

If any person gives a receipt which is liable to stamp duty without being duly stamped, or refuses to give a duly stamped receipt, where the receipt would be legally liable to stamp duty, or, upon the payment of an amount of £2 or upwards, gives a receipt for a sum not amounting to £2, or separates or divides the amount with intent to evade the duty, he is liable to a fine of £10.

RECEIVER. (Fr. *Receveur*, Ger. *Einnehmer*, Sp. *Recibidor*, It. *Destinatario*, *ricevitore*, *consegnatario*.)

A receiver is a person appointed with the object of providing for the safety of property pending litigation which is to decide as to the rights of the litigant parties, or of property which is in danger of being dissipated or destroyed by those to whom it is by law entrusted or by persons having immediate but partial interests therein, or of property which is mortgaged or charged, or of the property of infants, or by way of equitable execution.

In all but the last mentioned case, an application may be made to the court for the appointment of a receiver immediately after the issue of the writ, and the appointment follows almost as a matter of course if it appears just or convenient. In the case of equitable execution a receiver is appointed when a creditor has obtained judgment against a debtor, and it appears that the debtor has interests in property which cannot be taken in execution, for instance, a life interest in stocks and shares held by trustees. Such interests can only be reached by the appointment of a person to receive the same and pay the money into court towards the satisfaction of the judgment.

A receiver appointed by the court must give security, usually a bond of himself and two sureties. He is generally allowed 5 per cent. by way of remuneration. He is bound to keep proper accounts, and to produce them in court at periods fixed by the order which appoints him. On the completion of his security he becomes an officer of the court, and when he has taken possession of the property of which he is the receiver, if any one disturbs him in his possession that person is guilty of a contempt of court and is liable to imprisonment. Even if a person considers that he has a title paramount to that of the receiver he must obtain the leave of the court before attempting to assert his right.

It frequently happens that it is

necessary for the preservation of the subject matter of the litigation that a business should be carried on, for example, in proceedings by debenture-holders of a joint-stock company or in actions between partners. In such cases a receiver is appointed manager also, and care must be taken to select a person conversant with and experienced in the particular business. Generally the judge appoints the person nominated by the party making the application for the receiver, unless some good reason can be shown by the opposing party against his fitness.

A receiver appointed by a mortgagee or incumbrancer, and not by the court, has only the powers conferred on him by statute or agreement. By the former he has power to receive all the income of the property of which he is appointed receiver, by action, distress, or otherwise, and to give receipts for payments. He is entitled to charge 5 per cent. for his remuneration unless a lower rate is specified in his appointment. All moneys received must be employed first, in the discharge of rates, taxes, and outgoings; next in payment of his own commission and of premiums on policies and for repairs, and then in payment of the interest on the mortgage. If there is any balance it goes to the mortgagor.

RECEIVING NOTES. (Fr. *Notes de passage*, Ger. *Ladungsschein*, Sp. *Notas de entrega*, It. *Richieste di passaggio*.)

These are documents addressed by a shipper to the chief officer of a ship, requesting him to take on board certain specified goods.

RECEIVING ORDER. (Fr. *Mandat d'action*, Ger. *Veräußerungsverbot*, Sp. *Nombramiento de síndico*, It. *Nomina del curatore*.)

This is an order made by the court on the petition of a debtor or of one of his creditors, at the commencement of bankruptcy proceedings. The official receiver becomes at once the receiver of the property of the debtor. As soon as the order is made, all creditors of the debtor are restrained from taking any legal proceedings against him without special leave.

The making of the receiving order does not divest the debtor of his property. It simply protects it until some arrangement has been arrived at, or until there is an adjudication of bankruptcy.

Although a receiving order is the first step to be taken in bankruptcy proceedings it does not follow as a

matter of course that the debtor will be made a bankrupt. That will depend upon the resolution of the creditors after the debtor has undergone his public examination.

RECONCILIATION STATEMENT.

(Fr. *Exposé de réconciliation*, Ger. *Versöhnungsaufstellung*, Sp. *Estado de reconciliación*, It. *Esposizione di conciliazione*.)

This is a statement of account whereby the balances of two accounts which show an apparent discrepancy are brought into agreement. The most common reconciliation statement is that used to bring into agreement the cash book and bank cash book balances.

RECOURSE. (See *Sans Recours* and *Without Recourse*.)

RE-DRAFT. (Fr. *Retraite*, Ger. *Ritratte*, *Rücktratte*, Sp. *Giro renovado*, It. *Rivalsa*.)

This is a second draft or copy; a new bill of exchange which the holder of a protested bill draws on the drawer or indorsers for the amount of the bill with costs and charges. It is sometimes known as a cross bill.

RED LETTER DAY. (Fr. *Jour de fête*, *jour propice*, *jour de bonheur*, Ger. *Gluckstag*, Sp. *Día festivo*, *dia de suerte*, It. *Giorno propizio*, *giorno fausto*.)

This means a fortunate day; for example, when trade is exceptionally good, or when large profits are made upon stocks or shares on the Stock Exchange.

REDUCED ANNUITY. (Fr. *Rente réduite*, Ger. *reduzierte Annuität*, Sp. *Renta reducida*, It. *Rendita ridotta*.)

This is an annuity upon which the rate of interest has been reduced from that which was originally paid.

RE-EXCHANGE. (Fr. *Rechange*, Ger. *Rückwechsel*, Sp. *Recambio*, It. *Rivalsa*, *regresso*, *ricambio*.)

In the case of a bill of exchange which has been dishonoured abroad, it is provided by the Bills of Exchange Act, 1882, that the holder may recover from the drawer or an indorser, and the drawer or an indorser who has been compelled to pay the bill may recover from any party liable to him the amount of the re-exchange with interest thereon until the time of payment. Where a bill which has been drawn or indorsed in one country is dishonoured in another, the method of calculating the re-exchange is to ascertain the sum for which a bill at sight, at the prevailing rate of exchange, drawn at the time and place of dishonour or the place where the drawer or the indorser resides, can

be obtained, so as to produce at the place of discharge the amount of the dishonoured bill together with the cost of protest, the commission, the postage, and all other expenses in connection with the dishonour.

RE-EXPORTATION. (Fr. *Réexportation*, Ger. *Wiederausfuhr*, Sp. *Re-exportación*, It. *Nuova exportazione*.)

This is the act of exporting goods from a country into which they have first been imported.

REFEREE. (Fr. *Arbitre*, Ger. *Schiedsrichter*, Sp. *Árbitro*, It. *Árbitro*.)

A referee is a person to whom some matter in dispute is referred.

In arbitrations the submission is made either by the parties themselves, or it is ordered by the court. In the former case the referee or arbitrator is appointed by the agreement of the parties. In the latter the referee is known as the official referee, and he is an officer of the court. There are three official referees, and they are invested with most of the powers of a judge of the High Court. Their work is allotted to them in rotation. (See *Arbitration*.)

REFERENCE. (Fr. *Référence*, Ger. *Referenz*, Sp. *Referencia*, It. *Referenza*, *informazione*.)

This is a person or firm who will consent to answer questions as to the commercial standing or character of the person giving their name.

REFUND. (Fr. *Rembourser*, Ger. *ersetzen*, *vergüten*, Sp. *Reembolsar*, It. *Rifondere*, *rimborsare*.)

The meaning of this word is "to repay."

REGISTER. (See *Companies*.)

REGISTER OF MEMBERS. (Fr. *Registre des membres*, Ger. *Mitgliedsregister*, Sp. *Registro de los miembros*, It. *Registro dei membri*.)

This is one of the books which must be kept by a limited liability company. It must contain the names, addresses and occupations of the members; number of shares held by each member, and the amount paid; the date any person became a member, and the date he ceases to be a member. The register must be kept at the office of the company, and must be open for at least two hours a day to the inspection of members, without fee, and to any other person on demand for a fee of not more than one shilling.

REGISTER OF MORTGAGES. (Fr. *Registre d'hypothèques*, Ger. *Hypothekregister*, Sp. *Registro de hipotecas*, It. *Registro d'ipoteche*.)

This is a register kept by a limited liability company containing particulars as to the date of issue of debentures; the amounts secured; details of the property charged, and the names of the persons or mortgagees to whom the bonds have been issued. The register must be kept at the offices of the company and must be open for inspection by members and creditors on payment of a fee not exceeding one shilling.

REGISTERED BONDS. (Fr. *Obligations nominatives*, Ger. *eingetragene Obligationen*, Sp. *Obligaciones certificadas*, It. *Obbligazioni nominative*.)

These are bonds which are registered in the holder's name in the books of the company or state issuing them, as a protection against loss or theft.

REGISTERED LETTERS. (Fr. *Lettres recommandées*, Ger. *ingeschriebene Briefe*, Sp. *Cartas certificadas*, It. *Lettere raccomandate o assicurate*.)

These are letters upon which an insurance or registration fee is paid, so that special care may be bestowed upon them whilst passing through the post, and for which compensation will be paid, according to scale, in cases of loss, damage, or theft. (See *Mail*.)

REGISTERED OFFICE. (Fr. *Bureau enregistré*, Ger. *eingetragenes Kontor*, Sp. *Escritorio registrado*, It. *Ufficio registrato*.)

By the provisions of the Companies (Consolidation) Act, 1908, which now regulates all public joint-stock companies, every company incorporated under the Act must have a registered office, and a notification of its situation must be given to the registrar of joint-stock companies.

REGISTERED STOCK. (Fr. *Actions nominatives*, Ger. *eingetragene Aktien*, *Namenspapiere*, Sp. *Valores certificados*, It. *Azioni nominative*.)

This is stock registered in the name of the holder, either at a bank or at the office of the company issuing the stock. It differs from stocks or bonds to bearer in having no coupon sheet attached, the dividends being paid by warrants, which are posted to the holder's address as they become due, and also in that it is not transferable, except the holder (or his representative by power of attorney) signs the register that he has assigned his right to some other person. The stock is called "registered" because the name of the holder is registered in a book as the possessor of so much stock, and he only receives a certificate declaring the amount of the stock he holds, as

showing that he is entitled to receive interest upon it so long as his name appears upon the register as the rightful owner of the stock.

REI, REE, or REA. (Fr., Ger., Sp., and It. *Rei*.)

This is the lowest unit of money in Portugal and Brazil. It no longer exists as a coin, however, though other coins are valued as multiples of it; thus, there are copper coins of 5, 10, and 20 reis. The milreis is valued at 1,000 reis, and in Brazil is equal to about 2s. 3d. of English money, or, more exactly, 26.93 pence. In Portugal the milreis is equal to about 4s. 5½d., or, more exactly, 53.284 pence.

The system of writing reis and milreis is as follows:—

1,000 reis = 1 milreis, is written 1 \$000; 1,000,000 reis = 1 conto, is written 1,000 \$000; 1,000,000,000 reis = 1,000 contos, is written 1,000,000 \$000.

REICHSMARK. (Fr. *Mark*, *monnaie allemande*, Ger. *Reichsmark*, Sp. *Marco*, *moneda alemana*, It. *Marco*.)

This is the same as the mark of the German Empire.

RE-IMBURSE. (Fr. *Rembourser*, Ger. *remboursieren*, *zurückerstatten*, Sp. *Reembolsar*, It. *Rimborsare*, *risondere*.)

Literally, the word means to put back into a purse; to repay.

RE-INSURE, (Fr. *Réassurer*, Ger. *rückversichern*, Sp. *Reasegurar*, It. *Riassicurare*, *controassicurare*.)

To re-insure is to insure a second time. When an insurer, or an insurance company, has taken a considerable risk as to any particular matter, it is the general custom to re-insure with other persons or other companies so that the possible loss may be widely distributed. Every insurer has an insurable interest in the risk which he has undertaken. The original liability of the insurer to the person insured is in no way affected by the re-insurance.

RE-LEASE. (Fr. *Renouveler un bail*, Ger. *wieder vermieten*, Sp. *Re-arrendar*, It. *Rinnovare un contratto di fitto*, *riaffittare*.)

To re-lease is to grant a new lease.

RELEASE. (Fr. *Décharger*, Ger. *befreien*, *entlassen*, Sp. *Librar*, *soltar*, It. *Liberare*, *francare*.)

This is the act of freeing a person from an obligation which he has undertaken.

After a breach of contract, a person who has a right of action may agree to waive such right. If he does so, however, the release must be made by deed,

otherwise it will be of no legal value, as there is no consideration for the agreement. An exception is made in the case of bills of exchange. By section 62 of the Bills of Exchange Act, 1882, it is provided: "When the holder of a bill at or after its maturity absolutely and unconditionally renounces his rights against the acceptor, the bill is discharged. The renunciation must be in writing, unless the bill is delivered up to the acceptor. The liabilities of any party to a bill may in like manner be renounced by the holder before, at, or after its maturity, but nothing in this section shall affect the rights of a holder in due course, without notice of the renunciation."

After the various matters connected with carrying out the trusts of a will have been completed, an executor is entitled to a release from the residuary legatee, relieving him from any further liability and responsibility in connection with the estate.

A release is granted by the Board of Trade to the liquidator of a joint-stock company, and to a trustee in bankruptcy, on the completion of the winding-up or the bankruptcy proceedings. The liquidator, or trustee, must make a special application for his release, and the release will not be granted until the Board of Trade is satisfied that the accounts are in order, and that the duties devolving upon the liquidator or trustee have been properly carried out. Notice of the intention to make the application must first be given to the creditors of the company or the bankrupt, in order that their interests may be safeguarded.

REMAINDER. (See *Reversion*.)

REMITTANCE. (Fr. *Remise*, Ger. *Rimesse*, *Anschaffung*, Sp. *Remesa*, It. *Rimessa*.)

Money or something equivalent to money sent by one person to another, either in cash, or by bill of exchange, cheque, postal order, or otherwise.

RENEWAL OF A BILL. (Fr. *Renouvellement de traite*, Ger. *Prolongation*, *Erneuerung*, Sp. *Renovación de una letra*, It. *Rinovazione di cambiale*.)

This is the giving or the acceptance of a new bill of exchange in place of a previous one which the acceptor was unable to pay when it fell due. It operates as an extension of time for the payment of the original bill. A renewal without the assent of all the parties liable on the bill as sureties discharges such sureties.

When a bill is given in renewal of a former bill, and the holder retains the former bill, the renewal, in the absence of any special agreement, operates merely as a conditional payment. If the renewal bill is paid in due course or otherwise discharged, the original bill is also discharged; but if the renewal bill is dishonoured, then the liabilities of the parties to the original bill revive and they may be sued upon it, except as to those parties who have not given their assent to the renewal bill.

An agreement to renew a bill means, in the absence of anything to the contrary, that a bill shall be given between the same parties for the same amount, for the same period as and commencing from the date of the expiration of the original bill. But evidence of a contemporaneous oral agreement to renew a bill cannot be admitted in an action upon the bill.

RENT. (Fr. *Loyer*, Ger. *Miete*, *Pachtzins*, Sp. *Renta*, It. *Pigione*.)

This is a money or other payment made, or some service rendered or thing done, the value of which can be estimated in money, in return for the use of lands or tenements held of another. (See *Landlord and Tenant*.)

RENT DAY. (Fr. *Terme*, Ger. *Mietstag*, Sp. *Día de pago*, It. *Giorno del pagamento della pigione*.)

This is the day upon which rents are payable.

RENT ROLL. (Fr. *État de revenus*, Ger. *Zinsregister*, Sp. *Listo de rentas*, It. *Ruolo dei censi delle rendite*.)

This is an account or schedule of rents and income arising out of landed property.

RENTAL. (Fr. *Etat de revenus*, Ger. *Zinsbuch*, Sp. *Lista de rentas*, *arriendo*, It. *Corrisposta totale del fitto*.)

This is the sum total of the rents received on any property.

RENTER. (Fr. *Locataire*, Ger. *Mieter*, Sp. *Rentero*, It. *Locatario*.)

This is the person who is the holder of property by virtue of paying rent for the same.

RENTES. (Fr. *Rentes*, Ger. *Renten*, Sp. *Rentas*, It. *Rendita*.)

This word is the French equivalent for the British consols, though the name is also applied to the annual interest paid upon the national debts of Austria, Italy, and other foreign Governments. The purchaser of consols or rentes buys a right to claim an annual sum of money in perpetuity, and this right he may sell and re-purchase as often as he pleases.

REPLEVIN. (See *Distrain.*)

REPORTING A VESSEL. (Fr. *Donner des nouvelles d'un navire*, Ger. *Nachricht über ein Schiff geben*, Sp. *Dar noticias de un buque*, It. *Dare delle nuove di un bastimento, dase della nuove, di una nave.*)

This means:—

1. Giving information about a vessel, as in the case of a homeward-bound ship passing another outward bound. The master of the former on arriving in port reports to Lloyd's the name of the vessel, where she was seen, etc.;

2. The attendance of the master at the Custom House and the furnishing of particulars concerning his ship, crew, and cargo. This must be done within twenty-four hours of his arrival in port. The report is generally written out beforehand by the broker's clerk (from the ship's manifest, which arrives by mail) and signed by the captain.

RE-PURCHASE. This may mean:—

1. (Fr. *Racheter*, Ger. *Zurückkaufen*, Sp. *Recomprar*, It. *Ricomprare.*)

The act of buying back again.

2. (Fr. *Rachat*, Ger. *Rückkauf*, Sp. *Rescate*, It. *Ricompra, riacquisto.*)

The goods which are bought back again.

REPUTED OWNERSHIP. (Fr. *Propriété putative*, Ger. *anfechtbare Besitzrechte*, Sp. *Propiedad putativa*, It. *Proprieta supposta.*)

In bankruptcy proceedings the property divisible amongst the creditors of the bankrupt includes not only that which is really vested in him at the commencement of the bankruptcy proceedings, but includes "all goods being, at the commencement of the bankruptcy, in the possession, order, or disposition of the bankrupt, in his trade or business, by the consent and permission of the true owner, under such circumstances that he is the reputed owner thereof; provided that things in action other than debts due or growing due to the bankrupt in the course of his trade or business shall not be deemed goods within the meaning of this section."

The doctrine of reputed ownership dates back to the reign of James I, and the object of it is to prevent the possible fraud upon creditors by a debtor being able to obtain credit to any extent by having in his possession the goods of another person under such circumstances that any ordinary person would imagine the goods to be his own. Still the doctrine has considerable limits.

The words "in his trade or business" are different from those in the section

of the Bankruptcy Act of 1869, where the expression is "being a trader." Some judges have thought the two identical, but in one case it was held that this could not be so, and accordingly it was held that shares deposited with a banker to secure an overdraft by a person who traded as a stockbroker, silversmith, and watchmaker, were not within the order and disposition in his trade or business. Again, the words "in his trade or business" have been construed to mean that the goods must be in the order and disposition of the bankrupt for the purposes of or purposes connected with his trade or business. The business must be one carried on with a view to profit as a means of livelihood in order to make the section applicable, and it is not sufficient that a profit is made if the primary object is pleasure.

The term "goods" includes all chattels personal. But it has been held that it does not include lands, or interests in lands, houses, or things affixed to the freehold. And this is true even though the tenant has a sufficient interest in the fixtures to enable the sheriff to seize them under a writ of *fi. fa.* issued against the goods of the tenant. Heirlooms and growing crops are not included. It appears that trade fixtures put up since the date of a mortgage, so far as they are affixed to the freehold, go with it to the mortgagee, and not to the trustee. *Choses in action* are also excepted.

For fixing the date when the doctrine arises, the bankruptcy is deemed to commence at the date of the earliest act of bankruptcy proved against the bankrupt within three months preceding the presentation of the petition, and goods coming into the possession of the bankrupt after such act of bankruptcy have been held not to come within the section of the Act of 1883. So also goods in the possession of the bankrupt at the date of the act of bankruptcy will not pass to the trustee if they are removed before the making of the receiving order, provided the owner was not aware of the act of bankruptcy having been committed, and otherwise acted *bonâ fide*.

To bring goods within the order and disposition of a bankrupt they must be in the sole possession and sole reputed ownership of the bankrupt. In one case, therefore, it was held that where there were two partners, one of whom was an infant, and an act of bankruptcy was committed, the adult partner

being adjudicated a bankrupt, the goods which were in the joint possession of the two partners as reputed owners did not pass to the trustee in bankruptcy.

The goods need not be in the actual possession of the owner himself, but constructive possession will be sufficient. The possession of a servant, of a depositor, of a depositor claiming a lien, of a lessee of a chattel, or of a carrier, is accounted the same thing as the possession of the bankrupt. It has been held that the possession of a pawnee is not the possession of the bankrupt pawnor, so as to bring the goods pawned within the statute, but it has been thought that this decision is open to doubt, and ought not to be relied upon as a safe authority.

Goods which are properly in the possession of the sheriff are thereby taken out of the possession of the bankrupt. This is all the more true if the true owner demands the goods of the sheriff. It is clear, however, that a seizure under a distress of goods, previously in the order and disposition of the bankrupt, takes them out of the statute.

The late Lord Selborne made the following remarks as to reputed ownership: "The doctrine of reputed ownership does not require any investigation into the actual state of knowledge or belief, either of all creditors or of particular creditors; and still less of the outside world, who are no creditors at all, as to the position of particular goods. It is enough for the doctrine if these goods are in such a situation as to convey to the minds of those who know their situation the reputation of ownership; that reputation arising by the legitimate exercise of reason and judgment on the knowledge of those facts which are capable of being generally known to those who choose to make inquiry on the subject. It is not at all necessary to examine into the degree of actual knowledge which is possessed; but the court must judge from the situation of the goods what inference as to the ownership might be legitimately drawn from those who knew the facts. I do not mean the facts that are only known to the parties dealing with the goods, but such facts as are capable of being, and naturally would be, the subject of general knowledge to those who took any means to inform themselves on the subject. So, on the other hand, it is not at all necessary, in order to exclude the doctrine of reputed ownership, to show that every creditor, or any particular

creditor, or the outside world who are not creditors, knew anything whatever about the particular goods one way or the other. It is quite enough, in my judgment, if the situation of the goods was such as to exclude all legitimate ground from which those who knew anything about the situation could infer the ownership to be in the person having actual possession."

As to evidence of reputed ownership, it may be said, generally, that nearly every kind of possession is some evidence of ownership, however slight, and in almost every instance where goods in the possession of the bankrupt have been held not to be within the section, the decision has rested rather on the ground that the facts negatived the consent of the true owner to the reputation of ownership than that the possession afforded no evidence, or insufficient evidence, of it. But in those cases where the bankrupt holds in any other right than his own, for example, as executor or trustee, the inference arising from possession is negatived the moment the trust is proved, and it is for the trustee in bankruptcy to produce evidence to show that the bankrupt was allowed to deal with the goods or chattels in a manner inconsistent with his trust. It is to be observed that if the bankrupt deals with the trust property as his own without the consent of his *cestui que trust* or beneficiary, this, although evidence of a reputation of ownership, will not bring the trust property within the section, because the consent of the true owner, the *cestui que trust* or beneficiary, is by the hypothesis negatived. Again, it was held in another case that where the trust was altogether illegal the property did not, on the bankruptcy of the trustee, pass under the section to his trustee in bankruptcy, because the *cestui que trust* was incapable of giving consent.

