds is effected by a conditional surrender to the mortgagee being entered on the rolls of the manor, making such conditional surrender void on the repayment of the loan with interest.

The relative rights of the mortgagee and mortgagor have been the gradual outcome of rules formulated and decisions given by the Court of Chancery, embodied later and in some details varied by various statutory enactments. The following is a brief summary of the rights of a mortgagee, so far as a contrary intention is not expressed in the mortgage deed.

(1) A mortgagee has a right as of course at any time after payment of the debt has become due, to sue the mortgagor for the money.

(2) If default is made by the mortgagor in payment after three months' notice has been given by the mortgagee to the mortgagor, or if interest has become in arrear for two months, or if there has been a breach by the mortgagor of some provision contained in the mortgage deed, other than the covenant for payment of the mortgage money or interest on the fixed day, he may go into possession of the mortgaged property, or he may bring an action for foreclosure, or appoint a receiver of the rents and profits, or sue the mortgagor for the principal and interest. All these remedies may be enforced at the same time. But if he prefers to do so, the mortgagee may sell the mortgaged property by public auction or by private contract.

Foreclosure is a right of the mortgagee not given by statute or by stipulation, but it arises from the fact that the estate has been conveyed to the mortgagee, as explained above, and if after a proper demand has been made the mortgage money is not paid off, the mortgagee has the power of going to the court and claiming that an account be taken of what is due to him for principal and interest, and that in default of the mortgagor paying the same with costs on a day to be appointed by the court—usually six months after judgment—the mortgagor may be foreclosed or deprived of his equity of redemption. In other words, if the mortgagor fails to avail himself of the right conferred on him by the Court of Chancery to redeem after the day originally fixed for repayment, the mortgagee has his original right at law of becoming the possessor as well as the owner of the forfeited estate.

(3) A mortgagee has a power at any time to insure and keep insured buildings on the mortgaged property, and to add the premiums paid to his security.

(4) By exercising his power of sale the mortgagee does not take the property in lieu of the debt so as to extinguish it as he does by foreclosure, but he can sue the mortgagor for any deficiency in the money arising from the sale to meet the principal, interest, and costs of the mortgage debt. On the other hand he must, of course, pay to the mortgagor any surplus if the sale realises more than enough to pay the principal, interest, and costs.

The following is a concise statement of the rights of the mortgagor:—

(1) The old rule of equity that a mortgagor must give six months' notice if he wishes to pay off the loan has not been altered by statute, though the length of notice by the mortgagee, if he wishes to call in his money, has been fixed at three months, as above mentioned.

(2) He can at any time after giving such notice, or when the mortgagee is pursuing any of his remedies, tender the principal, interest, and costs to the

mortgagee, and, if the latter refuses to accept such tender, institute an action for redemption.

(3) He can, even when the mortgagee has taken possession, demand an account of all rents and profits received by him.

(4) He may at any time inspect his title-deeds which are in the hands of the mortgagee.

(5) He has a statutory power so long as he is in possession, except in so far as a contrary intention is expressed in the mortgage deed, to make leases and contracts of tenancy of any parts of the mortgaged property—agricultural and occupation tenancies not to exceed twenty-one years, and building leases not to exceed ninety-nine years. Such leases and tenancies must take effect in possession not more than twelve months after date, and must reserve the best rent that can reasonably be obtained. They must also contain a covenant by the tenant to pay the rent, and a counterpart must be executed by the tenant.

(6) On the discharge of the mortgage moneys, he has a right to demand his property back in its integrity. In other words, on redemption he is entitled to have back that which he hypothecated unfettered, and anything which would prevent his getting it back when his obligation is fulfilled will not be permitted. In technical language, nothing will be allowed which will "clog the equity of redemption." For example, in a mortgage deed by a publican to brewers a covenant by the borrower after discharge of the mortgage to sell beer bought of the lenders only is bad, and cannot be upheld, inasmuch as the "tie" would reserve to the lender a hold on the property after redemption and make it less valuable than when it was mortgaged.