The wording of the section is such that it is clear that for the doctrine to apply the bankrupt must have been in possession, at the commencement of the bankruptcy, with the consent of the owner. The true owner is the person who is entitled to either a legal or a merely equitable interest in the goods. For example, an equitable mortgagee is a true owner to the extent of his interest. So also is a *cestui que trust*, who may, and often does, act in such a manner as to render the possession of the trustee the possession of a reputed owner within the meaning of the statute. This is

particularly the case where the *cestui que trust* himself is the creator of the trust, or chooses to leave the documents, etc., relating to the property in the hands of the trustee, or where no *bonâ fide* purpose for the trust can be shown, or where the trustees do not execute or know of the deed of trust or refuse to act.

As to the evidence of consent, that is a question of fact to be determined upon the circumstances of each case. Consent naturally pre-supposes knowledge and capacity to consent; for example, married women restrained from anticipation and infants cannot consent.

The customs and usages of trade may, however, be so notorious as to exclude the doctrine of reputed ownership in particular cases. A well-known authority on the law of bankruptcy writes as follows: "Some circumstances are of such frequent occurrence in cases of alleged reputed ownership, that it has come rather to be a matter of law than of fact what conclusion such circumstances justify. For instance, an established custom or course of trade, whereby traders have in their possession goods of which they are not the owners, negatives the consent to the reputation of ownership arising *primâ facie* from the possession of the bankrupt; and this even though the goods in question are in the warehouse of a third person to the order of the bankrupt, and no delivery order has been given by the bankrupt to the true owner before the commencement of the bankruptcy. Thus, where the debtors were agents for sale, and described themselves by a brass plate on their business premises as 'merchants and manufacturers' agents,' it was held that the creditors had sufficient notice to exclude the operation of the reputed ownership section, and that goods of manufacturers in possession of the agents, in specie, at the commencement of the bankruptcy, and also proceeds of goods sold, belonged to the manufacturers. It is convenient that questions of custom should be tried by a judge and jury in the High Court, so as to settle the question in such a way that in future the courts will adopt the conclusion arrived at, the doctrine of reputed ownership being one which ought in particular trades to be carefully watched, and ought not to be extended, and the moment it is found that creditors ought not to rely upon the fact that goods are in the possession of their debtor, the court ought to be strict in

saying that the property of one man shall not go to pay the debts of another.

"Goods made to order (where the property has passed to the purchaser), still remaining in the possession of the maker, either because they are unfinished or because the vendor has a lien, are not within the section. As to the amount and kind of evidence necessary to establish the custom, see *Ex parte, Watkins, re Couston*, L.R. 8 Ch. 520; *re Hill*, 1 Ch.D. 503; and *Ex parte Powell, re Matthews*, 1 Ch.D. 510, where it was held by the Court of Appeal that the custom of lending furniture was not so well known as to be taken judicial notice of, and also that such a custom to avail must be presumably known to the ordinary creditors. However, in a later case, which was that of a hotel-keeper, the Court of Appeal took judicial notice of the custom of hotel-keepers hiring their furniture. This the court will now always do, and the effect of the custom is absolutely to exclude the reputation of ownership by the hotel-keeper as to all articles necessary for furnishing a hotel for the purpose of its being hired as such, and this whether or no the articles are in fact hired. . . . The court will also take judicial notice of the custom for booksellers to have in their shops books for sale on commission. On the other hand, where the purpose and intention of the usage is to continue the reputation of ownership in the vendor, such a usage will not negative the consent of the true owner."

The proviso in the section as to the exclusion of *choses in action* will of course exclude such things as shares in joint-stock companies, policies of insurance, bills of exchange and other negotiable securities, and debentures. Trade debts will also be excluded by an absolute assignment. But an assignment is not complete until the various debtors have received notification of the rights of the assignee, when the debts cease to be in the order and disposition of the assignor.

The doctrine of reputed ownership has no application in the case of factors, who have merely the possession of goods. It is provided by the Factors' Act, 1889, that the owner of goods may recover the same from the factor, or his trustee in bankruptcy, before the sale or the pledge of the same.

As to the position of a banker in the case of bills entered short, see *Short-dated Bills*.

REQUEST NOTE. (Fr. *Permis de*

débarquer, Ger. *Erlaubnisschein*, Sp. *Permiso de desembarco*, It. *Permesso o bolletta di sbarco*.)

This is a special permit granted by the custom authorities to land perishable or other goods before the ship has reported and cleared.

RE-RUMMAGED. (Fr. *Visité de nouveau*, Ger. *wieder untersucht*, Sp. *Explorado nuevamente*, It. *Rivisitato*.)

A ship is rummaged whilst discharging its cargo, and re-rummaged when taking in its export cargo.

RESERVE FUND. (Fr. *Fonds de réserve*, Ger. *Reservekapital*, Sp. *Fondos de reserva*, It. *Causali di riserva, fondi di riserva*.)

This is that portion of the profits of a business kept back to meet exceptional demands as they arise.

RESERVE LIABILITY. (Fr. *Passif en réserve*, Ger. *Reservepassiva*, Sp. *Pasivo en reserva*, It. *Passivo in riserva*.)

This is that portion of the uncalled capital of a limited liability company which is only to be called up in the event of the winding up of the company.

RESERVE PRICE. (Fr. *Prix minimum*, Ger. *Reservepreis*, Sp. *Precio de reserva*, It. *Prezzo minimo*.)

This is the lowest price which a person is willing to accept for goods offered for sale by public auction or otherwise.

RE-SHIPMENTS. (Fr. *Rembarquement*, Ger. *Rückverschiffung*, Sp. *Reembarque*, It. *Ricaricamento*.)

These are goods which, having been imported, are re-shipped or exported.

RESIDUE. (Fr. *Reliquat, reste*, Ger. *Rückstand, Rest*, Sp. *Residuo, resto, sobrante, remanente*, It. *Residuo, resto, rimanente, arretrato*.)

This is the surplus of an estate after all legal claims have been satisfied.

RESOLUTION. (See *Companies*.)

RESPONDENTIA. (Fr. *Prêt à la grosse sur marchandises*, Ger. *Respondentia, Bodmerei*, Sp. *Préstamo à la gruesa sobre mercancías*, It. *Prestito a cambio marittimo*.)

The name "respondentia" is given to a separate hypothecation of the cargo of a ship as a security for the repayment of money borrowed for the necessary cost of transmitting and forwarding the ship and its cargo to their destination. The repayment of the money is dependent upon the safe arrival of the ship in port. Respondentia is subject to the same rules as Bottomry. (See *Bottomry Bond*.)

REST. (Fr. *Réserve*, Ger. *Reservekapital*, Sp. *Reserva*, It. *Avanzo, resto, residuo, riserva*.)

This is the reserve fund of a bank. In the weekly return of the Bank of England it signifies the balance of assets over liabilities.

RESTRAINT OF TRADE. (See *Contract*.)

RESTRICTIVE INDORSEMENT. (Fr. *Endos restrictif*, Ger. *beschränktes Indosament*, Sp. *Endoso restringido*, It. *Girata restrittiva*.)

This is an indorsement sometimes put upon a bill of exchange limiting the negotiable character of the document either by depriving the indorsee of the power of further transfer, or giving him authority to deal with the bill only as directed in the indorsement; e.g., "Pay D. only," or "Pay D. for the account of X.," or "Pay D. or order for collection."

A restrictive indorsement gives the indorsee the right to receive payment of the bill and to sue any party thereto that his indorser could have sued, but it gives him no power to transfer his rights as indorsee unless it expressly authorises him to do so. When a restrictive indorsement authorises 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.

RETAIL. (Fr. *Vente en détail*, Ger. *Detailgeschäft, Kleinverkauf*, Sp. *Venta al por menor*, It. *Vendita al minuto o dettaglio*.)

This is the sale of goods in small quantities, as opposed to wholesale.

RETAILER. (Fr. *Marchand en détail*, Ger. *Detaillist, Kleinhändler*, Sp. *Comerciante al por menor*, It. *Negoziante al minuto, venditore al minuto*.)

A retailer is a person who sells goods in small quantities only.

RETAINER. (Fr. *Honoraire*, Ger. *Honorar*, Sp. *Honorario*, It. *Onorario, ritenuta*.)

This term is commonly used to express a contract between a solicitor and counsel, or between a lay client and a solicitor, under which the counsel or the solicitor is engaged not to serve the opposing party in a particular lawsuit.

Another meaning of the word "retainer" is the right of an executor to keep back the amount of his own debt out of the legal assets of the testator which come into his hands in priority to any other creditor of the testator in an equal degree. The reason for this peculiar privilege is that an executor cannot sue himself, since he is in the

position of representative of the deceased, and, therefore, any other creditor might obtain priority by means of a judgment and so prevent the executor receiving anything in satisfaction of his own debt in case the assets of the deceased were insufficient to meet all demands.

An executor may retain his debt, even though barred by the Statute of Limitations, unless he has already brought an action upon it during the lifetime of the testator and failed to obtain judgment. But he cannot retain a debt which is unenforceable by some statutory provision, e.g., the Statute of Frauds or the Sale of Goods Act.

RETIRE A BILL. (Fr. *Retirer une traite*, Ger. *einen Wechsel einlösen*, Sp. *Retirar una letra*, It. *Retirare una cambiale o tratta*.)

This means to withdraw a bill of exchange from circulation before it is due, by one of the parties to the instrument either buying it up and keeping it until maturity, or cancelling it at once. If the bill is retired by the acceptor, either at or after maturity, it is discharged, and all the remedies on the bill are extinguished; but if it is retired by any other person who is primarily liable upon it, all the remedies are retained intact.

A promissory note may be retired in the same way as a bill of exchange.

RETURN OF PREMIUM. (Fr. *Retour de prime, remboursement du droit*, Ger. *Ristorno der prämie, Rückerstattung des Zolls*, Sp. *Devolución de prima, devolución del derecho*, It. *Storno del dazio, rimborso del dazio*.)

This is a phrase which is used in connection with marine insurance, when the whole or a portion of the premium is returned to the underwriters because the risks insured against have not been encountered, or an excess has been paid.

RETURNS. This word may mean:—

1. (Fr. *Produit*, Ger. *Umsatz*, Sp. *Producto*, It. *Ricavo, profitto*.)

The amount of a merchant's sales during a stated period.

2. (Fr. *Rapport, statistique*, Ger. *Statistik*, Sp. *Estadísticas, entradas*, It. *Statistica, resoconto*.)

The official report of any set of transactions.

REVENUE. (Fr. *Revenu*, Ger. *Staats-einkünfte*, Sp. *Renta*, It. *Gabelle, rendita dello stato*.)

This word is generally applied to the income of a state derived from duties and taxes. In a wider sense it means

all earnings, profits, or other income derived from any source.

REVENUE ACCOUNT. (Rev. A/C.) (Fr. *Compte de revenu*, Ger. *Einnahmekonto*, Sp. *Cuenta del tesoro público*, It. *Conto profitti e perdite, conto della rendita*.)

In the transactions of a business concern the revenue account shows the income of the business on one side, and the expenditure chargeable against income on the other. It is distinguished from the capital account, which shows the subscriptions of the partners or shareholders on the one side, and the charges against capital on the other. In the case of a railway, whenever traffic commences, a new account, called a revenue account, is opened, which has no connection with the capital account. From this are drawn all payments for wages, rates, and taxes, coal, coke, oil, and similar expenses; also repairs of carriages and locomotives, maintenance of the permanent way, and general management. That which remains is the fund out of which the interest on debentures and the dividends to shareholders are paid.

REVERSION. (Fr. *Réversion*, Ger. *Anwartschaft*, Sp. *Reversión*, It. *Diritto di successione*.)

This is a right to property which will fall into the possession of some person after the expiration of a grant of the same for a limited period to another person, or on the occurrence of some particular event.

Strictly speaking, a reversion is the right to that portion of the property which has not been dealt with by the grantor, and which will return to him after the expiration of the time for which the grant has been made. For example, if a tenant in fee simple grants to another an estate for years or for life, the residue of the estate, that is the portion not dealt with after the time for which the grant was made, or after the death of the grantee, will return to the grantor, and so long as he is not in possession he will have the right to the reversion. When this reversion is granted to a third person it is called the "remainder," and the third person is called the "remainderman."

RIDER. (Fr. *Annexe, codicille, allonge*, Ger. *Zusatz*, Sp. *Anexo*, It. *Aggiunta, postilla, codicillo, allunga*.)

A rider is an addition to a document after its completion, on a separate piece of paper, or an additional clause to a resolution or verdict.

RIG. (Fr. *Faire hausser* (or *baisser*) *les prix*, Ger. *den Markt schwänzen*, *Preise treiben*, Sp. *Hacer jugarreta*, It. *Cagionare un rialzo o ribasso nei prezzi del cambio*.)

Rigging the market is a Stock Exchange term, and means the forcing up of the price of any security without regard to its real value. It is usually effected by secretly buying up such a quantity of any security as will produce an artificial or a temporary scarcity, until the price (owing to the demand being greater than the apparent supply) is enhanced far above the real value of the security, thus enabling the "riggers" to re-sell their holdings at a forced profit.

RING. (Fr. *Ligue*, *coalition*, *bande noire*, Ger. *Ring*, Sp. *Liga*, *coalición*, It. *Coalizione*, *lega*, *banda nera*.)

A ring is a combination of capitalists formed for the purpose of raising the price of a certain commodity far above its real market value by withholding it from circulation.

RIVER DUES. (Fr. *Droits fluviaux*, *droits de rivière*, Ger. *Flussgebühren*, Sp. *Derechos fluviales*, It. *Diritti fluviali*.)

These are charges which are levied upon vessels for the use of a river.

ROAD, or ROADSTEAD. (Fr. *Rade*, Ger. *Reede*, *Ankerplatz*, Sp. *Rada*, *Abra*, It. *Rada*, *baia*.)

This is a place where ships can ride at anchor at some distance from the shore.

ROD. (Fr. *Perche*, Ger. *Rute*, Sp. *Percha*, It. *Pertica*, *canna*, *metri quadrati* 25-29.)

This is an English measure of length, containing $5\frac{1}{2}$ yards or $16\frac{1}{2}$ feet, or nearly 5 metres. Throughout many districts the word is used for pole or perch.

ROLLING STOCK. (Fr. *Matériel roulant*, Ger. *Betriebsmaterial*, Sp. *Material rodante*, It. *Materiale roteante*, *materiale circolante*.)

This is the stock of engines, carriages, wagons, trucks, cars of railway or tramway companies.

ROOD. (Fr. *Perche carrée*, *dix ares*, Ger. *englische Rute Land*, Sp. *Medida inglesa de terrenos*, It. *Un decimo di ettaro o are* 10.)

In land measurement, this is the fourth part of an acre, containing 40 square poles or perches, each of $30\frac{1}{4}$ square yards. A rood is almost exactly the tenth part of a hectare, or, more correctly, 0.10117 hectare.

ROUBLE. (Fr. *Rouble*, Ger. *Rubel*, Sp. *Rublo*, It. *Rublo*.)

This is a Russian silver coin, of the value of 100 copper copecs, and having

a circulating value of about 2s. 1½d. sterling.

ROYALTY. This word is used to denote:—

1. (Fr. *Redevance*, Ger. *Abgabe*, Sp. *Privilegio*, It. *Canone*.)

Dues paid by a person or company working a mine to the owners of the land for the privilege of working the ore, coal, etc.

2. (Fr. *Tantième*, Ger. *Patentgebühr*, Sp. *Patente*, It. *Diritti di brevetto*.)

Payment made to a patentee for the use of his patent.

3. (Fr. *Droits d'auteur*, Ger. *Anteil des Verfassers*, Sp. *Derechos de autor*, It. *Diritti d'autore*.)

Allowances made by a publisher to an author for the privilege of publishing and selling his book.

RUMMAGING. (Fr. *Visiter*, Ger. *Zolluntersuchung*, Sp. *Visitar*, It. *Visitare*, *ispezionare*.)

This is the name given to the searching of a vessel by the officers of the Custom House, for the purpose of ascertaining that neither dutiable nor prohibited goods are concealed on board.

RUN ON A BANK. (Fr. *Demandes générales de remboursement immédiat*, Ger. *Bestürmen einer Bank*, Sp. *Retiro de fondos en caso de pánico*, It. *Ressa agli sportelli per immediato pagamento*.)

This is the name given to an unusual demand for the repayment of deposits and the cashing of notes caused by fears that the bank is unable to meet its liabilities.

RUNNING DAYS. (Fr. *Journées de travail*, Ger. *laufende Tage*, Sp. *Dias laborables y festivos*, It. *Giorni consecutivi di lavoro*.)

This is a chartering term for consecutive days, including Sundays, the ship, therefore, not being limited to working days.

RUNNING DOWN CLAUSE. (Fr. *Clause sur l'abordage d'un navire*, Ger. *Übersegeln-Klausel*, Sp. *Cláusula sobre el abordage*, It. *Clausola del mandare a fondo un bastimento*.)

This is the name given to a clause which is sometimes inserted in a policy of marine insurance by which the underwriters agree to pay a certain sum as damages when a collision occurs between the ship which is insured with them and another vessel.

RUPEE. (Fr. *Roupie*, Ger. *Rupie*, Sp. *Rupie*, *moneda de la India inglesa*, It. *Rupia*.)

The rupee is a gold and a silver coin which is current in several parts of Asia

and the islands of the Eastern Archipelago. Its value not only varies with the course of exchange, but is also different in different localities. In calculation, however, the silver rupee current in the East Indies may be taken as representing about 1s. 4d. sterling, the sicca rupee of account as 2s. 6d., and the gold rupee as 29s. 6d. A lac consists of 100,000 rupees.

The weight of the rupee is 185 grains, and is the universal standard of weight, both for jewellers and as a multiple for heavy goods.

RUPEE PAPER. (Fr. *Obligations indiennes*, Ger. *indische Schatzscheine*, Sp. *Pagarés de India*, It. *Obbligazione indiana*.)

This is a term given in the money market to the promissory notes of the Indian Government, these being exchangeable for so many rupees. They are called "enfaced paper" when bearing a clause to the effect that the dividend upon them can be collected by drafts on India by presenting the notes at the Bank of England. Or, if preferred, the drafts will now be posted to a person's private address, upon his signing and lodging the necessary form requesting the Bank to do so. The interest drafts, being convenient remittances to India, may readily be sold to money brokers at the current rate of exchange.

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

- \$, Dollars.
- Scp., Script.
- S/D., Sea Damaged (grain trade).
- S/N., Shipping Note.
- S.P., Suprà Protest.
- S.S., Steamship.
- Stg., Sterling.
- Stk., Stock.

SACK. (Fr. *Sac*, Ger. *Sack*, Sp. *Saco*, It. *Sacco*.)

This is a measure usually reckoned at half a quarter of corn, or four bushels.

SAGGING. (Fr. *Affaissement*, Ger. *weichende Preise*, Sp. *Aflojamiento*, It. *Declinamento, tendenza al ribasso*.)

Sagging means a lowering, drooping, or falling away. A sagging market is one in which prices are continually dropping or falling away.

SALARY. (Fr. *Appointements, salaire*, Ger. *Salär, Gehalt*, Sp. *Salario, sueldo*, It. *Salario, emolumento*.)

A salary is the periodical allowance or recompense made to a person for his pains and industry in another's business. A salary is usually computed at a certain

annual amount, although payment may be made at frequent intervals, either quarterly or monthly. Weekly remuneration for services rendered is generally denominated wages.

In cases of bankruptcy the salary of a bankrupt, or a portion thereof, may be attached under the direction of the court for the payment of his debts; but a sufficient sum must be left for the support of the bankrupt and his family, and for the maintenance of his official position, if he holds one.

The salary of a clerk or servant for services rendered within four months before the making of a receiving order, or of a winding-up order, and not exceeding £50, ranks as a preferential claim under the bankruptcy and company statutes, and must be paid in the case of a winding-up order before even the claims of the debenture-holders of the company.

SALE. (Fr. *Vente*, Ger. *Warenverkauf*, Sp. *Venta*, It. *Vendita*.)

The law relating to the sale of goods has been codified by the Act of 1893. Until the Act was passed the law could only be gathered from a number of Acts of Parliament and a mass of cases decided in the courts. Now it is compressed into a statute of sixty-four sections.

The general law of contract applies to the sale of goods, such as offer and acceptance, the capacity of parties, consideration and the like.

A contract of sale of goods is defined as "a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a money consideration called the price."

By "property" is meant the complete ownership in the goods, the subject matter of the contract. It must be distinguished from the limited or special right which is sometimes granted to another person, and is called "possession."

The term "goods" includes all chattels personal other than *choses in action* and money. "It also includes emblements, that is, industrial growing crops, and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale." "The goods which form the subject matter of the contract may be either existing goods, owned or possessed by the seller, or goods to be manufactured or acquired by the seller after the making of the contract of sale . . . called 'future goods.'"

Where there is a contract for the sale of specific goods, and the goods without the knowledge of the seller have perished at the time when the contract is made, the contract is void.

The definition of the term "contract of sale" includes both actual sales and agreements for sale. These two classes must be clearly distinguished. An agreement to sell—sometimes called an executory contract of sale—is a contract pure and simple, whereas a sale—sometimes called an executed contract of sale—is something more than a sale, as it includes a conveyance. The rights and obligations of the parties to the contract are not the same in a contract of sale as in an agreement to sell. Thus, where goods have been sold and the buyer is in default, the seller can sue for the contract price, but where there is an agreement to sell the remedy of the seller is an action for unliquidated damages. Again, if the seller breaks his contract in an agreement to sell, the buyer has no right to the goods themselves, but only a remedy in damages against the seller; whereas, if there has been a sale, not only is there a remedy in damages against the seller, but the goods may be recovered by the buyer. The distinction is very important in case the goods are destroyed, because when there has been a sale the loss falls upon the buyer, even though the goods have never been in his possession, while the seller must generally bear the loss under an agreement for sale.

Price.—In a contract of sale the price is generally fixed by the parties. But it is not absolutely necessary that the price should be fixed beforehand. It may be left to the valuation of a third person. If, however, the third person fails to make such valuation the contract of sale is void, unless there has been fraud on the part of one of the contracting parties, or unless there has been a part performance of the contract. When no price has been named, and no method of valuation agreed upon, the buyer must pay a reasonable price. What is a reasonable price will depend upon the circumstances of each particular case. It may or may not be in excess of the current market price.

When there is a transfer of goods by one person to another, or by one part owner to another, without any price or consideration passing between the parties, the transaction is called a gift. An agreement to give is of no legal value. Unless the gift of goods is made

by deed it is incomplete until delivery has been made to the donee. When the consideration for the transfer of goods is other goods the contract is one of barter. But if the consideration consists partly of goods and partly of money, it seems that the contract is a contract of sale.

Formation of the Contract.—Until the reign of Charles II no formality was necessary as regards the contract for the sale of goods. The contract might have been made by deed or evidenced by writing, but an oral agreement was quite sufficient. The Statute of Frauds, however, enacted that all executory contracts of sale, where the price of the goods, wares, or merchandise was £10 or upwards, should not be allowed to be good—though judicial construction interpreted this as meaning unenforceable by action—unless there was some note or memorandum of the transaction made and signed by the party to be charged (or his agent), or unless there had been some act of part performance. Lord Tenterden's Act, 1828, extended this provision to the case of goods which were not in existence or not fit for delivery at the time of the making of the contract. By the fourth section of the Sale of Goods Act, 1893, the law upon the subject of the formation of the contract has been re-stated, though the section reproduces, in substance, the former statutory provisions together with the interpretations placed upon them by the court. The section runs as follows:—

"A contract for the sale of any goods of the value of £10 or upwards shall not be enforceable by action unless the buyer shall accept part of the goods so sold, and actually receive the same, or give something in earnest to bind the contract, or in part payment, or unless some note or memorandum in writing of the contract be made and signed by the party to be charged or his agent in that behalf.

"The provisions of this section apply to every such contract, notwithstanding that the goods may be intended to be delivered at some future time, or may not at the time of such contract be actually made, procured or provided, or fit or ready for delivery, or some act may be requisite for the making or completing thereof, or rendering the same fit for delivery."

Part payment and earnest are easy to understand; but it has not always been possible to arrive at the meaning

of acceptance and receipt. "Acceptance" is not here used in the ordinary and popular sense of the word. By the Act it is declared that "there is an acceptance of goods within the meaning of this section when the buyer does any act in relation to the goods which recognises a pre-existing contract of sale, whether there be an acceptance in performance of the contract or not." The subject is not free from doubt, and the safest guide to the present law is to be found in the case of *Abbott v. Wolsey*, 1895, 2 Q.B. 97. There the defendant purchased a quantity of hay—there being no note or memorandum signed by him—and when it was delivered he took a sample and examined it. Thereupon he said: "The hay is not to my sample, and I will not have it." It was held, upon the facts, that there was evidence of an act done by the buyer in respect of the goods which recognised a pre-existing contract of sale, and that there had been a sufficient acceptance within the fourth section of the Sale of Goods Act.

The note or memorandum sufficient to supply the requirements of the Act is of the kind required generally in contracts which must be evidenced by writing. If it refers exclusively to the sale of goods, wares, or merchandise no stamp is necessary. The exemption from stamp duty, however, does not apply if the sale is by deed.

Caveat Emptor.—At common law there was no implied warranty or condition that the subject matter of a contract of sale was fit for any particular purpose. It was the duty of the buyer to make himself acquainted with the defects, if any, of the goods he was purchasing, and if he did not do so he had no remedy against the seller, except in the cases of misrepresentation or fraud. Now, however, the law implies the existence of warranties and conditions in certain cases, and in others various Acts of Parliament have been passed to exclude the common law rule. Nevertheless, subject to the provisions of the Sale of Goods Act and the other statutes passed upon the subject, there is still no implied warranty or condition as to the quality or fitness for any particular purpose of goods supplied under a contract of sale. The purchaser must be on his guard.

Conditions and Warranties.—Contracts of sale are frequently made subject to certain stipulations, and it is a matter of importance to determine whether

these stipulations are or are not of the essence of the contract. With the exception of a stipulation as to the time of payment—unless a different intention is expressed—the question as to whether a stipulation is or is not of the essence of the contract depends upon the terms of the contract itself. These stipulations are generally known as conditions or warranties.

The term "condition" as applied to a contract may mean either an uncertain event on the happening of which the obligation of the contract is to depend, or a stipulation in the contract making its obligation dependent upon the happening of the event. The Sale of Goods Act does not define the term "condition," although it uses it frequently, and the definition above, therefore, is that belonging to the general law of contract. Any failure to fulfil a condition is a ground for the repudiation of the contract.

On the other hand a "warranty" is defined by the Sale of Goods Act as "an agreement with reference to goods which are the subject of a contract of sale, but collateral to the main purpose of such contract, the breach of which gives rise to a claim for damages, but not the right to reject the goods and treat the contract as repudiated." The difference of the remedy in cases of conditions and warranties must be carefully borne in mind, though the distinction between the terms is not often observed by judges and text-book writers.

No particular form of words is needed to create a warranty, as every affirmation which is made at the time of the sale of a personal chattel is a warranty, if it appears to have been intended to be such. Still some test is necessary in order to decide whether there is really a warranty, and the best one that can be applied seems to be this, "Did the seller who made the affirmation assume to assert a fact of which the buyer was ignorant?" If he did so, then he warranted. The warranty must be made at the time the contract of sale is entered into and must form a part of it, otherwise it is void for want of consideration. This is the case even when the representation relied upon as a warranty is made before the sale. If the contract of sale is reduced to writing, the terms of any warranty must be included in the document, as no extraneous evidence can be given to show its existence, for that would, in effect, be a variation of the written contract.

There are many cases in which it is difficult to determine exactly whether a stipulation is a condition or a warranty. That depends, primarily, upon the construction of the contract, for a stipulation may be, in fact, a condition, although it is called a warranty. Again, where a contract of sale is not severable, and the buyer has accepted the goods, or part thereof, or where the contract is for specific goods, the property in which has passed to the buyer, the breach of any condition may be treated, as far as the remedy is concerned, as a breach of warranty, unless there is a term in the contract, express or implied, to the contrary. And lastly, where a contract of sale is subject to any condition to be fulfilled by the seller, the buyer may waive the condition, or may elect to treat the breach of the condition as a breach of warranty, and not as a ground for treating the contract as repudiated.

In the absence of any express terms to the contrary, the Sale of Goods Act now implies certain conditions and warranties as to title, quality, fitness, etc.

As regards title, there is an implied condition on the part of the seller that he has, in the case of a sale, a right to sell the goods, the subject matter of the contract, or that he will have the right to do so under an agreement for sale at the time when the property is to pass. There is also an implied warranty that the buyer shall have quiet possession of the goods, and that they are free from any charge or encumbrance in favour of third parties which are not declared, or which are unknown to the buyer, at the time of making the contract. This rule, however, does not apply when goods are purchased from a sheriff or a pawnbroker.

As regards quality or fitness, where there is a contract for the sale of goods by description, there is an implied condition that the goods shall correspond with the description, and if the sale is by sample as well as by description, it is not sufficient that the bulk of the goods corresponds with the sample if the goods do not also correspond with the description. Where goods are sold by a trader for a particular purpose, of which he is well aware, and it is shown that the buyer relies upon the skill or judgment of the seller, the goods must be reasonably fit for the purpose for which they are intended. This is so whether the seller is the manufacturer or not, but there is no implied condition of quality or fitness if a specific article is sold under its patent or trade name.

Where the contract is for the supply of manufactured goods there is an implied condition that they must be of merchantable quality. Sale by sample does not exclude this condition. But there is no implied condition attached if the buyer has examined the goods and defects exist which a proper examination ought to have revealed.

When the sale is by sample, in addition to the above-mentioned implied condition that the goods are merchantable, there are added the two following:—

(1) The bulk shall correspond with the sample in quality.

(2) The buyer shall have reasonable opportunities for comparing the bulk with the sample.

Special conditions or warranties may be implied by the custom of the trade, and are also imposed in certain cases by statute, *e.g.*, the Merchandise Marks Act, 1887, the Fertilisers and Feeding Stuffs Act, 1893, and the Anchor and Chain Cables Act, 1899.

Transfer of Property.—It is important to determine the time when the property in the goods passes to the buyer, since the risk lies with the owner. In order to fix the time, the first thing to be done is to look at the intention of the parties. But if there has been no expression of intention, and if the facts of the case do not imply something to the contrary, the following are the rules to be observed:—

(a) Where there is an unconditional contract for the sale of specific goods which are ready for delivery, the property passes to the buyer when the contract is made. The fact that the time of payment or delivery is postponed is immaterial.

(b) Where there remains something to be done by the seller in order to put the goods into a deliverable state, or where the goods have to be measured, weighed, or tested, the property does not pass until the act required is done and notice of it has been given to the buyer.

(c) Where goods are delivered to the buyer on approval or "on sale or return," or on other similar terms, the property passes to the buyer as soon as he approves of them, or does some act showing his adoption of the transaction; and he will be presumed to have approved of the goods if he retains them, and gives no notice of rejection within a reasonable time.

(d) Where there is a contract for the sale of unascertained or future goods by

description, and goods of that description in a state ready for delivery are unconditionally appropriated to the contract by either party with the express or implied assent of the other, the property in these goods passes at once to the buyer. Such an appropriation is made when the goods are delivered to a carrier for transmission to the buyer.

(e) Where there is a reservation by the seller of the right of disposal of the goods until certain conditions are fulfilled, the property in the goods will not pass until the conditions have been fulfilled, notwithstanding the delivery of them to the buyer, or to some other person on his behalf.

Transfer of Title.—If the goods are transferred by any other person than the owner or his agent, the buyer will not, except in so far as it is permitted by statute law, e.g., the Factors Act, acquire any greater right to the goods than that possessed by the transferor. The maxim of the law is that no one can give that which he has not got—*nemo dat quod non habet*—unless it happens to be a negotiable instrument; and therefore no one can transfer the ownership of goods when he himself has nothing more than the possession of them. The rightful owner can at any time follow the goods and demand restitution of them, without compensation, from a person who has bought them or had them transferred to him, whether value has or has not been given. The transferee must rely upon his own remedy, such as damages for breach of an implied warranty of title, against his immediate transferor.

The chief exception to the rule that a purchaser obtains no property in goods of which his transferor was not the owner is the case of the sale of goods in "market overt." This phrase signifies an open or public market. All shops in the city of London are market overt for the purposes of their own trades, and outside the limits of the city the name is applied to particular places which are set apart for a market by grant or by prescription. If then goods are purchased in market overt, the purchaser must act with the utmost good faith. Any suspicious circumstances or secret dealing will destroy the privilege. And the benefit will be entirely lost if the goods are the proceeds of a felonious taking and the thief is afterwards prosecuted and convicted, for the property in the goods at once reverts in the original owner.

The compulsory restitution of stolen

property must often inflict considerable hardship upon an innocent purchaser. The Act of 1893 has made an exception in favour of a purchaser, whether in market overt or otherwise, of goods which have been obtained by the vendor through means which do not amount to larceny. If they have been obtained by what is known as false pretences, which is a misdemeanour, the purchaser is quite safe, even though the person who obtained the goods by false pretences is prosecuted and convicted.

The privilege of market overt does not apply to the sale of horses, which is provided for by special statutes.

A second exception shows the importance to the buyer of obtaining possession of the goods as soon as possible after the completion of the contract of sale, and the passing of the property in them to the purchaser. For when a person who has sold goods remains in possession of them, or of the documents of title to them, and then transfers the goods or the documents to a third person, the previous purchaser loses all title unless it is shown that the third person did not act in good faith, or that he was aware of the previous sale.

Another exception is the case of the purchaser obtaining possession of the goods, or of the documents of title to the same, under a sale or an agreement for sale, and transferring them to a third person without any notice of the existence of any lien or other right on the part of the original vendor. The third person obtains the ownership of the goods, as though the transfer had been made by a mercantile agent, as defined by the Factors Acts, and the original vendor is left to his own remedies against the original purchaser. (See *Hire Purchase*.)

Performance of the Contract.—It is the duty of the seller to deliver the goods, and of the buyer to accept and pay for them according to the terms of the contract of sale. Unless it is otherwise agreed, for example, if credit is to be given, delivery and payment are concurrent conditions, that is, the seller must be ready and willing to give possession of the goods to the buyer in exchange for the price, and the buyer must be ready and willing to pay the price in exchange for the possession of the goods.

Delivery signifies transfer of possession. In order to be effective such actual transfer does not require the physical handing over of the goods.

The delivery of the key of a warehouse may operate as a delivery of the goods in that warehouse, and the transfer of bills of lading is a valid transfer of the goods named therein.

If no agreement has been made by the parties as to the place of delivery, there is no duty on the part of the seller to send or carry the goods to the buyer. It is quite sufficient for him to give the buyer reasonable facilities for taking possession of them. If, therefore, nothing is said as to delivery, it is implied that the place of delivery is the business house of the seller, if he has one, and otherwise his residence. When the parties agree that the goods are to be delivered by the seller to the buyer, delivery to a carrier is a sufficient compliance with this term of the contract, but notice of the fact must be given by the seller to the buyer, so that there may be an opportunity of covering any possible loss in transit by insurance.

When the goods are, at the time of the contract of sale, in the possession of a third person, there is no delivery unless and until such third person acknowledges to the buyer that he holds the goods on his behalf. This does not affect the right of delivery which may have passed by the transfer of a bill of lading or other document of title to the goods.

It is the duty of the seller to deliver the exact quantity of goods ordered. If he delivers either more or less the buyer has the option of refusing or of accepting them. If he accepts them, he must pay for the quantity accepted, whether more or less than the quantity ordered, at the contract rate.

The buyer is not bound, except by agreement, to accept delivery of the goods by instalments.

Lien of the Seller.—For any breach of the contract of sale the buyer and the seller have a personal remedy, the one against the other. But in addition to the personal remedy a seller has certain rights against the goods themselves, even though the property in them may have passed to the buyer, so long as the actual possession of them remains with the seller.

The first of these rights is "lien," or the right to retain. The seller of goods, who has not been paid, is entitled to retain possession until the price has been paid or tendered, when—

- (1) The goods have been sold without any stipulation as to credit; or
- (2) The period of credit has expired; or

(3) The buyer has become insolvent. But the lien will be lost—

(1) If the goods are delivered to a carrier to be sent to the buyer, and the seller does not reserve the right of disposal; or

(2) If the buyer or his agent obtains possession of the goods; or

(3) If the right is waived by the seller.

Another right of the seller is that of re-taking possession of the goods under certain conditions whilst they are on their way to the buyer. (See *Stoppage in Transitu.*)

Right of Re-sale.—An unpaid seller has the right of re-sale when the buyer, within a reasonable time, refuses to pay for the goods or to tender their price.

It arises in three cases:—

(a) Where the goods are of a perishable nature;

(b) Where the seller has given express notice of his intention to re-sell, and the buyer does not tender the price;

(c) Where the seller has reserved to himself a right of re-sale in case of the default of the buyer.

Remedies of the Seller.—If the property in the goods sold has passed to the buyer, in accordance with the rules already stated, and the buyer refuses either to accept the goods when tendered to him, or to pay for them when they have come into his possession, the seller has a right of action, in the first case for damages for non-acceptance, and in the second for the price of the goods. The measure of damages for non-acceptance is the estimated loss which directly and naturally results from the buyer's breach of contract. This is ascertained, when there is an available market for the goods in question, by the difference between the contract price and the market or current price at the time when the goods ought to have been accepted. When an action for the price is contemplated no proceedings can be taken until the money is actually due. In certain special cases interest may be allowed in addition to the price of the goods.

A bill of exchange given in payment for goods operates generally as a conditional payment. If the bill is dishonoured at maturity the debt revives, and the seller may sue either upon the bill or upon the consideration for the sale.

Remedies of the Buyer.—When the seller wrongfully neglects or refuses to deliver the goods according to the terms of the contract, the buyer may maintain

an action against him for damages for non-delivery. The measure of damages, as in non-acceptance, is the estimated loss which directly and naturally results from the seller's breach of contract. This is also ascertained in the same way as in the converse case of non-acceptance. But special circumstances may enhance the damages, especially if there is no available market in which the buyer can obtain similar goods, or if he has made known to the seller the fact that the goods are required for a particular purpose. Each case, however, will depend upon its own circumstances.

When the goods sold are of peculiar value the court may, if it thinks fit, order the seller to deliver the identical goods he has contracted to supply, that is, may decree what is called "specific performance," instead of condemning him in ordinary damages.

Where there is a breach of warranty by the seller, or where the buyer elects, or is compelled, to treat a breach of a condition on the part of the seller as a breach of warranty, the buyer is not entitled, merely by reason of such breach, to reject the goods, but he can set up the breach in diminution or extinction of the price, or he can maintain an independent action against the seller for damages for breach of warranty. In the case of breach of warranty of quality, the damage sustained is the difference between the value of the goods at the time of delivery to the buyer and the value they would have had if they had answered to the warranty.

As to sales by auction, see *Auction*.

SALE WARRANT. (Fr. *Warrant de vente*, Ger. *Verkaufsschein*, Sp. *Cupón, de venta*, It. *Mandato di vendita*.)

This is a warrant issued with a weight note when goods are sold for payment by a deposit at the time of sale, and the balance by a prompt date, to be exchanged for the actual warrant for the goods as soon as the balance of the purchase money has been paid.

SALVAGE. (Fr. *Droit de sauvetage*, Ger. *Bergelohn*, Sp. *Salvamento*, It. *Diritti di salvataggio*.)

Salvage is the reward or compensation paid by the shipowner, or by the owners of goods carried in the ship, for extraordinary services performed at sea, whereby the ship or the goods are saved from shipwreck or other loss.

To entitle the salvors to reward it must be shown that the work was performed voluntarily, that the ship or goods were saved from loss, and that

without such services they would most probably have been lost. There is no claim for salvage for the mere saving of human life. The passengers and crew of the vessel saved, whatever their exertions may have been, and pilots are not, as a general rule, entitled to salvage.

The amount of salvage is determined, in case the parties cannot agree, by the Admiralty Division of the High Court of Justice.

The term "salvage" is also applied to (1) Goods saved from the dangers of the sea. (Fr. *Objets sauvés*, Ger. *geborgene Güter*, Sp. *Objetos salvados*, It. *Le merci salvate dal naufragio*.)

(2) Property saved from a fire on land or sea. (Fr. *Objets sauvés*, Ger. *vom Feuer gerettete Waren*, Sp. *Objetos salvados*, It. *Gli oggetti salvate dall' incendio*.)

SALVAGE LOSS. (Fr. *Perte sèche*, Ger. *Bergungsverlust*, Sp. *Pérdida neta*, It. *Perdita netta*.)

This is a term used in marine insurance for the loss settled by underwriters after a certain sum representing the value of the goods saved has been deducted from the amount for which the goods were insured.

SAMPLE. (Fr. *Échantillon*, Ger. *Muster*, *Probe*, Sp. *Muestra*, It. *Campione*.)

A sample is a small portion of any kind of merchandise exhibited to show the quality of the whole.

By the Sale of Goods Act, 1893, it is enacted that in the case of a contract for sale by sample, there is an implied condition, (a) that the bulk shall correspond with the sample in quality; (b) that the buyer shall have a reasonable opportunity of comparing the bulk with the sample; and (c) that the goods shall be free from any defect rendering them unmerchantable, which would not be apparent on reasonable examination of the sample.

It is not sufficient if there is a sale by sample and description that the bulk of the goods shall correspond with the sample, if the goods themselves do not also correspond with the description.

SAMPLING ORDERS. (Fr. *Ordres d'échantillonnage*, Ger. *Probierscheine*, Sp. *Ordenes de sacar muestras*, It. *Ordini di prendere campioni, mandati per campionaggio*.)

These are documents issued by merchants, having goods stored at a dock warehouse, authorising the warehouse-keeper to give samples.

SANS RECOURS. (Fr. *Sans recours*,

Ger. *ohne Regress*, Sp. *Sin recursos*, It. *Senza ricorso*.)

This phrase means "without recourse." This is a phrase sometimes used in the indorsement of bills and notes. When an indorser wishes to free himself from personal responsibility he adds these words to his signature. He then incurs no liability upon the instrument.

SCHEDULE. (Fr. *Inventaire, liste*, Ger. *Verzeichnis*, Sp. *Cédula*, It. *Cedola, scheda, inventario*.)

A schedule is a list or inventory. A document appended to or accompanying some other document or larger work, generally in the form of a list or catalogue, affording additional particulars as to some part of that other document or work, which cannot conveniently be inserted in the document or work itself.

SCILICET. This is a contraction of two Latin words, *scire licet*, "you may know." In its rare use in English it means "that is to say," "namely," "to wit."

SCRIP. (Fr. *Certificat provisoire*, Ger. *Interimsschein*, Sp. *Certificado provisorio*, It. *Cedola, certificato provvisorio*.)

This is a Stock Exchange term contracted from the word "subscription." It is the provisional certificate of a person's shares in a joint-stock company or in a Government loan.

When the Government of a foreign country wishes to issue a loan, or when a public company needs to borrow money, the public are invited to subscribe by means of a prospectus. A subscriber who applies, if his application is successful, receives a letter of allotment, which is exchanged for scrip as soon as the subscriber pays the first instalment of the purchase money for the share or shares. A piece of scrip contains the number of bonds or shares taken up by the subscriber, a receipt giving the amount and the date of the first instalment paid by the subscriber, and the amounts and the dates of each instalment which remains to be paid. When the whole of the instalments are paid off, the piece of scrip is exchanged for a bond or share certificate.

A scrip certificate, allotment letter, or other document entitling a person to become the proprietor of any shares in a joint-stock company requires if less than £5 an impressed penny stamp; above £5 a sixpenny stamp.

Scrip and share certificates are often used in the same sense by commercial men.

SCRIVENER. (Fr. *Notaire*, Ger. *öffentlicher Schreiber, Notar*, Sp. *Notario, escribano*, It. *Scrivano, notaro*.)

This is a person whose business is to put out money at interest for his clients, receiving a bonus or commission for the work. The commission is frequently spoken of as a "procuration fee."

SCRUPLE. (Fr. *Scrupule*, Ger. *Skrupel*, Sp. *Tercera parte de dracma*, It. *Scrupolo o 20 grani*.)

This is a small weight of twenty grains.

SCRUTINEER. (Fr. *Scrutateur*, Ger. *Untersucher*, Sp. *Oficial de escrutinio*, It. *Scrutatore*.)

A scrutineer is a person who examines a thing closely. The articles of association of a company often provide for the appointment of a scrutineer to compute the votes of the members of a company in general meeting when a poll is taken. In the absence of any regulation the chairman may appoint a scrutineer or himself act as such with the approval of the members.