By statutory enactments the time during which a mortgagee has the right of exercising his power of foreclosure is limited to twelve years from the date when the right first accrued, or to twelve years from the time of the last payment of any part of the principal money or interest of the mortgage debt. Also if the mortgagee is in possession, the mortgagor is confined to the same limits of time for exercising his right to redeem. Likewise the remedy on a bond given in respect of a debt secured by a mortgage deed on land, and bearing the same date as the bond, will be barred by the lapse of twelve years from the last payment on account or acknowledgment.

It has been stated above that the principal is generally made repayable six months after the date of the mortgage deed. There is nothing irregular, however, in making a mortgage for a longer or shorter fixed period. But no agreement can make a mortgage irredeemable.

Leases of Mortgaged Premises.—Where a lease has been granted prior to the date of the mortgage deed, the mortgage operates as a grant of the reversion. The mortgagee is entitled to the rent in arrear, and can exercise the landlord's right of distraint. If the lessee makes payment of the rent demanded by the mortgagee, he will be exonerated from any demand on the part of the mortgagor. The law is the same in the case of a yearly tenancy.

Where a lease is granted subsequent to the date of the mortgage deed, the lessee will be a trespasser and can be evicted if the statutory power of the mortgagor or mortgagee in possession to grant leases has been rendered non-exercisable. This right, however, will be waived if it can be shown that there has been an acknowledgment of a tenancy existing on the part of the persons interested.

Equitable Mortgage.—Sometimes title-deeds are deposited, with or without a note or memorandum of the transaction, to form the security for a temporary loan. No estate passes from the mortgagor to the mortgagee. The name given to a mortgage of this kind is an "equitable mortgage." It is the creation of the Chancery Courts, and its name is equitable because at law there was no right on the part of the mortgagor to recover his title-deeds, the transaction being one which ought to be evidenced by some document in writing to satisfy the Statute of Frauds. A former Lord Chancellor thus described it on one occasion: "A proprietor of an estate goes to his banker and says, 'Take these deeds into your possession, and obtain for me £10,000 on their security.' This is a mortgage by deposit of title-deeds—an equitable mortgage—a most convenient mode of raising money. Notoriety is dispensed with, and the accommodation afforded, with every security to the lender and without the necessity for a mortgage deed."

An equitable mortgage is not the most satisfactory of securities, and should not be resorted to when the loan

required is to stand over for any length of time. In the first place, an equitable mortgagee has not a power of sale, but is compelled to rely upon his right of foreclosure. But there is also the danger of an equitable mortgagee being displaced by a legal mortgagee. For this reason a lender should always secure possession of the title-deeds, and not part with them until his money has been repaid.

The memorandum of deposit, if there is one, must be stamped with an *ad valorem* stamp duty of one shilling for every £100, or part thereof, of the charge created upon the property.

Tacking Mortgages.—Where several mortgages have been created on the same property, the mortgagees are entitled to payment according to the priority of their incumbrances. But if a third mortgagee, for example, buys up a first mortgage, which is a legal one, he can add the two mortgage debts, the first and the third, and claim precedence for the two over the second mortgage. This is called "tacking." But tacking can never take place if a later mortgagee has actual or constructive notice of the prior mortgages which have been created.

Mortgage of a Ship.—A British ship cannot be mortgaged except in the form laid down by the Merchant Shipping Act, 1894. The document must be produced to the registrar of shipping at the ship's port of registry, and recorded there, and different mortgages are recorded in the order in which they are produced to the registrar. Priority of title depends upon the date of registration of the mortgage deed, and not upon the date of the creation of the mortgage debt.

MORTGAGEE. (Fr. *Créancier hypothécaire*, Ger. *Hypothekengläubiger*, Sp. *Acreedor hipotecario*, It. *Creditore ipotecario.*)

This is the person to whom a mortgage is made or given, as a security for the advancement of money.