SCRUTINY. (Fr. *Dépouillement de scrutin*, Ger. *Wahlprüfung*, Sp. *Escrutinio*, It. *Scrutinio*.)

This is an examination of the voting papers given in at an election for the purpose of correcting a poll. Any close search or examination.

SEAL. (Fr. *Cachet, scellé, sceau*, Ger. *Petschaft, Siegel*, Sp. *Sello*, It. *Sigillo, suggello*.)

This is the impression in wax, or other soft substance, made by means of an engraved stamp. The name is also applied to the engraved stamp itself. All deeds must be sealed. Also every joint-stock company must have a seal, which is used to authenticate documents in its name.

SEA LETTER. (Fr. *Permis de navigation*, Ger. *Seebrief, Seepass*, Sp. *Permiso de navegación*, It. *Permesso di navigazione, passaporto marittimo*.)

(See *Ship's Passport*.)

SEAPORT. This may mean:—

1. (Fr. *Port de mer*, Ger. *Seehafen*, Sp. *Puerto de mar*, It. *Porto di mare*.)

A harbour on the seashore.

2. (Fr. *Ville maritime*, Ger. *Seestadt*, Sp. *Ciudad marítima*, It. *Città marittima*.)

A city or town situated near a harbour on the seashore.

SEARCHERS. (Fr. *Visiteurs*, Ger. *Inspektor, Untersucher*, Sp. *Inspectores, revisadores*, It. *Ispettori, verificatori di dogana*.)

These are the Customs' officers who

taste, weigh, measure, and examine imported goods for the purpose of taxing those liable to duty, on their being landed from ships; or, in the case of exported goods, who watch over and certify to their regular shipment according to the prescribed routine.

SEARCH WARRANT. (Fr. *Mandat de perquisition*, Ger. *Haussuchungsbefehl*, Sp. *Orden de revisadores*, It. *Mandato di perquisizione*.)

This is a legal document authorising a search for stolen goods, or for the supposed concealed property of a bankrupt.

SEAWORTHY. (Fr. *Navigable*, Ger. *Seetüchtig*, Sp. *Navegable*, It. *Navigabile, atto a navigazione*.)

The term "seaworthy" is applied to the fitness of a ship to undertake the particular voyage contemplated. Seaworthiness is an implied warranty in policies of marine insurance, except time policies, and in the contract for the carriage of goods by sea.

The warranty applies only to the time of loading and the time of sailing. After the ship has started upon the voyage there is no implied warranty that she will continue seaworthy during the voyage.

The presumption is that a ship is seaworthy, but, if she goes wrong very shortly after sailing, the assured will be called upon to show that it was from causes arising subsequent to the commencement of the voyage.

SECOND AND THIRD CLASS PAPER. (Fr. *Papier de seconde et de troisième classe*, Ger. *Wechsel zweiter und dritter Klasse*, Sp. *Letras de segunda ó tercera clase*, It. *Documenti o carte di seconda e terza classe o ordine*.)

This signifies the bills of exchange, promissory notes, or other documents of the same kind, which are indorsed or guaranteed by merchants or others whose commercial standing is not of the highest.

SECOND VIA. (Fr. *Seconde de change*, *deuxième*, Ger. *Sekunda, Sekundawechsel*, Sp. *Segunda via, segunda de cambio*, It. *Seconda, seconda di cambio*.)

This is the second copy of a bill of lading which is often sent by a different route from that by which the first is sent in order to save time in case the original bill fails to reach its destination.

SECRETARY. (Fr. *Secrétaire*, Ger. *Sekretär*, Sp. *Secretario*, It. *Segretario*.)

This is the officer to whom the general management of the affairs of a public department or company is entrusted.

SECURED CREDITOR. (Fr. *Créancier assuré*, Ger. *sichergestellter Gläubiger*, Sp. *Acreeedor garantizado*, It. *Creditore garantito*.)

A secured creditor is one who holds a security which will cover the amount his debtor owes him. Among these securities may be classed mortgages, deeds, bills of sale, a lien on goods, warrants, delivery orders, stocks and shares, or any other security which can be readily sold in the open market. But the holder of a bill of exchange or a promissory note is not a secured creditor, each of these documents being merely a personal engagement to pay the sum named therein. An exception arises when the drawer of a bill deposits goods or other property with the drawer as cover for the bill. On accepting the bill the drawee acquires a lien or a right over the goods deposited. If the drawee, having become the acceptor, fails before the bill falls due, or dishonours it at maturity, his lien upon the goods is determined and the goods are held at the disposition of the drawer. The same rule holds good where the drawer deposits security with the drawee as cover for the bill, and is then compelled to take it up himself because of the failure of the acceptor, for the drawer is entitled to the return of the securities or that part of them which have not been realised at the time of failure.

It is in cases of bankruptcy or the winding-up of joint-stock companies that the rights of a secured creditor come into prominence. If his security is valuable enough to cover the whole amount of what is owing to him, he cannot be a loser at all; and if it is of less value he is still more favourably placed than the unsecured creditors, who have no claims at all upon the securities deposited, and must rely upon the assets which are in existence after all the securities have been deducted.

There are three courses open to a secured creditor:—

(1) He may rely upon his security and not prove in the bankruptcy.

(2) He may realise his security, and then prove for any balance that may remain owing to him.

(3) He may surrender his security and prove for the whole debt.

As no creditor can receive more than 20s. in the £, and such interest as is allowed by the Bankruptcy Act, the security held by a secured creditor must be valued, and the trustee in bankruptcy

can always, within certain limits, buy up the security at a valuation, and will generally do so if he is of opinion that the creditor is improperly depreciating the value of the property which he holds.

SECURITY. (Fr. *Effet, titre, valeur*, Ger. *Sicherheit*, Sp. *Seguridad, titulo, valor*, It. *Garanzia, sicurtà, effetto, titolo*.)

This is a document which gives the holder a right to property not in his possession. Securities include stocks, shares, bonds, dock warrants, bills of lading, insurance policies, and mortgages.

The object of a security is to give a certain right or interest to a creditor, whereby he is able to recover the amount of the debt which is owed to him more easily than by an action at law if the debtor is in default.

Goods may be transferred from one person to another by mere delivery for a consideration or by deed. They may also be safely handed over as a gift, and the property in them will at once vest in the transferee, provided there is no fraud in the transfer, and the gift is not made for the purpose of defeating creditors. And for a debt which is owing a creditor may take an equivalent in the form of goods. Also *choses in action* are assignable by the Judicature Act, 1873.

It is often extremely inconvenient, however, for a business man to divest himself of his goods by handing them over to a creditor absolutely. It may cripple his business, for the goods may form the most valuable part of his capital. It is therefore desirable that the debtor should remain in possession of the goods, and yet be able to borrow money upon the security of them. The lender may very naturally object to advance money and simply stand in the position of an ordinary creditor. He wants some security, that is, some right or interest in the goods made over to him, by which he can be assured that he will not be the loser in any event. This is effected by means of a mortgage, or a bill of sale. The legal ownership is, by such an instrument, conferred upon the lender, and if the borrower or debtor is in default, there arise certain rights which the creditor can exercise without any interference on the part of other ordinary creditors. The holder of such a security is called a "secured creditor," and even in the bankruptcy of the borrower he is in no way hampered by the trustee in the realisation of the value of his security.

Again, the borrower may be willing

to part with his goods for a short period, knowing that he has no pressing need of them. This is effected by means of a pledge. Here, however, the property or ownership remains with the debtor, although the possession is transferred to the creditor. But in certain cases the creditor has a right to sell the goods pledged.

If a creditor has in his possession goods lawfully acquired and is entitled to make certain charges for work or labour bestowed upon them or done in connection with them, he can retain the goods until his charges are paid. His security is the "lien" he has upon them.

The securities known as debentures are noticed elsewhere.

As distinguished from a security upon property, the term "personal security" simply indicates the right which one person has to sue another for the recovery of a sum of money which is due, and which the second person has undertaken to pay. A bond is one of the commonest kinds of personal securities.

SEIGNIORAGE or **SEIGNORAGE.** (Fr. *Seigneurage*, Ger. *Schlagschatz*, Sp. *Señoreage*, It. *Monetaggio*.)

This is the charge or deduction made by the master of the mint to cover the cost of coining gold and silver for the use of the public. Gold bullion is taken at £3 17s. 9d. per ounce, whilst an ounce of gold is of the value of £3 17s. 10½d. The seigniorage is, therefore, 1½d. per troy ounce. Silver is taken at its market value, no charge being made for its coining.

SEISIN. (Fr. *Saisine*, Ger. *Besitz (ergreifung)*, Sp. *Posesión*, It. *Possesso*.)

Seisin means the occupation or possession of a landed estate.

SEIZURE NOTES. (Fr. *Notes de saisie*, Ger. *Beschlagscheine*, Sp. *Notas de apresión*, It. *Mandati di sequestro*.)

These are used when smuggled goods, liable to duty, or goods bearing fraudulent trade-marks, are seized by the customs. The notes are filled in by the officer seizing the goods, and are left with the goods seized in a Government warehouse, the packages or goods being then marked for identification.

SELLERS OVER. (Fr. *Excès de vendeurs*, Ger. *mehr Angebot als Nachfrage*, Sp. *Vendedores en mayoría*, It. *Eccedenza di venditori*.)

This is a market term, meaning that there are sellers but no buyers, or that there are more sellers than buyers.

SELLING OUT. (Fr. *Vente forcée*, Ger.

Ausverkauf, Sp. *Venta forzada*, It. *Vendita forzata*.)

In most markets, if the purchaser has not taken up his securities from the seller on the due date, the latter can sell out against him, and the buyer is liable for all the expenses the seller may be put to in consequence of such non-fulfilment of contract.

SEMAPHORIC TELEGRAMS. (Fr. *Dépêches sémaphoriques*, Ger. *Seetelegramme*, Sp. *Telegramas del semáforo*, It. *Telegrammi del semaforo*.)

These are telegrams exchanged with ships at sea by means of semaphores established on the various coasts.

SEQUESTRATION. This word may mean:—

1. (Fr. *Séquestre*, *séquestration*, Ger. *Sequestration*, Sp. *Secuestación*, It. *Sequestro*.)

The placing of any disputed property into the hands of a third person until the dispute is settled.

2. (Fr. *Séquestre*, *séquestration*, Ger. *sequestrieren*, Sp. *Secuestación*, It. *Sequestrare*.)

The holding of the property of another until the profits pay the demands upon it.

3. (Fr. *Séquestre*, *séquestration*, Ger. *Beschlag*, Sp. *Secuestación*, It. *Sequestro*, *presa di possesso*.)

The taking possession of the estate of a bankrupt in order to distribute it among his creditors.

SEQUESTRATOR. (Fr. *Séquestre*, Ger. *Sequester*, *Liquidator*, Sp. *Secuestrador*, It. *Sequestratore*.)

This is the person to whom property is entrusted during a dispute.

SERVANT. (See *Master and Servant*.)

SET OF BILLS. (Fr. *Série de lettres de change*, Ger. *Wechselbrief im duplikat (im triplikat)*, Sp. *Serie de letras en duplicado (en triplicado)*, It. *Cambiali in duplicato (in triplicato)*.)

Bills of lading are drawn in parts, sometimes two, sometimes three. The whole form which is called a set of bills.

SET OFF. (Fr. *Compensation*, *Reconvention*, Ger. *Aufrechnung*, *Gegenforderung*, Sp. *Compensación*, It. *Compenso*, *compensazione*.)

This is a defence set up by a person (in an action) upon whom some demand is made. It only arises in respect of mutual debts of a certain definite character, and the two debts must be due in the same right and between the same parties.

A set off is often spoken of and treated as though it were the same thing as a counter-claim. But this is not so. A

set off is a statutory defence to an action; a counter-claim is a cross-action. The distinction is of importance in cases of debts in bankruptcy and in the winding-up of companies, and it also affects the costs in an action.

Any defence of this kind, whether a set off or a counter-claim, must be specially pleaded, and in a county court five days' notice must be given of the intention of the defendant to rely upon the same.

SETTLEMENT. This may be:—

1. (Fr. *Règlement de compte*, Ger. *Ausgleichung*, Sp. *Pago de saldo*, It. *Accomodamento*, *accordo*, *liquidazione*.)

The payment of an account or claim.

The name is given specially to the periodic liquidation of accounts on the Stock Exchange.

2. (Fr. *Douaire*, Ger. *Versorgung*, Sp. *Dotación*, It. *Dote*.)

The sum of money settled upon a woman at her marriage, with the object of making provision for her and the children of the marriage.

Where either of the parties to a contemplated marriage has, or is likely to have, any property of value, it is customary for a settlement to be made. By so doing the property comprised in the settlement is tied up for a certain period, and as marriage is a valuable consideration the settlement is good against the creditors of the parties, unless it is proved that the settlement is part of a fraudulent transaction.

If the settlement is made after marriage, what is called a post-nuptial settlement, the usual rule holds good as to settlements generally, viz., that all such settlements which are made within two years of the bankruptcy of the party providing the property settled, are absolutely void, and that settlements made within ten years of the bankruptcy are voidable and will be declared void unless it is shown that the estate of the bankrupt was sufficient to pay the whole of his liabilities at the time of the making of the settlement, without including any of the property so settled.

There are two kinds of settlement, viz., strict settlements, which are only applicable to real property, and the use of which is practically confined to the owners of large landed estates, and settlements by way of trust, which apply to both real and personal property.

The general scheme of a strict settlement is to give an estate for life to the husband, subject to the payment of an annual sum to the wife, known as

"pin-money." Further provision is then made for an increased allowance to the wife after the death of her husband, in case she survives him. This provision is known as the wife's "jointure." After these the estate is given to the first and other sons of the marriage severally and successively in tail, with remainder to the daughters in tail, sometimes severally and successively like the sons, sometimes in common so as to divide the estate. There are, in addition, various powers given to the tenants in tail to raise sums for their own benefit, and to make settlements on marriage, and for the husband and the wife to charge certain sums for the portions of younger children. The powers given will depend to a great extent upon the source from which the property settled comes.

The general scheme of a settlement by way of trust is as follows. The property to be settled, whether coming from the husband or the wife, is conveyed to trustees, who are directed to hold it on these trusts: (1) to sell the property held in trust, if necessary; (2) to invest the proceeds of such sale in certain classes of securities; (3) to pay the income arising out of the husband's contribution to him for life, and after his death, to the wife for life if she survives him; (4) to pay the income arising out of the wife's contribution to her for life, without power of anticipation, and after her death to the husband for life, if he survives her; (5) after the death of the husband and the wife to pay the capital to the children in such shares as the parents by deed, or the survivor of them by deed or by will appoints, otherwise equally amongst the children. It is generally stipulated that if there are no children, the property brought into the settlement by the husband shall go to his representatives, and that brought by the wife to her family, unless she otherwise appoints, such appointment, if made in the lifetime of the husband, being by will only. Since a will is revocable, a husband cannot thus get control over the property of his wife during her lifetime, even if she wishes to give it to him. A settlement generally contains powers for the parents, or the survivor of them, to take a certain portion of the capital of the settlement fund for the advancement or benefit of the children, and the law implies provisions for their maintenance and education during minority if the parents die whilst the children are under age.

A party to a contract, to make it absolutely binding, must not be a minor. There is an exception made in the case of marriage settlements. By the Infants' Settlement Act, 1855, infants not being under twenty if males, or seventeen if females, can, with the approbation of the court, make binding settlements of their real and personal estate in possession or otherwise on their marriage. The court may, under the same Act, direct a settlement of an infant's property after marriage, but it has no power to compel a ward of court to make a settlement.

As to the avoidance of settlements in bankruptcy, -see *Bankruptcy*.

Settlement Estate Duty. — When the property of a deceased person, upon which estate duty is chargeable, is settled by the will of the deceased, or has been settled by some other disposition, and passes to some person who has not the power of disposing of the same, a further estate duty, called the settlement estate duty, is levied upon the principal value of the settled property at the rate of two per cent. An exception is made, however, in the case of property where the only life interest, after the death of the deceased, is that of the husband or wife of the deceased. This duty is payable once only during the continuance of the settlement. (See *Estate Duty*.)

SETTLING DAY. (Fr. *Jour de règlement, jour de liquidation*; Ger. *Stich- or Zahltag*, Sp. *Día de liquidación*, It. *Giorno di liquidazione*.)

This is the third or last day of what is called the settlement upon the Stock Exchange, when all differences are paid and received, securities delivered and money obtained.

SHARE BROKERS. (Fr. *Courtiers d'actions*, Ger. *Aktienmakler*, Sp. *Agentes de cambio*, It. *Mediatori di azioni, borsisti*.)

These are the persons who arrange the dealings in railway or other shares between buyers and sellers.

SHARE CERTIFICATES. (Fr. *Actions, titres définitifs*, Ger. *Aktiencertifikate*, Sp. *Certificados de títulos*, It. *Certificati di azioni*.)

These are documents issued by a public company to its shareholders, showing that the persons named therein are the holders of so many shares in the company. The numbers of the shares and the amount paid up are stated, and the certificates are under the common seal of the company.

The form of a share certificate is commonly as follows:—

“The C. D. Company, Limited.

This is to certify that A. B. is a registered holder of m shares of £n each, numbered p to q inclusive, in the above-named company, and that the sum of £x has been paid up on each of the said shares. Given under the common seal of the said company this 1st day of January, ———.”

A share certificate is *prima facie* evidence of the title of a member to the share or stock comprised therein, and its issue is intended to facilitate dealings in the open market. It is, in fact, the proper, and the only, documentary evidence of title in the possession of a shareholder. It is necessary, therefore, that the directors of a company should exercise extreme care and caution in the issue of certificates, for if loss is incurred through any negligence or inadvertence, the company will, as a rule, be estopped from denying the accuracy of the statements set forth in them to a person who has acted *bona fide* and in reliance upon such statements. Until after the passing of the Companies Act, 1907, there was nothing to compel a company to issue share certificates, although it was the invariable practice to do so. Joint-stock companies must now have share certificates—as well as debenture certificates—ready for delivery within two months after the allotment or registration of transfer. (See section 92 of the Companies (Consolidation) Act, 1908.)

The following are examples of estoppel taken from modern cases. A company, acting upon a forged transfer, which purported to be a transfer by A., a shareholder to B., issued a certificate to B., representing him to be the owner of the shares. Relying upon this certificate, a third person, C., purchased in good faith, and paid for, the shares specified in the certificate, and was in due course registered as the owner of them. Subsequently it was discovered that the first transfer was a forgery. Not only were the company compelled to restore the name of A. to the register, since his title could not be displaced by a forgery, but it was held that C. was entitled to damages for the removal of his name. The issue of the share certificate to B. was an estoppel binding them; they could not set up a defence that B. had no real title to the shares. In another case, A. bought shares on the faith of a certificate representing B. as the holder, and took a transfer

from B. accordingly. The company had, in fact, issued the certificate to B. in pursuance of a forged transfer. They refused to register A. as the holder of the shares. It was held by the court that since A. had acted upon the faith of the certificate issued he was entitled to damages for the refusal to register, and that the measure of the damages was the value of the shares at the time of the refusal to register. In a third case a company issued a share certificate describing the shares named therein as being fully paid up, when in fact they were only partially paid up. It was held that a purchaser of the shares, who had relied upon the certificate, was entitled to assume that the shares were fully paid up, and that no further liability attached to him.

A share certificate requires no stamp, although it is a document under the seal of the company. But a scrip certificate or other document entitling any person to become the proprietor of any share of a company needs a penny impressed stamp.

If a certificate is lost, it is generally provided by the articles of association that a new certificate shall be granted on a proper indemnity being given by the shareholder.

A valid equitable mortgage of shares or stock may be effected by the deposit of the share certificate relating to the same.

SHARE WARRANT. (Fr. *Coupon d'actions*, *certificat d'actions*, Ger. *Aktien-certificat*, *Aktienkupon*, Sp. *Cupón de acciones*, *cédula de acciones*, It. *Cuponi di azioni*, *certificati di azioni*.)

A share warrant is a certificate issued by a joint-stock company stating that the bearer is entitled to the shares specified. Such a warrant can be passed from hand to hand without any transfer being executed.

SHAREHOLDERS. (Fr. *Actionnaires*, Ger. *Aktionäre*, Sp. *Accionistas*, It. *Azionisti*.)

These are the persons who have shares in a joint fund or property.

SHARES. (Fr. *Actions*, Ger. *Aktien*, Sp. *Acciones*, It. *Azioni*, *quote*.)

This is the name given to the equal portions of the capital of a joint-stock company. (See *Companies*.)

SHILLING. (Fr. *Schelling*, Ger. *Schilling*, Sp. *Chelin*, *moneda inglesa*, It. *Scellino*.)

This is an English silver coin, equal to the twentieth part of a sovereign or pound.

SHIP. (See *British Ship*.)

SHIPBROKERS. (Fr. *Courtiers maritimes*, Ger. *Schiffsmakler*, Sp. *Corredores marítimos*, It. *Sensali marittimi, agenti marittimi*.)

These are agents—persons or firms—in a seaport appointed by ship-owners to carry out and perform all the necessary transactions connected with the business of their vessels whilst they are in harbour, such as entering and clearing the vessels, collecting freights, chartering new freights, etc.

SHIP CANALS. (Fr. *Canaux navigables*, Ger. *Schiffahrtskanäle*, Sp. *Canales de navegación*, It. *Canali navigabili*.)

These are the canals which are made wide and deep enough to admit of the passage of large sea-going ships. Such are the Suez Canal, the Kiel Canal, and the Manchester Ship Canal.

SHIP CHANDLERS. (Fr. *Entrepreneurs de marine, fournisseurs de navires*, Ger. *Schiffslieferanten*, Sp. *Almacenistas de objetos navales*, It. *Fornitori di marina*.)

These are dealers in cordage, canvas, and other ship-furniture.

SHIP-LETTER. (Fr. *Exprès*, Ger. *Schiffsbrief*, Sp. *Vapor correo*, It. *Espresso marittimo*.)

This is a letter forwarded by a private vessel, and not by one chartered by the Government to carry the royal mails.

SHIP-LOAD. (Fr. *Chargement, cargaison*, Ger. *Schiffsladung*, Sp. *Carga*, It. *Carico della nave*.)

This word means the cargo of a ship.

SHIP-MASTER. (Fr. *Capitaine marchand, patron de navire*, Ger. *Kapitän*, Sp. *Capitán*, It. *Capitano di bastimento mercantile*.)

This is another name for the captain of a merchant ship.

He must be a properly qualified person, according to sections 92-94 of the Merchant Shipping Act, 1894. His general duties include the provision of a competent crew and adequate equipment, due navigation and proper management of the ship, and every care of the interests of the owners. He must keep an official log and take charge of the ship's papers, all of which must be presented for inspection on a proper demand being made. He is invested with special disciplinary powers over all persons on board.

His duties, as far as the cargo is concerned, are to take it in as quickly as possible, to store it properly, and to sign the bills of lading for the goods which he has received on board.

Among his special powers as to the

ship and the cargo are the transshipment of goods without risking the loss of freight, jettison, and the authority to bind the shipowner by bottomry and respondentia.

SHIP MORTGAGE. (See *Mortgage (Shipping)*.)

SHIPMENT. (Fr. *Embarquement, chargement, expédition*, Ger. *Ladung, Verschiffung*, Sp. *Embarque*, It. *Imbarco, carico, spedizione*.)

This is the act of putting goods on board a ship, and also the name given to the goods themselves, when the property of the goods rests with the consignee.

SHIPOWNERS. (Fr. *Armateurs*, Ger. *Schiffseigentümer*, Sp. *Armadores*, It. *Armatori*.)

These are the persons who own ships.

SHIPPERS. (Fr. *Expéditeurs, chargeurs*, Ger. *Verlader*, Sp. *Embarcadores, exportadores*, It. *Speditori, caricatori*.)

These are persons who place goods on board ships for transportation abroad.

SHIPPING BILLS. These are either:—

1. (Fr. *Notes de drawback*, Ger. *Zollfreischeine*, Sp. *Notas de drawback*, It. *Note di drawback o dazio di ritorno*.)

Customs documents used in cases where drawback is claimed upon dutiable goods transhipped either for re-export or for use on board during a voyage.

2. (Fr. *Listes navales*, Ger. *Schiffslisten*, Sp. *Manifestos de embarque*, It. *Bollettini marittimi*.)

Documents giving particulars of the goods and the exporting vessel, used chiefly for statistical purposes.

SHIPPING CARDS. (Fr. *Bulletins des bâtiments en chargement*, Ger. *Verschiffungskarten*, Sp. *Lista de buques á cargar*, It. *Bollettini o listini dei bastimenti pronti per il carico*.)

These are cards issued by shipbrokers to their customers, giving particulars of the ship, or ships, they are about to load, the loading berth, date of departure, etc.

SHIPPING NOTES. (Fr. *Notes d'expédition*, Ger. *Schiffszettel*, Sp. *Vales de buque*, It. *Note d'imbarco e ricevute di spedizione*.)

These are documents which are addressed to the superintendent of the dock where a ship is lying, requesting that functionary to receive and ship certain goods named therein.

SHIPPING SPECIFICATION. (Fr. *Spécification d'embarquement*, Ger. *Verschiffungsspezifikation*, Sp. *Especificación de embarque*, It. *Specificazione d'imbarco*.)

This is a form sent to the Customs officials giving details as to goods shipped.

SHIPPING WEIGHT. (Fr. *Poids de la cargaison*, Ger. *Verschiffungsgewicht*, Sp. *Peso de cargamento*, It. *Peso del carico a bordo*.)

Shipping weight is the asserted weight of goods on their being put on board ship.

SHIP'S ARTICLES. (Fr. *Contrats d'engagement*, Ger. *Heuervertrag*, Sp. *Artículos de buque*, It. *Contratto di arruolamento*.)

This is the name given to the agreement entered into between the master and the crew of a vessel, setting out the terms of the contract entered into by the parties as to wages, provisions, etc. Each member of the crew must sign the articles before the commencement of the voyage.

SHIP'S CERTIFICATE OF REGISTRY. (Fr. *Certificat de registration navale*, Ger. *Schiffspapiere*, Sp. *Abanderamiento de buque*, It. *Certificato di registrazione navale o atto di nazionalità*.)

This is the certificate granted by the registrar on the completion of all the preliminaries required on the registration of a vessel. It gives the name, the build, and the tonnage of the ship, the names of the owner and the master, and it proves the nationality of the vessel.

As to the particulars required before a vessel can be registered as a British ship, see *British Ship*.

SHIP'S CLEARANCE INWARDS. (Fr. *Acquit*, Ger. *Klarierung*, Sp. *Despacho de Aduana*, It. *Lascia passare della dogana, bastimento sdoganato*.)

Upon the arrival of a vessel in port the master reports his ship, cargo, and crew at the Custom House, and, on payment of tonnage dues, permission is given for him to unload. When the unloading is completed, and the ship has been rummaged, a certificate of clearance inwards is given.

SHIP'S CLEARANCE OUTWARDS. (Fr. *Congé*, Ger. *Verzollung*, Sp. *Permiso de salida*, It. *Permesso di partenza*.)

When a vessel has taken her cargo on board, the outward-bound ship must obtain permission from the Custom House before she can be permitted to sail. Permission is only given when a full account of her cargo has been made and duty paid. This is called clearance outwards.

SHIP'S HUSBAND. (Fr. *Gérant à bord*, Ger. *Korrespondenzreeder*, *Verfrachter*, Sp. *Consignatario del vapor*, It. *Gerente navale, amministratore navale*.)

This is an agent appointed by the

owners or part-owners of a ship, who looks after the requisite repairs and fittings of the ship, provides stores or assistance when in port, and attends to her general welfare.

SHIP'S MANIFEST. (Fr. *Manifeste*, Ger. *Manifest*, Sp. *Manifiesto del buque*, It. *Manifiesto navale*.)

This is a document giving a formal statement, for the use of the customs' authorities, of the ship, her cargo, and the names of the ports to which she is going.

SHIP'S PAPERS. (Fr. *Papiers de bord, papiers de navire*, Ger. *Schiffspapiere*, Sp. *Documentación del buque*, It. *Atti e documenti di bordo*.)

These consist of the ship's certificate of registry, the manifest, the muster roll or articles, the charter-party and the bills of lading, the bill of health, and the log book.

It is of the utmost importance that these papers should be regular, complete, and in order, because international law requires that every merchantman shall carry a certain number of documents as evidence of her nationality and as proof of the real nature and destination of her cargo. This is especially so during the occurrence of hostilities when the ship does not belong to one of the belligerent nations.

Lawrence, in his *Principles of International Law*, says: "The exact form and number of these papers differ according to the law of the various maritime countries, but they must always be sufficient to fix the nationality of the ship, her destination, and the ownership of the vessel and cargo. A list of the papers required by the law of each civilised state will be found in manuals of Prize Law, issued by the naval authorities of the chief maritime nations, and in some of the large works on international law. The absence of papers will justify detention by a belligerent cruiser, as will also the presence of false papers, or gross irregularities, omissions, or inconsistencies in the papers produced. What is technically called spoliation of papers has given rise to a difference of treatment among the prize courts of the leading naval powers. The phrase signifies the wilful destruction of documents by throwing them overboard during a chase, or by any other means. The British and American practice is to regard it as good ground for the capture of the vessel, but not necessarily good ground for condemnation. It affords a strong presumption of her guilt, but not

a presumption which cannot be rebutted by evidence to the contrary."

SHIP'S PASSPORT. (Fr. *Permis de navigation*, Ger. *Schiffspass*, Sp. *Pase de vapor*, It. *Passaporto marittimo*, *permesso di navigazione*.)

This is a document given to the captain of a neutral ship in time of war, as his authority to proceed on a voyage, and also to prove the vessel's nationality. The document contains a full description of the vessel, her cargo and crew, the names of the captain and owner, her place of lading, port of registry, and the port of destination.

SHIP'S PROTEST. (Fr. *Déclaration, requête*, Ger. *See protest, Verklarung*, Sp. *Protesta marítima*, It. *Protesta marittima comprovante il sinistro*.)

This is a solemn declaration made upon oath before a notary public, giving the particulars of the cause of any injury to the vessel, or damage to her cargo, for the satisfaction of the underwriters. Underwriters sometimes demand this document before adjusting a claim against them, and it then devolves upon the insured to obtain and to exhibit it.

SHIP'S REPORT. (Fr. *Mémento maritime*, Ger. *Schiffsbericht*, Sp. *Presentación á la aduana*, It. *Relazione del capitano*.)

The master of every ship, whether laden or in ballast, must, within twenty-four hours after arrival from ports beyond the seas at any port in the United Kingdom, report his ship and answer all questions relating to the ship, cargo, or crew on a prescribed form.

SHIP'S STORE BOND. (Fr. *Contrat particulier de douane*, Ger. *Schiffsbedarf-schein*, Sp. *Contrato particular del capitán*, It. *Contratto particolare di dogana per le vettovaglie a bordo*.)

This is a bond given to the customs by the master or owner of a vessel when dutiable articles are to be shipped as stores for use on the voyage.

SHIP'S STORES. (Fr. *Vivres soumis aux droits*, Ger. *Schiffsbedarf*, Sp. *Viveres sujetos á impuesto*, It. *Viveri di bordo, provviste di bordo*.)

These are the provisions necessary for victualling a ship. As a distinct term used by the customs, the meaning is confined to those articles on board which are liable to duty, such as wines, spirits, and tobacco, for which special regulations are made.

SHOPS ACTS, 1912 and 1913. Various Acts of Parliament were passed between 1892 and 1911 regulating the hours of closing, service, etc., of shop

assistants, and it was thought that the Act of 1911 would effect great changes. Owing to the pressure of Parliamentary business, however, it could not receive adequate attention, and consequently all the Acts dealing with the particular matters affecting shops and shop assistants were repealed in 1912 when the new Act came into force. This Act of 1912 was amended by an additional Act which was passed in 1913.

It is unnecessary to do more than quote the more important sections of the two Acts, leaving out altogether matters of procedure. There are certain modifications to be observed in applying the Acts to Scotland and Ireland.

Under the Act of 1912

1.—(1) On at least one week day in each week a shop assistant shall not be employed about the business of a shop after half-past one o'clock in the afternoon:

Provided that this provision shall not apply to the week preceding a bank holiday if the shop assistant is not employed on the bank holiday, and if on one week day in the following week in addition to the bank holiday the employment of the shop assistant ceases not later than half-past one o'clock in the afternoon.

(2) The occupier of a shop shall fix, and shall specify in a notice in the prescribed form, which must be affixed in the shop in such manner and at such time as may be prescribed, the day of the week on which his shop assistants are not employed after half-past one o'clock, and may fix different days for different shop assistants.

(3) Intervals for meals shall be allowed to each shop assistant in accordance with the First Schedule to this Act:

Provided that this provision shall not apply to a shop if the only persons employed as shop assistants are members of the family of the occupier of the shop, maintained by him and dwelling in his house.

Penalties are provided for a contravention of any of the orders entered in the Act.

2.—(1) No person under the age of eighteen years (in this Act referred to as a "young person") shall be employed in or about a shop for a longer period than seventy-four hours, including meal times, in any one week.

(2) No young person shall, to the knowledge of the occupier of the shop, be employed in or about a shop—

(a) having been previously on the same day employed in any factory or workshop, as defined by the Factory and Workshop Act, 1901, for the number of hours permitted by that Act; or

(b) for a longer period than will, together with the time during which he has been previously employed on the same day in a factory or workshop, complete such number of hours as aforesaid.

(3) In every shop in which a young person is employed a notice shall be kept exhibited by the occupier of the shop in a conspicuous place referring to the provisions of this section and stating the number of hours in the week during which a young person may lawfully be employed in or about the shop.

(5) This section shall apply to wholesale shops, and to warehouses in which assistants are employed for hire, in like manner as if they were shops within the meaning of this Act, and the provisions of sections thirteen and fourteen of this Act, shall for the purposes of the enforcement of this section, be construed accordingly.

(6) This section shall not apply to any person wholly employed as a domestic servant.

3.—(1) In all rooms of a shop where female shop-assistants are employed in the serving of customers, the occupier of the shop shall provide seats behind the counter, or in such other position as may be suitable for the purpose, and such seats shall be in the proportion of not less than one seat to every three female shop assistants employed in each room.

4.—(1) Every shop shall, save as otherwise provided by this Act, be closed for the serving of customers not later than one o'clock in the afternoon on one week day in every week.

(2) The local authority may, by order, fix the day on which a shop is to be closed (in this Act referred to as "the weekly half-holiday"), and any such order may either fix the same day for all shops, or may fix—

(a) different days for different classes of shops; or

(b) different days for different parts of the district; or

(c) different days for different periods of the year:

Provided that—

(i) where the day fixed is a day other than Saturday, the order shall provide for enabling Saturday to be substituted for such other day; and

(ii) where the day fixed is Saturday, the order shall provide for enabling some other day specified in the order to be substituted for Saturday;

as respects any shop in which notice to that effect is affixed by the occupier, and that no such order shall be made unless the local authority, after making such inquiry as may be prescribed, are satisfied that the occupiers of a majority of each of the several classes of shops affected by the order approve the order.

(3) Unless and until such an order is made affecting a shop, the weekly half-holiday as respects the shop shall be such day as the occupier may specify in a notice affixed in the shop, but it shall not be lawful for the occupier of the shop to change the day oftener than once in any period of three months.

(4) Where the local authority have reason to believe that a majority of the occupiers of shops of any particular class in any area are in favour of being exempted from the provisions of this section, either wholly or by fixing as the closing hour instead of one o'clock some other hour not later than two o'clock, the local authority, unless they consider that the area in question is unreasonably small, shall take steps to ascertain the wishes of such occupiers, and, if they are satisfied that a majority of the occupiers of such shops are in favour of the exemption, or, in the case of a vote being taken, that at least one-half of the votes recorded by the occupiers of shops within the area of the class in question are in favour of the exemption, the local authority shall make an order exempting the shops of that class within the area from the provisions of this section either wholly or to such extent as aforesaid.

(5) Where a shop is closed during the whole day on the occasion of a bank holiday, and that day is not the day fixed for the weekly half-holiday, it shall be lawful for the occupier of the shop to keep the shop open for the serving of customers after the hour at which it is required under this section to be closed either on the half-holiday immediately preceding, or on the half-holiday immediately succeeding, the bank holiday.

(6) This section shall not apply to any shop in which the only trade or business carried on is trade or business of any of the classes mentioned in the Second Schedule to this Act, but the local

authority may, by order made and revocable in the manner hereinafter provided with respect to closing orders, extend the provisions of this section to shops of any class exempted under this provision if satisfied that the occupiers of at least two-thirds of the shops of that class approve the order.

(7) (Penalty Clause.)

(8) Nothing in this section shall prevent customers from being served at a time when the shop in which they are sold is required to be closed with victuals, stores, or other necessaries for a ship, on her arrival at or immediately before her departure from a port.

5.—(1) An order (in this Act referred to as "a closing order") made by a local authority, and confirmed by the Secretary of State in manner provided by this Act, may fix the hours on the several days of the week at which, either throughout the area of the local authority or in any specified part thereof, all shops or shops of any specified class are to be closed for serving customers.

(2) The hour fixed by a closing order (in this Act referred to as "the closing hour") shall not be earlier than seven o'clock in the evening on any day of the week.

(3) The order may—

(a) define the shops and trades to which the order applies; and

(b) authorise sales after the closing hour in cases of emergency and in such other circumstances as may be specified or indicated in the order; and

(c) contain any incidental, supplemental, or consequential provisions which may appear necessary or proper.

(4) Nothing in a closing order shall apply to any shop in which the only trade or business carried on is trade or business of any of the classes mentioned in the Third Schedule to this Act.

7.—(1) Where it appears to the Secretary of State, on the representation of the local authority or a joint representation from a substantial number of occupiers of shops and shop assistants in the area of the local authority, that it is expedient to ascertain the extent to which there is a demand for early closing in any locality, and to promote and facilitate the making of a closing order therein, the Secretary of State may appoint a competent person to hold a local inquiry.

(2) If, after holding such an inquiry and conferring with the local authority, it appears to the person holding the inquiry that it is expedient that a

closing order should be made, he shall prepare a draft order and submit it to the Secretary of State together with his report thereon.

(3) If the Secretary of State, after considering the draft order and report, and any representations which the local authority may have made in respect thereof, is of opinion that it is desirable that a closing order should be made, he may communicate his decision to the local authority, and thereupon there shall be deemed to be a *prima facie* case for making a closing order in accordance with the terms of the draft order, subject to such modifications (if any) as the Secretary of State may think fit.

(4) The person who held the inquiry shall, if so directed by the Secretary of State on the application of the local authority, assist and co-operate with the local authority in taking the steps preliminary to making the order.

8.—The Secretary of State may, at any time on the application of the local authority, revoke a closing order either absolutely or so far as it affects any particular class of shops, and, if at any time it is made to appear to the satisfaction of the local authority that the occupiers of a majority of any class of shops to which a closing order applies are opposed to the continuance of the order, the local authority shall apply to the Secretary of State to revoke the order in so far as it affects that class of shops, but any such revocation shall be without prejudice to the making of any new closing order.

9.—It shall not be lawful in any locality to carry on in any place not being a shop retail trade or business of any class at any time when it would be unlawful in that locality to keep a shop open for the purposes of retail or business of that class, and, if any person carries on any trade or business in contravention of this section, this Act shall apply as if he were the occupier of a shop and the shop were being kept open in contravention of this Act.

Provided that—

(a) the prohibition imposed by this section shall, as respects any day other than the weekly half-holiday, be subject to such exemptions and conditions (if any) as may be contained in closing orders; and

(b) nothing in this section shall be construed as preventing a barber or hairdresser from attending a customer in the customer's residence, or the

holding of an auction sale of private effects in a private dwelling-house; and

(c) nothing in this section shall apply to the sale of newspapers.

10.—(1) Where several trades or businesses are carried on in the same shop, and any of those trades or businesses is of such a nature that, if it were the only trade or business carried on in the shop, the shop would be exempt from the obligation to be closed on the weekly half-holiday, the exemption shall apply to the shop so far as the carrying on of that trade or business is concerned, subject, however, to such conditions as may be prescribed.

(2) Where several trades and businesses are carried on in the same shop and any of those trades or businesses are of such a nature that if they were the only trades or businesses carried on in the shop a closing order would not apply to the shop, the shop may be kept open after the closing hour for the purposes of those trades and businesses alone, but on such terms and under such conditions as may be specified in the order.

(3) Where several trades or businesses are carried on in the same shop, the local authority may require the occupier of the shop to specify which trade or business he considers to be his principal trade or business, and no trade or business other than that so specified shall, for the purpose of determining a majority under this Act, be considered as carried on in the shop unless the occupier of the shop satisfies the local authority that it forms a substantial part of the business carried on in the shop.

11.—(1) In places frequented as holiday resorts during certain seasons of the year the local authority may by order suspend, for such period or periods as may be specified in the order, not exceeding in the aggregate four months in any year, the obligation imposed by this Act to close shops on the weekly half-holiday.

(2) Where the occupier of any shop in any place in which any such order of suspension is in force satisfies the local authority that it is the practice to allow all his shop assistants a holiday on full pay of not less than two weeks in every year, and keeps affixed in his shop a notice to that effect, the requirement that on one day in each week a shop assistant shall not be employed after half-past one o'clock shall not apply to the shop during such period or periods as aforesaid.

12.—(1) Where Post Office business is carried on in any shop in addition to any other business, this Act shall apply to that shop subject to the following modifications:—

(a) If the shop is a telegraph office, the obligation to close on the weekly half-holiday shall not apply to the shop so far as relates to the transaction of Post Office business thereat:

(b) Where the Postmaster-General certifies that the exigencies of the postal service require that Post Office business should be transacted in any such shop at times when under the provisions of this Act relating to the weekly half-holiday the shop would be required to be closed, or under conditions not authorised by section one of this Act, the shop shall, for the purpose of the transaction of Post Office business be exempted from the provisions of this Act to such extent as the Postmaster-General may certify to be necessary for the purpose:

Provided that in such cases the Postmaster-General shall make the best arrangements that the exigencies of the postal service allow with a view to the conditions of employment of the persons employed being on the whole not less favourable than those secured by this Act:

(c) The provisions contained in any closing order imposing terms or conditions on the keeping open of any such shop after the closing hour for the transaction of Post Office business shall be subject to the approval of the Postmaster-General.

(2) Save as aforesaid, nothing in this Act shall apply to Post Office business, or to any premises in which Post Office business is transacted.

19.—(1) In this Act—

The expression "shop" includes any premises where any retail trade or business is carried on;

The expression "retail trade or business" includes the business of a barber or hairdresser, the sale of refreshments or intoxicating liquors, and retail sales by auction, but does not include the sale of programmes and catalogues and other similar sales at theatres and places of amusement;

The expression "shop assistant" means any person wholly or mainly employed in a shop in connection with the serving of customers or the receipt of orders or the despatch of goods;

The expression "Bank holiday" includes any public holiday or day of public rejoicing or mourning; The expression "week" means the period between midnight on Saturday night and midnight on the succeeding Saturday night.

(2) Nothing in this Act shall apply to any fair lawfully held or any bazaar or sale of work for charitable or other purposes from which no private profit is derived.

SCHEDULES.

FIRST SCHEDULE.

INTERVALS FOR MEALS.

Intervals for meals shall be arranged so as to secure that no person shall be employed for more than six hours without an interval of at least twenty minutes being allowed during the course thereof.

Without prejudice to the foregoing provision—

(1) where the hours of employment include the hours from 11.30 a.m. to 2.30 p.m., an interval of not less than three-quarters of an hour shall be allowed between those hours for dinner; and

(2) where the hours of employment include the hours from 4 p.m. to 7 p.m., an interval of not less than half an hour shall be allowed between those hours for tea;

and the interval for dinner shall be increased to one hour in cases where that meal is not taken in the shop, or in a building of which the shop forms part or to which the shop is attached:

Provided that an assistant employed in the sale of refreshments or in the sale by retail of intoxicating liquors need not be allowed the interval for dinner between 11.30 a.m. and 2.30 p.m., if he is allowed the same interval so arranged as either to end not earlier than 11.30 a.m. or to commence not later than 2.30 p.m., and the same exemption shall apply to assistants employed in any shop on the market day in any town in which a market is held not oftener than once a week, or on a day on which an annual fair is held.

SECOND SCHEDULE.

TRADES AND BUSINESSES EXEMPTED FROM THE PROVISIONS AS TO WEEKLY HALF-HOLIDAY.

The sale by retail of intoxicating liquors.

The sale of refreshments, including the business carried on at a railway refreshment room.

The sale of motor, cycle, and air-craft supplies and accessories to travellers.

The sale of newspapers and periodicals.

The sale of meat, fish, milk, cream, bread, confectionery, fruit, vegetables, flowers, and other articles of a perishable nature.

The sale of tobacco and smokers' requisites.

The business carried on at a railway bookstall on or adjoining a railway platform.

The sale of medicines and medical and surgical appliances.

Retail trade carried on at an exhibition or show, if the local authority certify that such retail trade is subsidiary or ancillary only to the main purpose of the exhibition or show.