MORTGAGOR. (Fr. *Débiteur hypothécaire*, Ger. *Hypothekenschuldner*, Sp. *Deudor hipotecario*, It. *Debitore ipotecario.*)

This is the person who grants a mortgage to another.

MOTOR-CAR. (Fr. *Automobile*, Ger. *Automobil, Motor*, Sp. *Automovil, motor*, It. *Automobile, motore.*)

This is the name applied to the well-known vehicle, the propulsion of which is effected without external assistance.

A licence is required in respect of every motor or motor cycle, and this licence is granted by the local County Council. Formerly dependent upon the weight of the vehicle, the scale of licences has now been fixed by the Finance Act, 1909-10, as follows:—

	£	*s.*	*d.*
Motor cycles, of whatever h.p.	1	0	0
Motor-cars, not exceeding 6½ h.p.	2	2	0
Exceeding 6½ h.p., but not exceeding 12 h.p.	3	3	0
Exceeding 12 h.p., but not exceeding 16 h.p.	4	4	0
Exceeding 16 h.p., but not exceeding 26 h.p.	6	6	0
Exceeding 26 h.p., but not exceeding 33 h.p.	8	8	0
Exceeding 33 h.p., but not exceeding 40 h.p.	10	10	0
Exceeding 40 h.p., but not exceeding 60 h.p.	21	0	0
Exceeding 60 h.p.	42	0	0

There are certain reductions and exemptions, the principal of the former being in favour of medical men, who are only charged one-half of the above rates. The licence must be taken out before the 31st January of each year, or within twenty-one days of its being kept or used, if the keeping or using commences at any other part of the year.

Duty is not payable upon a motor-car which is not in use, and if the licence is taken out on or after the 1st October of any year, a reduction of one guinea is made in each of the above cases.

A licence costing 15*s.* per annum must be taken out in respect of the chauffeur (if any), as he is held to be a male servant.

In addition to the licence required by the Inland Revenue authorities, every motor-car must be registered with the council of a county or county borough, and must have a certain number and mark attached to it for the purpose of identification. This name and number must be so exhibited on the front and in the rear of the car that any person may be able to see and read the same by day or by night. The cost of registration of a motor is £1, and of a motor cycle 5*s.*

The following are the distinctive marks of the different counties and boroughs:—

Counties.—Anglesey, E.Y.; Bedford, B.M.; Berks, B.L.; Brecon, E.U.; Bucks, B.H.; Cambridge, C.E.; Cardigan, E.J.; Carmarthen, B.X.; Carnarvon, C.C.; Cheshire, M.; Cornwall, A.F.; Cumberland, A.O.; Denbigh, C.A.; Derby, R.; Devon, T.; Dorset,

F.X.; Durham, J.; Ely, Isle of, E.B.; Essex, F.; Flints, D.M.; Glamorgan, L.; Gloucester, A.D.; Hereford, C.J.; Herts, A.R.; Hunts, E.W.; Kent, D.; Lancs, B.; Leicester, A.Y.; Lincs (parts of Holland), D.O.; Lincs (parts of Kesteven), C.T.; Lincs (parts of Lindsey), B.E.; London (twelve marks), A., L.A., L.B., L.C., L.D., L.E., L.F., L.H., L.K., L.L., L.N., and L.O.; Merioneth, F.F.; Middlesex, H.; Monmouth, A.X.; Montgomery, E.P.; Norfolk, A.H.; Northants, B.D.; Northumb., X.; Notts, A.L.; Oxon., B.W.; Pembroke, D.E.; Peterborough, Soke of, F.L.; Radnor, F.O.; Rutland, F.P.; Salop, A.W.; Somerset, Y.; Southampton, A.A.; Staffs, E.; Suffolk, E., B.J.; Suffolk, W., C.F.; Surrey, P.; Sussex, E., F.P.; Sussex, W., B.P.; Warwick, A.C.; Westmoreland, E.C.; Wight, I. of, D.L.; Wilts, A.M.; Worcester, A.B.; Yorks (E. Riding), B.T.; Yorks (N. Riding), A.J.; Yorks (W. Riding), C.