THIRD SCHEDULE.

TRADES AND BUSINESSES EXEMPTED FROM PROVISIONS OF CLOSING ORDERS.

The sale by retail of intoxicating liquors.

The sale of refreshments for consumption on the premises.

The business carried on at a railway refreshment room.

The sale of newspapers.

The sale of tobacco and smokers' requisites.

The business carried on at a railway bookstall.

The sale of medicines and medical and surgical appliances.

Post Office business.

The amending Act of 1913 provides as follows:—

1.—(1) The provisions of section one of the Shops Act, 1912, shall not apply to shop assistants employed in any premises for the sale of refreshments, whether licensed for the sale of intoxicating liquor or not, if their employment is wholly or mainly in connection with the sale of intoxicating liquors or refreshments for consumption on the premises, and if the occupier of the premises, by such a notice as is hereinafter mentioned, signifies that he elects that instead of those provisions the following provisions shall apply:—

(a) No such assistant shall be employed for more than sixty-five hours in any week exclusive of meal times.

(b) Provision shall be made for securing to every such assistant—

(i) thirty-two whole holidays on a week day in every year, of which at least two shall be given within the currency of each month and which shall comprise

a holiday on full pay of not less than six consecutive days ;

(ii) twenty-six whole holidays on Sunday in every year, so distributed that at least one out of every three consecutive Sundays shall be a whole holiday :

Provided that two half-holidays on a week day shall be deemed equivalent to one whole holiday on a week day.

(c) Intervals for meals shall be allowed to every such assistant amounting on a half-holiday to not less than three-quarters of an hour, and on every other day to not less than two hours, and no assistant shall be employed for more than six hours without being allowed an interval of at least half an hour :

Provided that this provision shall not apply if the only persons employed as such shop assistants are members of the family of the occupier of the premises maintained by him and dwelling in his house.

(d) The occupier shall affix and constantly maintain in a conspicuous position in the premises a notice in the prescribed form referring to the provisions of this section, and stating the steps taken with a view to compliance therewith.

(2) Where the occupier of any premises has signified as aforesaid that he elects that the foregoing provisions shall apply, and any of those provisions are not complied with, the occupier of the premises shall be guilty of an offence against the Shops Act, 1912, and shall be liable to a fine not exceeding—

(a) in the case of a first offence, one pound ;

(b) in the case of a second offence, five pounds ; and

(c) in the case of a third or subsequent offence, ten pounds.

(3) For the purposes of this section, the expression "half-holiday" means a day on which the employment of an assistant ceases not later than three o'clock in the afternoon and on which he is not employed for more than six hours including meal-time.

(4) A notice under this section may be withdrawn by the occupier of the shop at the expiration of a year from the date when it was given, and thereafter at the expiration of any succeeding year, and upon any such withdrawal section one of the Shops Act, 1912, shall apply to the shop in like manner as before the notice was given.

(5) The Shops Act, 1912, as amended

by this Act, shall, in its application to any premises in respect to which a notice under this section is in force, have effect as though the definition of "shop assistant" included all persons wholly or mainly employed in any capacity at the premises in connection with the business there carried on.

A memorandum has been issued by the Home Office as to the law relating to shops, and every shopkeeper or other person interested ought to procure a copy. It can be purchased at the price of one halfpenny from Messrs. Wyman & Sons, Ltd., Fetter Lane, E.C.

SHORT BILLS. (Fr. *Billets à courte échéance*, Ger. *kurzsichtige Wechsel*, Sp. *Letras á corta fecha*, It. *Cambiali a breve scadenza*.)

These are bills, so classified and named by bankers, which have less than ten days to run; and the name is also applied to demand and sight-bills and to bills drawn for any period when within ten days of maturity.

Bills are often paid into a bank for the purpose of collection just before they become due, and it is a custom of bankers to "enter them short," that is, not to credit them at once to the customer, but to wait until they are paid.

Short bills, in the event of the bankruptcy of the banker between their deposit and maturity, do not pass to the trustee in bankruptcy under the reputed ownership clause. They are treated as goods in the hands of a factor.

SHORT-DATED BILLS. (Fr. *Billets à courte date*, Ger. *kurzsichtige Wechsel*, Sp. *Letras á corta fecha*, It. *Cambiali a breve scadenza o a breve termine*.)

Short-dated bills are those which have a short time to run from their date.

SHORT INTEREST. (Fr. *Intérêts en moins*, Ger. *Übersicherung*, *Zinsenmanko*, Sp. *Intereses de menos*, It. *Interessi in meno*.)

In marine insurance the excess of the amount for which goods are insured over the value of the goods shipped is called "short interest," and the insured may claim this amount from the underwriters.

SHORT LOANS. (Fr. *Prêts à courte date*, Ger. *kurze Darlehen*, Sp. *Préstamos á corta fecha*, It. *Prestiti a breve scadenza o per breve periodo di tempo*.)

These are advances made for short periods at a fixed rate of interest.

SHORT MONEY. (Fr. *Prêts courts*, Ger. *kurzes Darlehen*, Sp. *Préstamos cortos*, It. *Prestiti a breve termine*.)

This expression has the same meaning as short loans (*q.v.*).

SHORT OF STOCK. (Fr. *Baissier*, Ger. *Baissier*, *Tiefspekulant*, Sp. *Bajista*, It. *Giucatore di borsa al ribasso*.)

This is an American term, equivalent in meaning to the word "bear"; speculators being said to be "short of stock" when they have sold what they do not possess.

SHORT SHIPMENT. (Fr. *Pas à bord*, Ger. *nicht an Bord*, *nicht geliefert*, Sp. *No á bordo*, It. *Non a bordo*.)

These are goods said to be a short shipment when they are shut out of a ship, either accidentally or for want of room.

SHUT FOR DIVIDEND. (Fr. *Clôture pour dividende*, Ger. *für Verteilung der Dividenden geschlossen*, Sp. *Cerrado por dividendo*, It. *Chiusura per dividendo*.)

This is an expression used when the transfer books of banks and joint-stock companies are closed to permit of the dividend warrants being prepared and issued.

SIGHT BILLS. (Fr. *Billets à vue*, Ger. *Sichtwechsel*, Sp. *Letras á la vista*, It. *Cambiali a vista*.)

These are bills of exchange which are payable as soon as they are presented. No days of grace are allowed upon sight bills.

SIGHT ENTRY. (Fr. *Déclaration d'entrée*, Ger. *Interimszollschein*, Sp. *Permiso provisorio*, It. *Permesso provvisorio della dogana*.)

This expression has the same meaning as bill of sight (*q.v.*).

SIGNATORIES. (Fr. *Souscripteurs, signataires*, Ger. *Zeichner, Unterzeichner, Unterschreiber*, Sp. *Suscriptores, firmantes*, It. *Firmatori, sottoscrittori, sottoscrittori*.)

These are the persons who sign the memorandum of association and the articles of association of a limited company.

SIMPLE INTEREST. (Fr. *Intérêt simple*, Ger. *einfache Zinsen*, Sp. *Interés simple*, It. *Interesse semplice*.)

Interest is called simple when it is paid or credited to the lender as it becomes due. This immediate payment or crediting distinguishes simple interest from compound interest.

SINKING FUNDS. (Fr. *Fonds d'amortissement*, Ger. *Amortisationsfonds*, Sp. *Fondos de amortización*, It. *Fondi di ammortamento*.)

These are funds which are created by setting apart a certain proportion of the profits of a public company, or of the revenue of a Government, for the extinction of a debt or a loan, or for redeeming certain shares.

SKIPPING. (Fr. *Dépaquetage*, Ger. *Umpackung*, Sp. *Desempaquetaje*, It. *Sballare*.)

This is a Custom House term for the temporary transferring of goods from one package to another, for the purpose of taring, etc.

SLEEPING PARTNER. (Fr. *Associé commanditaire, commanditaire*, Ger. *stiller Teilhaber, Kommanditist*, Sp. *Socio comanditario*, It. *Socio accomandante*.)

A sleeping partner is one who invests his money in a business, but takes no active part in the working of the concern. Such a partner, if his name appears in the firm or if he holds himself out as a partner, is equally liable with each of the working or active partners for the debts of the firm to the whole extent of his property. But see *Partnership*.

SLIDING SCALE. (Fr. *Échelle mobile*, Ger. *gleitende Skala, Staffeltarif*, Sp. *Escala gradual*, It. *Scala mobile o di proporzione*.)

A sliding scale is a scale for fixing the rate of wages to be paid to workmen according to the rise or fall in the market value of the product of their labour. This is made clear by the following example. Suppose a workman, who is paid by a sliding scale, agrees to accept 10s. as a basis for producing a certain quantity of any commodity so long as it should fetch 30s. in the open market. If the market price rises or falls 5s., his wages are proportionately increased or reduced, according to the scale agreed upon.

SLINGING. (Fr. *Frais d'élingue*, Ger. *Schlingengeld*, Sp. *Gastos de eslingar*, It. *Spese di agganciamento*.)

This is a shipping term used in some ports, signifying a charge for putting the chains round the goods as they lie in craft alongside a ship, so that the vessel may hoist them on board. This charge is usually borne by the shipper.

SLIP. (See *Marine Insurance*.)

SLIPS. (Fr. *Cales*, Ger. *Stapel*, Sp. *Tiras*, It. *Ponte di approdo, scali di costruzione e alaggio*.)

These are platforms sloping downwards towards the water, upon which ships may be built, overhauled, or repaired.

SLUMP. (Fr. *Baisse soudaine*, Ger. *ein plötzliches Sinken der Preise*, Sp. *Baja repentina en el precio*, It. *Ribasso improvviso, diminuzione repentino nei prezzi*.)

This is the common word used to denote a heavy fall in the price of anything.

SMALL BANKRUPTCY. (See *Bankruptcy.*)

SMUGGLING. (Fr. *Contrebande*, Ger. *Schmuggelei*, Sp. *Contrabando*, It. *Contrabbando.*)

This means the fraudulent importation of dutiable goods, and the concealment of the same for the purpose of avoiding the payment of duty.

SOCIETY. (Fr. *Société*, Ger. *Gesellschaft*, Sp. *Sociedad*, It. *Società, associazione.*)

This is a combination of a number of persons for the purpose of carrying on a business undertaking.

SOFT GOODS. (Fr. *Tissus*, Ger. *Wollenwaren, Baumwollenwaren*, Sp. *Paños*, It. *Tessuti.*)

These are goods manufactured of wool or cotton, or of both.

SOLA. (Fr. *Seule*, Ger. *Sola*, Sp. *Sola*, It. *Sola, sola di cambio.*)

This is a Latin word meaning "solitary." This term, as applied to a bill of exchange, denotes that there is but one copy of the bill in circulation, as distinct from a bill which is drawn in a set of two or three.

SOLICITOR. (Fr. *Avoué*, Ger. *Anwalt*, Sp. *Procurador*, It. *Avvocato.*)

A person who is duly admitted to the King's courts by the Master of the Rolls. Formerly the term "solicitor" was applied to those members of the profession who practised in the Courts of Chancery, and "attorney" to those who practised in the Common Law Courts; but the title of attorney is no longer in use and that of solicitor is the only one recognised.

Full information as to the duties and responsibilities of a solicitor is given in Mr. Poley's valuable work on the *Law Affecting Solicitors*, from which the following summary is taken.

A person desirous of becoming a solicitor must serve an apprenticeship or clerkship under articles, which is known as service under articles. The only persons exempt from such service are barristers of five years' standing and certain colonial solicitors. Service must be with a properly qualified solicitor. It is necessary for every person, unless otherwise exempt, to pass an examination before he can be articulated, called the preliminary examination. The contract of service or articles must be in writing, and is usually signed by the parent or guardian of the clerk on his behalf and by the solicitor. The stamp duty on original articles is £80. The contract

is required to be registered, and it must be produced to the Registrar of the Law Society within six months of the date when it was made. The Registrar, on being satisfied as to its due execution, enters in a book the names and addresses of the parties, the date of the articles, and the date of the entry. The Registrar may, before making the entry, require a verification of the articles by statutory declaration or otherwise, as may be thought fit. A fee of 5s. is payable on registration. A certificate of having passed the preliminary examination, or any of the examinations exempting from it, must be produced, or satisfactory evidence that the person named in the articles is not required under the regulations for the time being in force to pass a preliminary examination. All certificates are returned with the articles. A premium is usually required by the solicitor of the clerk. This varies greatly according to the status and business of the solicitor.

Three years' service only is required of graduates in arts or laws of any of the universities of the United Kingdom (provided the degrees are not honorary), and of barristers of three years' standing. The same period only is required in the case of persons admitted and enrolled as writers to the signet or solicitors in the Supreme Court of Scotland, or members of the Faculty of Advocates. Clerks who have for ten years been *bonâ fide* engaged in a solicitor's office, on satisfying the examiners that they have faithfully, honestly, and diligently served as such, are likewise entitled to the benefit of this exemption. Service for four years is permitted to persons who have passed certain examinations, full particulars of which can be obtained from the offices of the Law Society, Chancery Lane.

The articulated clerk, unless specially permitted to do so, may not engage in any business during his articles. If his master dies, becomes bankrupt, or is otherwise disqualified before the termination of the period of service, the clerk's articles may be transferred to another solicitor. The contract of service may be determined by mutual consent.

There are three examinations to be passed by all clerks who are not exempted by reason of university or other qualifications—the preliminary, the intermediate, and the final. From the last of these there is no exemption except in the case of colonial attorneys

of seven years' standing. The examinations are held four times a year. The fees payable are £2, £3, and £5 respectively, but half these fees only are charged on a second or a subsequent examination.

On passing the final examination the clerk is entitled to be admitted as a solicitor. He must give six weeks' notice at least before the first day of the month to the Registrar in writing, stating his place of abode, and the name or names and the place or places of abode of the person or persons with whom he has served under articles. Admission is granted by the Master of the Rolls, and the stamp duty payable on such admission is £25.

Every solicitor must take out an annual certificate, otherwise he is disqualified from practising. During the first three years the fee payable is £4 10s. for London and £3 for the country. Afterwards the yearly fee is £9 for every solicitor practising within ten miles of the General Post Office, and £6 for every country solicitor.

The High Court exercises a controlling influence over solicitors, as they are officers of the court. This jurisdiction is exercised in a summary manner by equitable or punitive orders, disobedience to which renders a solicitor liable to attachment. Thus, orders may be made enforcing the delivery up of documents to a client, the payment of money in accordance with an undertaking, and the delivery of a bill of costs.

Where a solicitor is guilty of professional misconduct an application may be made to the statutory committee of the Law Society by affidavit, and the committee will hear and investigate the charges brought against the solicitor. They have full power either to dismiss the charge or to report for or against the solicitor. The report is then brought before a Divisional Court of the High Court of Justice, and the judges may punish the solicitor by striking his name off the rolls, or by awarding a lesser punishment. On a conviction for felony the solicitor may be struck off the rolls on the production of the certificate of conviction. No inquiry in this case is held by the statutory committee.

As a body, solicitors are of the greatest use in advising the public as to their legal position and rights. It would not be possible for a layman to know how to act in cases of difficulty, unless he could obtain the opinion of a man who has made it his business for years to

study the laws of the country. In many instances solicitors are accomplished men of the world as well as sagacious counsellors, and their judgment can be safely relied upon. They are bound to preserve their clients' secrets, and an action will lie for the divulgement of them. They are liable for acts of negligence, but the standard by which it is measured is determined by the answer to the question: "Has the solicitor exercised the skill, diligence, or care that would reasonably be expected of a man in his own profession?" Whether an action will lie is very often a matter requiring careful judgment, and it is advisable if such is contemplated to take the opinion of counsel before commencing proceedings.

Solicitors are generally liable in contentious matters for the consequences of ignorance or non-observance of the rules of practice of the courts, for want of care in the preparation of the cause for trial, or in attendance thereon with witnesses, and for the mismanagement of so much of the conduct of the case as is usually and ordinarily allotted to their department of the profession. But, on the other hand, a solicitor is not answerable for error of judgment upon points of new occurrence, or of nice and doubtful construction, or of such as are usually entrusted to men in the higher branches of the law. He would be liable for not communicating a compromise offered to his client.

In general, he has an implied authority in matters of litigation to do all necessary things, but not to incur unusual expenses, such as paying special fees to counsel, employing shorthand writers during the trial of an action, or taking expensive journeys without first obtaining the authority of his client.

In non-litigious matters he is liable for not investigating the title to property when employed to do so, for failing to make necessary searches, and for omitting to give notices of equitable assignments. When employed to invest money on a particular mortgage, if he selects the mortgage himself he may be liable for negligence if the security is insufficient, and he has not had the property valued. He is also bound to obey all lawful instructions.

When a solicitor is employed his employment is called a "retainer," which may be either verbal or in writing. The retainer constitutes the relationship of solicitor and client. The solicitor can throw up the retainer for a reasonable

cause, but he must give a reasonable notice to the client. He cannot throw it up in an action on the eve of the trial. He is entitled to call on his client to provide him with funds for counsel's fees, witnesses, jury fees, stamps, etc., and he is bound to account to his client for all moneys he has received on his behalf.

A client may make an agreement with his solicitor for conveyancing as well as for litigious work, but in order to bind the client the agreement must be in writing, and signed by the client or by his agent on his behalf. The agreement must be reasonable. There is a difference in the agreements as to non-litigious and litigious work. In respect of the former the solicitor must sue if he wishes to recover, but the latter may be enforced by the order of the court. If there is no agreement, the solicitor must deliver his bill of costs before he can commence an action, and, unless the client is about to leave the country, a month must elapse between the delivery of the bill and the commencement of the action. The bill can be taxed either by the solicitor or by the client, but it cannot be taxed a year after its delivery by the client unless special circumstances are shown. What are the special circumstances which will enable the bill to be taxed after the year are determined by the judge or the master before whom the matter comes. Besides the client parties who are liable to pay the bill, such as mortgagees or lessees who have undertaken to pay the mortgagors' or lessors' costs, can obtain taxation, and so also can *cestuis que trustent*. After the bill has been paid taxation can only be obtained on special circumstances being shown, but no taxation can be had more than a year after payment.

The solicitor is remunerated for his work by the charges that he makes, which usually consist of items for the attendances of himself and his clerks. But largely in conveyancing matters he is remunerated under the Solicitors' Remuneration Act, where a scale is provided based on the price paid for the property by the purchaser, or the amount lent by a mortgagee, or the rent reserved by a lessor. If the business does not fall within the class of cases to which the scale applies, the solicitor charges in the usual way.

In addition to the bill which the solicitor delivers, he is bound to supply a cash account showing the amount he has received from his client. It is often a question as to whether items

should be placed in the bill of costs or in the cash account, and the matter becomes of importance if the client is thinking of taxing the bill, for if an important item can be removed from the bill to the cash account, the bill may be reduced by one-sixth, which will throw the cost of the taxation on the solicitor. Thus, if the solicitor finds the amount that is paid to the revenue for estate duty, he must not include it in his bill, but place it in the cash account. Fees paid to counsel, even though the client finds the money, fees to witnesses, and jury and court fees are properly included in the bill.

The relationship of counsel and solicitor is one that requires consideration. If litigation is proceeding counsel must be instructed by the client through a solicitor, and the services of counsel are rewarded by an honorarium proportioned to the amount of money which is at stake, or to the importance of the issue. There is no legal liability imposed upon counsel either to the solicitor or to the lay client for negligence or non-attendance on a case; but if he is unable to attend personally he either returns the brief or provides a substitute. In important cases two counsel are usually briefed, a King's counsel, or leader, and a junior barrister. The junior draws the pleadings and prepares the case, but the conduct of it at the trial mainly falls to the leader, who opens, cross-examines the principal witnesses, and replies. The fees payable are regulated by etiquette, the junior requiring two-thirds of the fees paid to the leader.

Counsel are entitled to demand their fees when the brief is delivered, and respectable firms of solicitors usually make a point of delivering cheques at the same time that they deliver their briefs, especially when they are not personally known to the counsel they are employing. Counsel cannot sue for their fees, but if the client has paid the solicitor, and the solicitor fails to pay the fees to counsel, the solicitor is guilty of professional misconduct, which will render him liable to be suspended from practice, or in extreme cases to be struck off the rolls.

A solicitor has a lien or a right to retain his client's papers and documents until his bill of costs has been paid; in fact he may use his lien as a weapon to enforce payment by embarrassing his client. He also has a right in some cases of actively enforcing his lien. There are

two kinds of lien at common law, the retaining or passive lien, so called because the solicitor cannot actively enforce it, and the charging lien, which can be actively enforced. In addition, there is a right of lien which has been conferred by statute, and which is known as the statutory lien or charging order. This is better known and more commonly used than the charging lien, though there are many cases in which the former must be used if the solicitor desires the protection of the court. A large number of decisions have defined the nature and the extent of these various liens.

The statutory lien, or charging order, is obtained by a solicitor upon property recovered or preserved by his exertions, and he is entitled to apply to the court for an order charging the property recovered or preserved with the amount of his costs, and, if necessary, to apply to have his costs, charges, and expenses raised out of the property, whatever its nature, tenure, and kind may be. The right to this lien may be barred by failure to make an application for six years. In this respect it differs from the charging lien, which is not subject to the provisions of the Statute of Limitations. The charging order can be made on the interests of others than the actual client, where a benefit has accrued to them through the solicitor's exertions. It is treated on the principle of salvage. All conveyances and acts done to defeat the solicitor's right to a charge are void and of no effect against the charge, unless made to a *bonâ fide* purchaser for value without notice.

A solicitor is under certain disabilities in his relationship with his client. He cannot accept a substantial gift from his client beyond his fee. If he does so the client, or the client's executors if the client is dead, can obtain it back from the solicitor. To make such a gift irrevocable there must be a fixed, deliberate, and unbiassed determination that the transaction shall not be impeached after the influence arising from the existence of the retainer has ceased to exist. But the rule as to gifts does not apply to mere trifling things. Where the benefits derived by the solicitor are small, the court will not interfere to set the gifts aside upon the mere fact of the existence of the relationship of solicitor and client, and the absence of proof of competent and independent advice. There must be proof of *mala fides*, or of an undue or unfair exercise

of influence. The rule as to rendering gifts invalid during the existence of the relationship of solicitor and client applies not merely to gifts made to the solicitor himself, but also to gifts made by the client to the solicitor's wife and children.

A solicitor may not take an unfair advantage of his client in the capacity of vendor, purchaser, or mortgagee, nor may he take a secret commission. In the case of purchases from a client, if the propriety of the transaction is questioned the solicitor must show that he has given all that reasonable advice to his client against himself which he would have given against a third person.

SOLVENCY. (Fr. *Solvabilité*, Ger. *Zahlungsfähigkeit*, Sp. *Solvencia*, It. *Solvibilità*.)

This is the state of a person who is in a position to pay the whole of his debts in full.

SOLVENT. (Fr. *Solvable*, Ger. *solvent*, *zahlungsfähig*, Sp. *Solvente*, It. *Solvibile*, *solvente*.)

A merchant or other person is said to be solvent when he is able to pay the whole of his debts in full.

SOU. (Fr., Ger., and Sp., *Sou*, It. *Soldo*.)

This is a French bronze coin, the twentieth part of a franc, equal in value to about one halfpenny.

SOVEREIGN. (Fr. *Souverain*, Ger. *Sovereign*, Sp. *Soberano* (*moneda inglesa*), *libra*, It. *Sovrana*, *lira sterlina*.)

The sovereign is the standard British gold coin, which is worth £1 sterling, and equal to about 25.22 francs, 20.4 Reichsmarken, and 25.22 pesetas.

SPECIAL COMMERCE. (Fr. *Commerce spécial*, Ger. *Spezialhandel*, Sp. *Comercio especial*, It. *Commercio o traffico speciale*.)

This includes only the imports which are intended for home consumption, and the exports which are for the most part produced in the exporting country.

SPECIAL INDORSEMENT. (Fr. *Endos spécial*, Ger. *ausgefülltes Giro*, Sp. *Endoso especial*, It. *Girata speciale*.)

A special indorsement is an indorsement upon a bill of exchange or other document stating the name of the person to whom the bill, etc., has been transferred.

A bill of exchange when specially indorsed is payable to the indorsee therein designated, and can only be negotiated by his indorsement. If a special indorsement follows an indorsement in blank, the former controls the effect of the latter.

SPECIAL SETTLEMENT. (Fr. *Jour de liquidation spéciale*, Ger. *besonderer Abrechnungstag*, Sp. *Día de liquidación especial*, It. *Giorno di liquidazione speciale*.)

It is the custom on the Stock Exchange, when a stock is first admitted to a quotation, for the committee to fix a day upon which the first settlement of all prior dealings with the stock are to be made. This is called the "special settlement" day.

SPECIE. (Fr. *Espèces*, Ger. *Metallgeld*, Sp. *Especias*, *numerario*, It. *Numerario*, *moneta metallica*.)

This word means something in its own form and essence. The name is generally applied to gold and silver coin in contradistinction to bills and notes.

SPECIE PAYMENTS. (Fr. *Paiements en espèces*, Ger. *Zahlungen in barem Geld*, Sp. *Pagos en moneda sonante*, It. *Pagamenti in moneta metallica*.)

Payments in coin or bullion as distinguished from payments made in an inconvertible paper currency.

SPECIE POINT. (Fr. *Point d'exportation en numéraire*, Ger. *Metallpunkt*, Sp. *Cotización metálica*, It. *Punto d'esportazione in numerario*, *quotazione metallica*.)

This signifies the price above the par of exchange at which it is cheaper to transmit bullion than to buy bills. For example, the mint par of exchange between London and Paris is 25.225. When the French exchange rises to 25.10 it is cheaper to send gold from England to France; but when the exchange falls to 25.35 it is cheaper to ship gold from France to England.

SPECIFICATION. (Fr. *Spécification*, *devis*, Ger. *Spezifikation*, *Einzelaußführung*, Sp. *Especificación*, It. *Specificazione*, *distinta*.)

A specification is a detailed account of anything. In a commercial sense it means full particulars of certain goods required, or work to be performed, as supplied to contractors or others, so that they may estimate the cost of the same, or as supplied by contractors, stating fully the terms upon which they are willing to supply the goods or do the work.

SPECULATION. (Fr. *Spéculation*, Ger. *Spekulation*, Sp. *Especulación*, It. *Speculazione*.)

This is a commercial term of rather wide signification, and means primarily the expenditure of capital with a view to profit. In this sense the establishment of any new business is a speculation.

In a more restricted sense it conveys the idea of hazard and risk, and is generally understood to signify the purchase of stocks, shares, or commodities with the intention of re-selling the same, and so to make a large profit in a short time. It also indicates the risking of a small sum in the anticipation of realising a large return.

SPEDITION. (Fr. *Expédition*, Ger. *Spedition*, Sp. *Expedición*, It. *Spedizione*.)

This is another word used to express forwarding.

SPITS. (Fr. *Broches*, Ger. *Untersuchungseisen*, Sp. *Agujas*, It. *Spiedi*, *stili*.)

These are articles used by officers of customs for the purpose of examining goods in rolls, bales, etc., to see that no dutiable articles are concealed in them. Some are made of wood, like a paper knife, others are long, pointed pieces of wire or steel, so as easily to be inserted into the article to be examined.

SPOT. (Fr. *Sur place*, Ger. *Lokoware*, Sp. *En plaza*, It. *Sul posto*, *sul luogo*.)

This means that goods are on the spot ready for delivery.

SPREAD. (Fr. *Double privilège*, Ger. *Stellagegeschäft*, Sp. *Doble privilegio*, It. *Doppio privilegio*.)

This is the American term for a "put and call," when the price at which the stock can be "put" is higher or lower than the price at which it can be called, or *vice versa*.

STAG. (Fr. *Loup*, Ger. *Schleppspekulant*, Sp. *Corredor zurupeto que compra y vende sin ser autorizado*, It. *Volpone*, *persona scaltra e disonesta*.)

This is an expression used on the Stock Exchange to signify a person who applies for shares in any new company with the sole object of selling them as soon as a premium is obtainable, and never intending to hold or even fully subscribe for the shares. Another name for a stag is "premium hunter."

STALE CHEQUE. (Fr. *Vieux chèque*, Ger. *alter Check*, Sp. *Cheque caducado*, It. *Cheque vecchio o scaduto*.)

A stale cheque is one which has remained unpaid for a considerable time, either through delay in presentation, or from any other cause. Generally, a banker will refuse to honour a cheque which is six months old.

A person who takes a stale cheque does so at his own risk. For example, if the holder of a cheque does not present it within a reasonable time (when it would have been paid), and the banker becomes bankrupt, the drawer is

discharged, but the holder is able to prove against the banker's estate for the amount of the cheque in the place of the drawer.

STAMP DUTIES. (Fr. *Droits de timbre*, Ger. *Stempelsteuer*, Sp. *Derechos de timbre*, It. *Diritti di bollo*.)

These are taxes imposed upon the parchment or paper on which many legal documents are written. An unstamped document has no legal force, but in most cases (excepting bills of exchange, bills of lading, marine policies executed in the United Kingdom, proxies, and voting papers) instruments requiring stamps may be stamped subsequently to execution on payment of the proper stamp duty and a certain additional sum by way of penalty. Several of these are liable to fluctuation from year to year, and therefore the Finance Act of the year should be consulted for greater accuracy.

An agreement, or memorandum of agreement, under hand, must be stamped within fourteen days, and a deed within thirty days, of the date of execution of the instrument.

In most cases an impressed stamp is required, but an adhesive stamp may be used in the following:—

Agreements liable to a duty of 6d.

Bills of exchange payable on demand.

Certified copies of or extracts from registers of births, etc.

Charter-parties.

Contract notes where the amount is less than £100.

Leases of dwelling-houses, or parts thereof, furnished or unfurnished, for any definite period not exceeding a year, where the rent is not more than £25 for a furnished, and £10 for an unfurnished, house.

Letters of renunciation.

Notarial acts.

Policies of fire insurance.

Protests of bills of exchange.

Proxies, where the duty is 1d.

Receipts.

Voting papers.

Warrants for goods.

The following is a list of the principal stamp duties:—

	£	s.	d.
<i>Affidavit</i> , or statutory declaration	0	2	6
<i>Agreement</i> , or memorandum of agreement, under hand, not otherwise charged	0	0	6
<i>Agreement</i> for lease of a furnished house for less than a year, the rent not exceeding £25	0	2	6

(Agreement for lease, other than the above, same as lease.)

<i>Appointment</i> of new trustee	0	10	0
<i>Appraisal</i> or valuation of any estate or effects where the amount of the appraisal does not exceed £5	0	0	3
Not exceeding £10	0	0	6
Ditto £20	0	1	0
Ditto £30	0	1	6
Ditto £40	0	2	0
Ditto £50	0	2	6
Ditto £100	0	5	0
Ditto £200	0	10	0
Ditto £500	0	15	0
Exceeding £500	1	0	0
<i>Apprenticeship</i> indentures	0	2	6
<i>Arms</i> , Grant of	10	0	0
<i>Articles of Clerkship</i> to solicitor:—			
In England or Ireland	80	0	0
In Scotland	60	0	0
<i>Award</i>	0	10	0

This duty was fixed by the Revenue Act, 1906. Prior to that date there had been *ad valorem* duties imposed, varying from 3d. for Awards where the amount did not exceed £5 to £1 15s. 0d. where the amount exceeded £1,000.

<i>Bill of Lading</i>	0	0	6
<i>Bills of Exchange</i> (inland bills)—			
When payable on demand (or within three days after date or sight), for any amount, or when the amount does not exceed £5	0	0	1
Exceeding £5, and not exceeding £10	0	0	2
Ditto £10, Ditto £25	0	0	3
Ditto £25, Ditto £50	0	0	6
Ditto £50, Ditto £75	0	0	9
Ditto £75, Ditto £100	0	1	0

When the amount exceeds £100, 1s. for the first £100, and an additional 1s. for every fractional part of £100.

Foreign bills of exchange drawn out of the United Kingdom, but payable in the United Kingdom, are stamped in the same manner as inland bills. Foreign bills of exchange drawn and expressed to be payable out of the United Kingdom, but indorsed, negotiated, or actually paid within the United Kingdom, are stamped as inland bills when they do not exceed £50.

Exceeding £50, and not exceeding £100 £ s. d.
0 0 6

Exceeding £100, for every £100 or any part thereof 0 0 6

Special adhesive stamps are required for foreign bills.

Promissory notes are stamped in the same manner as bills of exchange, but the duty is always *ad valorem*.

Bonds.—For securing an annuity, where the payments are for the term of life, or other indefinite period, for every £5, and every fractional part of £5 payable.

(a) If as primary security. 0 2 6

(b) If as collateral security. 0 0 6

For securing an annuity where the total amount is ascertainable, or for the payment of money, same as mortgage.

For customs or excise duties, same as mortgage bond, but not to exceed 5s.

For other duties, not specifically charged (including fidelity bonds), same as mortgage bond, but not to exceed 10s.

On obtaining letters of administration (where the amount exceeds £100) 0 5 0

Capital Duty (Share)—

Companies and corporations with limited liability, on every £100 of nominal capital 0 5 0

Capital Duty (Loan)—

Issues by local authorities, companies, and corporations, on every £100 secured 0 2 6

But a revision of 2s. in the £ is now made if the capital is applied in the conversion of an existing loan.

Cards (playing), for every pack 0 0 3

Certificate of birth, baptism, marriage, death, or burial 0 0 1

Charter-party 0 0 6

Cheque 0 0 1

Collateral Security, for each £100 0 0 6

Contract note 0 0 6

Exceeding £100, but not exceeding £500 0 1 0

Ditto £500, ditto £1,000 0 2 0

Ditto £1,000, ditto £1,500 0 3 0

Ditto £1,500, ditto £2,500 0 4 0

Ditto £2,500, ditto £5,000 0 6 0

Ditto £5,000, ditto £7,500 0 8 0

Ditto £7,500, ditto £10,000 0 10 0

Exceeding £10,000, but not exceeding £12,500 £ s. d.
0 12 0

Ditto £12,500, ditto £15,000 0 14 0

Ditto £15,000, ditto £17,500 0 16 0

Ditto £17,500, ditto £20,000 0 18 0

Ditto £20,000 1 0 0

Continuation notes are charged on one only of the two transactions embraced. Option contract notes are charged with half the above rates only, unless the option is a double one. Contract notes following duly stamped option contracts are relieved from half the duty.

Contract or grant for payment of a superannuation annuity; for every £5 or fractional part of £5 0 0 6

Conveyance or transfer—

Bank of England stock 0 7 9

Colonial debenture stock or funded debt, for every £100 or fractional part of £100, of nominal value transferred 0 2 6

Property, other than such stock—

Where the purchase money does not exceed £5 0 1 0

Exceeding £5, and not exceeding £10 0 2 0

Ditto £10, Ditto £15 0 3 9

Ditto £15, Ditto £20 0 4 0

Ditto £20, Ditto £25 0 5 0

For every additional £25 up to £300 0 5 0

For every £50, if exceeding £300 0 10 0

Not otherwise charged 0 10 0

N.B.—In cases where the consideration does not exceed £500 and the instrument contains a certificate as required by the Finance (1909-10) Act, 1910, sec. 73, that the transaction does not form part of a larger transaction or of a series of transactions in respect of which the consideration exceeds £500, duty is charged at half the above rates.

Conveyances by way of gift *inter vivos* are charged as conveyances on sale. Exceptions for marriage settlements, and certain gifts of property for preservation of open spaces, and for conveyances to appoint new trustees, etc.

	£	s.	d.		£	s.	d.
<i>Copy or extract</i> (attested or authenticated), the same duty as the original, but not to exceed	0	1	0	Licence not otherwise charged	2	0	0
<i>Copyhold and Customary Estates</i> —				<i>Duplicate or Counterpart</i> —			
If on sale, mortgage, or demise, the <i>ad valorem</i> duties under Conveyance, Mortgage, or Lease. Upon any other occasion—Surrender or grant made out of court, or the memorandum thereof, and Copy of court-roll of any surrender or grant made in court	0	10	0	Same duty as original, but not to exceed	0	5	0
<i>Corporate and Unincorporate Bodies</i> —				<i>Equitable Mortgages</i> —			
Upon the <i>net</i> annual value, income, or profits accrued in respect of all real or personal property vested in such bodies per cent.	5	0	0	For each £100 secured, or part thereof	0	1	0
(Subject to certain exceptions laid down in the Customs and Inland Revenue Act, 1885.)				<i>Hire-Purchase Agreements</i> —			
<i>Covenant</i> —				Under hand	0	0	6
For repayment of money. (See <i>Mortgage</i> .)				By deed	0	10	0
For original creation and sale of any annuity. (See <i>Conveyance</i> .)				<i>Insurance Policies (Life)</i> —			
For an annuity (except on original creation and sale) or other periodical payments. (See <i>Bond</i> .)				For any sum not exceeding £10	0	0	1
Separate Deed of, made on occasion of sale or mortgage, but not being an instrument chargeable with <i>ad valorem</i> duty as a Conveyance or Mortgage; same duty as a Conveyance on Sale, or a Mortgage, but not to exceed	0	10	0	Exceeding £10, and not exceeding £25	0	0	3
<i>Declaration</i> .—(See <i>Affidavit</i> .)				Exceeding £25, and not exceeding £500, for every £50 or fractional part thereof	0	0	6
<i>Declaration of Trust</i> , not being a Will or Settlement	0	10	0	Exceeding £500, and not exceeding £1,000, for every £100 or fractional part thereof	0	1	0
<i>Deed</i> of any kind not charged under some special head	0	10	0	Exceeding £1,000, for every £1,000, or any fractional part thereof	0	10	0
<i>Demise</i> .—(See <i>Lease</i> .)				Accidental death, or personal injury, or periodical payments during sickness	0	0	1
<i>Deputation</i> or Appointment of a Gamekeeper.	0	10	0	Loss or damage to property	0	0	1
<i>Ecclesiastical Licences</i> —				Indemnity against loss under the Employers' Liability Act, or the Workmen's Compensation Act—			
To hold the office of lecturer, etc.	0	10	0	Where the annual premium does not exceed £2	0	0	1
For licensing a building for divine service, etc., and any chapel for solemnising marriages	1	10	0	Where the annual premium exceeds £2 :			
				If by agreement under hand	0	0	6
				If by deed	0	10	0
				<i>Marine</i> —			
				Where the premium does not exceed 2s. 6d. per cent. of the sum insured	0	0	1
				Where the premium exceeds 2s. 6d. per cent. :			
				For every £100, or fractional part thereof, insured upon any voyage	0	0	1
				In time policies, for every sum of £100, or fractional part thereof—			
				If the time does not exceed six months	0	0	3
				If the time does exceed six months, but does not exceed twelve months	0	0	6
				If there is a continuation clause, extending the time for thirty days beyond the twelve months, an additional duty of	0	0	6

<i>Leases—</i>	£	s.	d.
A dwelling-house or a part thereof, for a definite period not exceeding one year, the rent not exceeding £10 per annum	0	0	1
A furnished dwelling-house,			

or apartments in the same, for a definite period less than a year, the rent for the term not exceeding £25 per annum 0 5 0

Lands or tenements at the following rents, and for the periods stated—

<i>Exceeding.</i>	<i>Not Exceeding.</i>	<i>Up to 35 years.</i>	<i>35 years to 100 years.</i>	<i>Over 100 years.</i>
		£	s.	d.
	£5	0	1	0
£5	£10	0	2	0
£10	£15	0	3	0
£15	£20	0	4	0
£20	£25	0	5	0
£25	£50	0	10	0
£50	£75	0	15	0
£75	£100	1	0	0
£100 (for each £50, or fractional part of £50)		0	10	0

£	s.	d.	£	s.	d.
0	6	0	0	12	0
0	12	0	1	4	0
0	18	0	1	16	0
1	4	0	2	8	0
1	10	0	3	0	0
3	0	0	6	0	0
4	10	0	9	0	0
6	0	0	12	0	0
3	0	0	6	0	0

An agreement for a lease not exceeding 35 years is stamped the same as an actual lease. £ s. d.

Letters of Allotment and Renunciation—

Less than £5	0	0	1
£5 and upwards	0	0	6

Letters Patent (Grant of honours or dignities)—

Duke	350	0	0
Marquis	300	0	0
Earl	250	0	0
Viscount	200	0	0
Baron	150	0	0
Precedence	100	0	0
Baronet	100	0	0

Congé d'élire to elect—

Archbishop or bishop	30	0	0
Any other honour	30	0	0
Change of name or arms (if done in accordance with the terms of a will)	50	0	0
Change of name or arms upon a voluntary application	10	0	0

Letters Patent, for inventions—

Application for provisional protection	1	0	0
Filing complete specification	3	0	0
On the notice of a desire to have the patent sealed	1	0	0

The duration of a patent may extend up to fourteen years, but this duration depends upon the payment of certain fees each year, otherwise the patent lapses at the end of the fourth year. The payment in respect of each year must be made before

the commencement of the year as follows:— £ s. d.

For the 5th year	5	0	0
„ 6th „	6	0	0
„ 7th „	7	0	0
„ 8th „	8	0	0
„ 9th „	9	0	0
„ 10th „	10	0	0
„ 11th „	11	0	0
For the 12th Year	12	0	0
„ 13th „	13	0	0
„ 14th „	14	0	0

These fees are subject to revision, and are exclusive of certain other small charges.

Marriage Licence—

Special	5	0	0
Other	0	10	0

Mortgages—

Not Exceeding £10	0	0	3
Ditto £25	0	0	8
Ditto £50	0	1	3
Ditto £100	0	2	6
Ditto £150	0	3	9
Ditto £200	0	5	0
Ditto £250	0	6	3
Ditto £300	0	7	6

Exceeding £300, for every £100 and fractional part thereof 0 2 6

Transfer of mortgage, per £100 0 0 6

Reconveyance, release, per £100 0 0 6

Passport 0 0 6

Power of Attorney—

To receive prize-money or wages 0 1 0

For sale, transfer, or acceptance of any of the Government funds not exceeding £100, nominal amount 0 2 6

	£	s.	d.
In any other case	0	10	0
For receipt of dividends or interest of any stock, for one payment	0	1	0
In any other case	0	5	0
To vote at a meeting	0	0	1
Any other kind of power of attorney	0	10	0
<i>Promissory Note.</i> (See Bill of Exchange.)			
<i>Protest of bill of exchange</i> —			
The same duty as the bill itself, but not to exceed	0	1	0
<i>Receipts</i> for £2 and upwards	0	0	1
<i>Scrip Certificate</i>	0	0	1
<i>Securities</i> (transferable by delivery)—			
(1) Colonial Government securities, and other securities dated between June 3, 1862, and August 7, 1885, of which the interest is payable in the United Kingdom, same as mortgage.			
(2) Other securities, for every £10 or fractional part of £10	0	1	0
(3) Foreign share certificates, for every £25 or fractional part of £25	0	0	3
<i>Settlements</i> —			
Any deed whereby a definite sum or share is settled upon or for the benefit of a person, for every £100 or fractional part of £100	0	5	0
<i>Share Warrant</i> , or stock certificate to bearer—			
(1) Any company in the United Kingdom, on issue, on the nominal value, per cent.	1	10	0
(2) Any foreign or colonial company on first delivery in the United Kingdom, for every £10 or fractional part of £10	0	1	0
<i>Voting Paper or Proxy</i>	0	0	1
Where a proxy is a general one, that is, where it gives the right to vote at more than one meeting, or the adjournment thereof, or at meetings generally, the duty is 10s.			
<i>Warrant for goods</i>	0	0	3
If any of the documents for which stamps are needed to make them legally binding are spoiled before execution, and the stamps consequently wasted, an allowance will be made for the spoiled stamps if an application is sent in to Somerset House within two years from the time of the spoiling of the document.			

The following are the penalties usually enforced in cases of failure to stamp documents at the proper time:—

	£	s.	d.
Agreements under hand, after the expiration of 14 days	10	0	0
Charter-parties, within 7 days from their first execution	0	4	6
Charter-parties, after 7 days but within a month	10	0	0
Receipts within 14 days after they have been given	5	0	0
Receipts, after 14 days but within a month	10	0	0

(N.B.—After a month, receipts cannot be stamped under any circumstances.)

Other instruments (except those which cannot be stamped after execution) 10 0 0

STAMP NOTE. (Fr. *Permis d'embarquement*, Ger. *Zollschein*, Sp. *Permiso de cargar*, It. *Permesso o bolletta d'imbarco del carico*.)

This is a certificate from a Custom House official, giving permission for goods to be loaded on board ship.

STANDARD. (Fr. *Type, valeur*, Ger. *Norm*, Sp. *Tipo, norma*, It. *Tipo*.)

A standard is a fixed point of value, quantity, or quality. British standard money is gold, the rest of the coinage being token money, and the cost of coining gold is a charge upon the revenue. Silver token money is issued at a nominal value of about 5s. 6d. per ounce, 66 shillings being coined out of one troy lb. of silver, whereas the market value of silver is less than one-half this sum. The gain to the exchequer is called seigniorage. The similar profit of the French mint is known as *retenue*.