County Boroughs. — Barrow-in-Furness, E.O.; Bath, F.B.; Birkenhead, C.M.; Birmingham, O.; Blackburn, C.B.; Bolton, B.N.; Bootle, E.M.; Bournemouth, E.L.; Bradford (Yorks), A.K.; Brighton, C.D.; Bristol, A.E.; Burnley, C.W.; Burton-on-T., F.A.; Bury, E.N.; Canterbury, F.N.; Cardiff, B.O.; Chester, F.M.; Coventry, D.U.; Croydon, B.Y.; Derby, C.H.; Devonport, D.R.; Dudley, F.D.; Exeter, F.J.; Gateshead, C.N.; Gloucester, F.H.; Gt. Yarmouth, E.X.; Grimsby, E.E.; Halifax, C.P.; Hanley, E.H.; Hastings, D.Y.; Huddersfield, C.X.; Hull, A.T.; Ipswich, D.X.; Leeds, U.; Leicester, B.C.; Lincoln, F.E.; Liverpool, K.; Manchester, N.; Middlesbrough, D.C.; Newcastle-on-T., B.B.; Newport (Mon.), D.W.; Northampton, D.F.; Norwich, C.L.; Nottingham, A.U.; Oldham, B.U.; Oxford, F.C.; Plymouth, C.O.; Portsmouth, B.K.; Preston, C.K.; Reading, D.P.; Rochdale, D.K.; Rotherham, F.T.; St. Helens, D.J.; Salford, B.A.; Sheffield, W.; Southampton, C.R.; South Shields, C.U.; Stockport, D.B.; Sunderland, B.R.; Swansea, C.Y.; Walsall, D.H.; Warrington, E.D.; West Bromwich, E.A.; West Ham, A.N.; West Hartlepool, E.F.; Wigan, E.K.; Wolverhampton, D.A.; Worcester, F.K.; York, D.N.

A driver must be licensed, whether he is a servant or not, and the licence is procurable from the local council. Any person may obtain a licence on payment of 5*s*., provided he is over seventeen years of age. There is no test of ability to drive imposed. The licence is valid for one year. If a conviction is recorded against a driver, the licence is indorsed. This enables the magistrates to test whether there has or has not been a previous conviction.

Generally speaking, the driver of a motor-car must observe the rules of the road. But he is compelled to stop for a reasonable period, if called upon to do so by any person who is driving or has charge of a horse, or by a police constable in uniform; and if a collision occurs, the driver must stop and supply all requisite information as to the identity of the car and its owner.

The chief complaint made against people who are in charge of motor-cars is driving at an excessive speed. The Motor-Car Act, 1903, forbids any speed greater than twenty miles per hour, and certain local authorities may, with the permission of the Local Government Board, reduce this limit to ten miles per hour. If a constable sees a person whom he suspects of driving at an excessive speed, the constable may order him to stop; and he must then inform the owner or driver of the car that it is intended to take proceedings against him. This formality may be dispensed with if the owner or driver of the car is warned of an intended prosecution by notice in writing within twenty-one days after the alleged offence has been committed. The service of a summons is not such a notice in writing.

The difficulties attending a prosecution for driving at a speed exceeding twenty miles, or in certain cases ten miles, an hour are so great that it is now the common practice for the authorities to issue a summons charging the defendant with driving in a manner dangerous to the public, and then the question of speed is less material. It is provided by the Act that the driving must be to the danger of the public, "having regard to all the circumstances of the case, including the nature, condition and use of the highway, and to the amount of traffic which actually is at the time, or which might reasonably be expected to be, on the highway." There can be little doubt that this provision of the Act of 1903 has been stretched on many occasions to a most unwarrantable extent, and that convictions have been obtained in a most unfair manner. An amendment of the law in this respect is most urgently needed.

Any prosecution under the Act is