STANDARD GOLD. (Fr. *Or au titre*, Ger. *Münzgold*, Sp. *Oro de grado fino*, It. *Oro al titolo legale*.)

This is the gold from which our coins are made, and contains 22 parts of pure gold and 2 parts of copper melted together.

STANDARD MARK. (Fr. *Titre*, Ger. *Feingehaltsstempel*, Sp. *Marco, tipo*, It. *Marca o bollo del titolo legale*.)

(See *Gold and Silver*.)

STANDARD SILVER. (Fr. *Argent au titre*, Ger. *Münzsilber*, Sp. *Plata de grado fino*, It. *Argento al titolo legale*.)

This is the silver from which our coins are made and contains $\frac{37}{100}$ ths of pure silver and $\frac{3}{100}$ ths of copper melted together.

STAPLE. (Fr. *Produit principal*, Ger. *Stapelartikel*, Sp. *Producto principal*, It. *Articolo o prodotto principale*.)

Properly, this is a public mart, to

which merchants are obliged to bring their goods for sale. Formerly in England merchants were obliged to carry their goods and expose them for sale by wholesale at certain places. Each of these had a court of the mayor of the staple for deciding differences, according to the law. Afterwards the word "staple" was applied to the merchandise itself which was sold at these places. At present the term is frequently used to designate the principal products or manufactures of a country or town.

STAPLE TRADE. (Fr. *Produit principal*, Ger. *Stapelhandel*, Sp. *Producto principal*, It. *Commercio o traffico dei prodotti principali di un paese.*)

The staple trade of a place or country means the chief articles which are produced or manufactured there.

STARBOARD. (Fr. *Tribord*, Ger. *Steuerbord*, Sp. *Estibor*, It. *Tribordo.*)

Literally, this means the steering side of a vessel, or the right-hand side of a ship looking towards the bow.

STATEMENT OF ACCOUNTS. (Fr. *Relevé de compte*, Ger. *Rechnungsauszug*, Sp. *Estado de cuenta*, It. *Resoconti periodici*, *speechietto dei conti.*)

These are accounts rendered periodically, showing the amounts due by one person or firm to another. Generally such statements contain the dates and amounts of all the invoices sent in since the last settlement.

STATION. (Fr. *Station*, *entrepôt*, Ger. *Station*, Sp. *Estación*, It. *Stazione.*)

The word "station" in Custom House documents means a warehouse or a group of warehouses.

STATISTICS. (Fr. *Statistique*, Ger. *Statistiken*, Sp. *Estadísticas*, It. *Statistiche.*)

Collections of facts and figures relating to the state of trade or to the conditions of a people or class.

STATUTE. (Fr. *Statut*, *loi*, Ger. *Gesetz*, *Statut*, Sp. *Estatuto*, *reglamento*, It. *Statute.*)

This is a law of the Government of a state; an Act of Parliament.

STATUTE OF FRAUDS. (See *Frauds*, *Statute of.*)

STATUTE OF LIMITATIONS. (See *Limitations*, *Statute of.*)

STATUTORY DECLARATION. (Fr. *Déclaration sur parole au lieu de serment*, Ger. *Erklärung auf Ehrenwort an Eidesstatt*, Sp. *Declaración sobre palabra en lugar de juramento*, It. *Dichiarazione sulla parola invece del giuramento.*)

This is the name given to a declaration in writing, made in accordance with

the Statutory Declarations Act, 1835, by which a person solemnly declares that he verifies some circumstance or fact. If the statement is false to the knowledge of the deponent, the offence may be punished as though it was a case of perjury.

STATUTORY MEETING. (See *Company.*)

STEERAGE. (Fr. *Entrepont*, Ger. *Zwischendeck*, Sp. *Antecámara*, It. *Corsia timoniera.*)

This is an apartment in the fore part of a ship where the passengers of the lower class are placed.

STEM. (Fr. *Charger du charbon*, Ger. *mit Kohlen beladen*, Sp. *Cargar de carbón*, It. *Caricare carbone sopra una nave.*)

To stem a vessel means to load her, or arrange to load her, with coals, within a certain time.

STERLING. (Fr. *Sterling*, Ger. *Sterling*, Sp. *Esterlina*, It. *Sterlina.*)

Once the name of a penny, it is now the term used to designate English money as distinct from the money of other nations.

STERLING BONDS. (Fr. *Obligations en sterling*, Ger. *Sterlingobligationen*, Sp. *Obligaciones en esterlina*, It. *Obbligazioni pagabili in sterline.*)

Sterling bonds are the bonds of certain American railroad companies which have been issued in the United Kingdom and are payable in English currency, and not in that of the United States.

STET. (Fr. *Bon*, Ger. *stehen lassen!* Sp. *Vale*, It. *Vale, stia.*)

This is a Latin term, meaning "let it stand." When an entry or figure has been crossed out by mistake, the word "stet" indicates that it should remain as it was originally written.

STEVEDORES. (Fr. *Arrimeurs*, Ger. *Stauer*, Sp. *Estivadores*, It. *Stivatori.*)

These are persons whose occupation it is to land or store cargo on board ships.

STEWARD. This word means:—

1. (Fr. *Commis aux vivres*, Ger. *Steward*, *Aufwärter*, Sp. *Despensero*, It. *Dispensiere*, *econome.*)

The manager of the provision department on board ship.

2. (Fr. *Intendant*, Ger. *Verwalter*, Sp. *Administrador*, *mazordomo*, It. *Intendente*, *amministratore.*)

The person who has charge of an estate as representing the owner.

STIFFENING ORDER. (Fr. *Permis de lester*, Ger. *Ballastorder*, Sp. *Permiso de poner lastre*, It. *Permesso di caricar merci per zavorra.*)

This is a permission granted by the Custom House authorities for a ship to take in ballast or heavy cargo, previous to her being finally unloaded.

STIPEND. (Fr. *Salaire*, Ger. *Besoldung*, Sp. *Salario*, It. *Stipendio*.)

This is another name for salary; literally, one weighed out or paid for services.

STOCK. This term means:—

1. (Fr. *Dette publique*, Ger. *Staatspapiere*, Sp. *Deuda pública*, It. *Debito pubblico*.)

The national debt of any country.

2. (Fr. *Marchandises en magasin*, Ger. *Vorrat*, Sp. *Existencias*, It. *Merci in magazzino*.)

An accumulation of goods which remain unsold.

3. (Fr. *Capital*, Ger. *Kapital*, Sp. *Capital*, It. *Capitale, valori*.)

The capital raised by a public company, and dealt with in a particular fashion. The chief distinctions between stock and shares are:—

(a) Shares need not necessarily be fully paid up, but the amount of stock must be.

(b) Shares can only be transferred in their entirety; stock may be divided and transferred either in stated multiples or in any required amounts.

(c) Each share is distinguished by a particular number, a requirement which does not apply to stock.

A company limited by shares may modify the conditions of its memorandum of association and convert its paid-up shares into stock.

The effect of the conversion of shares into stock is thus stated in section 43 of the Companies (Consolidation) Act, 1908:—

“Where a company having a share capital has converted any of its shares into stock, and given notice of the conversion to the registrar of companies, all the provisions of this Act which are applicable to shares only shall cease as to so much of the share capital as is converted into stock; and the register of members of the company, and the list of members to be forwarded to the registrar, shall show the amount of stock held by each member instead of the amount of shares and the particulars relating to shares hereinbefore required by the Act.”

STOCK BOOK. (Fr. *Magasinier*, Ger. *Lagerbuch*, Sp. *Almacénar*, It. *Libro di magazzino*.)

This is a book in which is kept a record of goods on hand or unsold.

STOCK-BROKER. (Fr. *Agent de change, courtier*, Ger. *Effektenmakler, Fondsmakler, Sensal*, Sp. *Agente de cambio, bolsista, corredor*, It. *Agente di cambio, sensale d'effetti pubblici*.)

This is a person who deals in stocks and shares. As the public are excluded from the Stock Exchange, the stock-broker is the middleman who acts between the stock-jobber and the public.

STOCK EXCHANGE. (Fr. *Bourse*, Ger. *Fondsbörse*, Sp. *Bolsa*, It. *Borsa*.)

A Stock Exchange is a private institution devoted exclusively to dealings in stocks and shares.

The London Stock Exchange, the best known Exchange of the world, is governed by an elective committee of thirty members. The business is conducted in the premises which are the property of a joint-stock company, the shareholders of the company being members of the Exchange. For the guidance of members there is a code of 180 rules drawn up.

Admission to the Stock Exchange is gained after service in the capacity of a clerk to a member for either two or four years. During the period of service an annual subscription has to be paid. Upon entering after two years' service a clerk is called upon to pay a sum of five hundred guineas, and to give the names of three members as sureties. If the service of the clerk has extended over four years the entrance fee is two hundred and fifty guineas, and only two sureties are required. The annual subscription is forty guineas.

Members are divided into two classes—jobbers and brokers. The former are those who deal specially in one or more particular groups of stocks, whilst the latter are the middlemen who deal between the public and the jobbers. Members are not allowed to advertise for business purposes, nor to issue circulars to persons other than their principals. For the protection of the public, who must transact business through a broker, there is a salutary rule to the effect that neither members nor their clerks may act in the double capacity of brokers and jobbers, and that the committee will not sanction partnership between them. No member of the Exchange may deal on the “cover” system.

In dealing with brokers there is a commission charged upon the nominal value of the stock or shares dealt in. The scale is not a fixed one, but the customary rate is as follows:—

British and Indian Govern- ment Securities	2s. 6d. per cent.
Colonial, Corporation, and Foreign Stocks	5s. per cent.
Home Railway Stocks	5s. to 10s. per cent.
American and Foreign Railway Securities	5s. to 10s. per cent.
Shares in mines, industrial companies, etc.:—	
Under £1 nominal value,	3d. per share.
„ £2 „ „	6d. „ „
„ £5 „ „	9d. „ „
„ £10 „ „	1s. „ „
and 6d. per share for every £5 per share in excess.	

In all cases of dispute reference may be made to the Stock Exchange Committee, who exercise a judicial control over all the members.

On doing business for a client a broker who purchases forwards a contract note, advising the price of dealing, the amount of commission payable, and the stamp duties. In the case of some of the highest securities payment is required to be made at once, but very frequently it is only for the settlement. The settlements take place twice a month in the majority of cases, but in a few once a month. Special days are sometimes fixed for the settlement of fresh issues, but after a time these drop in on the ordinary days. At the settlement all payments are received or made, and if a member fails to meet his liabilities he is "hammered," that is, declared a defaulter and expelled. (See *Hammered*.)

Time bargains form a very important portion of the business of the Stock Exchange. They consist in agreements to deliver stock or shares on a certain day at a certain price, the buyer believing that the price will rise, and the seller that it will fall. When the appointed day arrives the matter is usually settled without any payment of principal, the losing party merely paying the difference in price. The price at which stock is sold, to be transferred at the next settling day, is called the price for the account. Sometimes, instead of closing the account on the settling day, the stock is carried on to a future day on such terms as the parties may agree to. This is called "carrying over," and the consideration for the accommodation is "contango."

The great Stock Exchanges of the continent of Europe are those of Amsterdam, Paris, and Frankfurt-on-the-Main, which, with the London Stock Exchange,

practically decide the price of stocks all over the world. The Stock Exchanges of Petrograd, Berlin, and Vienna are of less importance.

STOCK-HOLDER. (Fr. *Actionnaire*, Ger. *Aktionär*, Sp. *Accionista*, It. *Azionista*, *capitalista*.)

A person who holds stock in the public funds, or in the funds of a joint-stock company.

STOCK-IN-TRADE. (Fr. *Fonds de commerce*, Ger. *Betriebsmaterial*, Sp. *Fondos del comercio*, It. *Capitale in commercio*, *cassa*, *merci*, *macchinario*.)

This is the name commonly used to denote the goods in stock, and the fittings, furniture, machinery, tools, and other appliances used to carry on any trade or business.

STOCK-JOBBER. (Fr. *Agioteur*, Ger. *Fondshändler*, Sp. *Agiotador*, It. *Aggiotatore*.)

A stock-jobber is a member of the Stock Exchange who carries on business with the dealers and with the public through the medium of stock-brokers. The jobbers are the stock dealers, and they constitute the market, the price at which they are prepared to transact business in any particular stock being termed its market price. The profits of jobbers arise out of the difference between their buying and selling prices, or the "turn" of the market, as it is called.

STOCK RECEIPT. (Fr. *Inscription*, Ger. *Effektenquittung*, Sp. *Titulo de la renta*, It. *Quietanza del titolo*.)

This is a receipt given by the seller of registered stock, on receiving the consideration money from the purchases, and after having assigned the stock by signing the transfer book at the bank, which enables the purchaser to have the stock registered in his own name.

STOCK-TAKING. (Fr. *Inventaire*, Ger. *Inventur*, *Lageraufnahme*, Sp. *Inventario*, It. *Inventario periodico*.)

This is a periodical valuation of all goods on hand, together with the machinery, fittings, or appliances used in a business, so that they may be taken into account when balancing the books, and may enable the proprietor to ascertain his true position and worth.

STONE. (Fr. *Stone*, 6.35 kilog., Ger. 6.35 Kilogramm, Sp. *Stone* (*peso inglés*), It. *Stone o chilogrammi 6.35*.)

A customary stone is a weight of 8 lbs. of butcher's meat, but a legal stone is a weight of 14 lbs.

STOP. (Fr. *Faire cesser le paiement*, Ger. *Aufhaltung*, Sp. *Suspensión*, It.

Sospensione, sospendere il pagamento, mettere il "fermo.")

This is a letter or order to a banker, instructing him not to pay a bank note, cheque, bill, or other document when such instrument has been lost or stolen. It must not be inferred that a bank has power to refuse payment when a note or cheque to bearer is presented. A holder in due course is not responsible for the previous history of the negotiable instrument, and cannot be deprived of his property in the same. But an inquiry into the circumstances of the case may lead to the tracing of the person who has been guilty of any dishonest dealing. In the case of a bank note this is all that can be done. An advertisement to the effect that certain bank notes have been stopped is valueless so far as a *bonâ fide* holder is concerned.

A stop order is an order of the court obtained by any person who is entitled to a fund, forbidding any dealing with the fund without notice being previously given to the applicant.

STOP A CHEQUE. (Fr. *Suspendre un chèque*, Ger. *einen Check aufhalten*, Sp. *Anular un cheque*, It. *Sospendere un cheque*.)

To stop a cheque, in cases where it has been lost or stolen, is to give written instructions to the banker upon whom it is drawn not to pay the cheque when presented without first ascertaining whether the party presenting the same has obtained it honestly or by fraud.

STOP ORDER. (Fr. *Limite*, Ger. *Limitum*, Sp. *Limite*, It. *Limite*.)

This American expression signifies that a broker has orders to sell on the best terms he can if the price should go against the operator and reach a named figure. For example, if a "bull" of 200 shares, standing at 90, sees that the market is weakening, he might give his broker a "stop order" at 85, which would mean that should the price fall to 85, the broker is to sell the shares at once for the best price he can obtain, even though he cannot get more than 83 for them.

STOPPAGE IN TRANSITU. (Fr. *Arrêt, saisie*, Ger. *Beschlagnahme unterwegs befindlicher Waren*, Sp. *Suspensión de tránsito*, It. *Arresto o sequestro della merce in transito*.)

This is the right of the seller, in the case of the insolvency of the buyer, to stop the goods and re-take possession of them, so long as they are on their way or in transit to the buyer, and are in the possession of a carrier or other

person deputed to transmit them to the buyer. This right, like the right of lien, belongs to the seller who is unpaid, and can be exercised by him either by actually re-taking possession of the goods, or by giving notice to the carrier or other person, who has them in possession for the purpose of carriage, not to deliver them to the buyer.

The *transitus* commences when the goods are delivered to the carrier or other person. Its termination has been thus defined judicially: "When the goods have arrived at their destination, and have been delivered to the purchaser or his agent, or where the carrier holds them as warehouseman for the purchaser, and no longer as carrier only, the *transitus* is at an end. The destination may be fixed by the contract of sale, or by directions given by the purchaser to the vendor. But, however fixed, the goods have arrived at their destination, and the transit is at an end, when they have got into the hands of some one who holds them for the purchaser and for some other purpose than that of merely carrying them to the destination fixed by the contract or by the directions given by the purchaser to the vendor. The difficulty in each case lies in applying these principles."

The seller's right of stoppage *in transitu* is destroyed if a bill of lading or other document of title has been sent to the buyer, and the buyer has indorsed it for value to a third person.

The right of stoppage *in transitu* is conferred upon an unpaid seller by implication of law. Such implication may be rebutted; for, by the Sale of Goods Act, where any right arises under a contract of sale by implication of law, it may be negatived or varied by express agreement, or by the course of dealing between the parties, or by usage, if the usage is such as to bind both parties to the contract.

STORAGE. (Fr. *Magasinage*, Ger. *Lagermiete*, Sp. *Almacenaje*, It. *Magazzinaggio*.)

This is the charge made for storing or warehousing goods.

STORES. (Fr. *Munitions navales*, Ger. *Schiffsbedarf*, Sp. *Provisiones navales*, It. *Vettovaglie, provviste navali*.)

This is the general term for the provisions, etc., taken on board a ship for the maintenance of the passengers and crew during a voyage.

STOWAGE. (Fr. *Arrumage*, Ger. *Stauungslohn*, Sp. *Arrumaje*, It. *Stivaggio*.)

Stowage is the wages paid for stowing a ship.

STRADDLE. (Fr. *Double privilège*, Ger. *Gegentransaktion*, *Eindeckung*, Sp. *Doble privilegio*, It. *Doppio privilegio*.)

This is an American term for "put and call," but used when the price is the same, whether the stock is "put" or "called."

STRANDED. (Fr. *Échoué*, Ger. *gestrandet*, Sp. *Echado sobre la costa*, It. *Dare in secco*, *arenare*.)

This is a term in marine insurance for the running of a ship on a rock, a sand-bank, or on shore, and allowing it to remain stationary there for any length of time.

STRIKE. (Fr. *Grève*, Ger. *Streik*, *Ausstand*, Sp. *Huelga*, It. *Sciopero*.)

The name "strike" is given to the action of a body of workmen refusing to work in order to secure higher wages, or to redress some grievance.

The combination of workmen for the purposes of a strike is no longer an illegal act; but by the Conspiracy and Protection of Property Act, 1875, workmen are liable to fine or imprisonment if they are guilty of any of the following things during the continuance of the strike:—

(1) Using violence to or intimidating any other person, his wife, or children, for the purpose of compelling that person to abstain from doing or to do any act which he has a legal right to do or to abstain from doing, or injuring his property;

(2) Persistently following such other person from place to place;

(3) Hiding any tools, clothing, etc., belonging to such person, and depriving him of, or hindering him in, the use of such tools, clothing, etc.

(4) Watching or besetting the house or other place where such person resides, works, or carries on business, or happens to be, or the approaches to such house or place;

(5) Following such person with two or more other persons in a disorderly manner in or through any street or road.

It has been held that there is neither watching nor besetting within the meaning of the statute when a workman on strike is in the neighbourhood of a house, workshop, or other place for the simple purpose of obtaining or communicating information.

Workmen who are employed by gas or water companies are specially restricted. They are liable to fine or

imprisonment if they wilfully and maliciously break a contract of service with their employers if they know, or have reasonable cause to believe, that the probable consequences of their conduct, either alone or in combination with others, will have the effect of depriving the inhabitants of the place where they have been employed wholly, or to a great extent, of their supply of gas or water.

Gas and water companies are required to keep notices of the foregoing provisions conspicuously posted on their premises.

SUB-AGENT. (Fr. *Sous-agent*, Ger. *Unteragent*, Sp. *Subagente*, It. *Subagente*.)

This is a person employed by an agent to transact the whole or a portion of the business entrusted to the agent.

SUB-LEASE. (Fr. *Sous-bail*, Ger. *Aftermiete*, Sp. *Subarriendo*, It. *Subaffitto*, *sublocazione*.)

This is a lease made by a lessee to another person.

SUB-LET. (Fr. *Sous-louer*, Ger. *wiedervermieten*, Sp. *Subalrenderar*, It. *Subaffittare*.)

This is a letting by a tenant to another person.

SUBMISSION TO ARBITRATION. (See *Arbitration*.)

SUBPOENA. (Fr. *Citation*, Ger. *Citation*, *Vorladung*, Sp. *Citación*, It. *Citazione in giudizio*.)

A subpoena is a writ commanding the attendance of a person in court under a penalty. It is a compound of the two Latin words, *sub poenâ*, signifying "under a penalty."

There are two kinds of writs:—

(1) *Subpoena ad testificandum*. This is for the purpose of securing the attendance of a witness to give evidence.

(2) *Subpoena duces tecum*. This is for the purpose of securing the production of certain documents, in the possession of the witness, at the trial of an action, or at an arbitration. The documents must be specified on the writ.

SUBROGATION. (Fr. *Subrogation*, Ger. *Einsetzung in eines anderen Stelle*, Sp. *Subrogación*, It. *Surrogazione*.)

When an insurance has been effected and a loss afterwards sustained, any rights possessed by the insured are transferred to the insurer. This is called subrogation.

SUBSCRIBED CAPITAL. (Fr. *Capital souscrit*, Ger. *gezeichnetes Kapital*, Sp. *Capital suscrito*, It. *Capitale sottoscritto*.)

This is the amount of capital subscribed or guaranteed by shareholders

to a public company. Generally the subscribed capital is not paid at once, but only a certain portion is paid on allotment and the balance by "calls," either at stated intervals, or as may be required.

SUBSIDY. (Fr. *Subvention*, Ger. *Subvention*, *Unterstützung*, Sp. *Subsidio*, *subvención*, It. *Sussidio*, *sovvenzione*.)

This is an aid in money given by one person to another; or a pecuniary grant or assistance made by a state.

SUB-TENANT. (Fr. *Sous-locataire*, Ger. *Aftermieter*, Sp. *Subarrendador*, It. *Sublocatario*, *subaffittuario*.)

A sub-tenant is one who hires or leases houses or land from a person who is himself the tenant of some other person.

SUCCESSION DUTY. This is a duty payable on the interest which a person takes as successor to a deceased person on real or leasehold property in the United Kingdom, or on legacies charged upon the proceeds of sale of real estate of a person who died domiciled in this country, irrespective of the situation of the property; and also on personal property included in a settlement, whether the property is situated in the United Kingdom or not.

Succession duty varies as follows:—

	<i>Per cent.</i>
On the succession of husband or wife, or lineal ancestors or descendants	1
Brothers and sisters of the deceased or their descendants	5
Any other person	10

The duty is not payable—

(a) Where the principal value of the property passing on the death of the deceased in respect of which estate duty is payable (other than property in which the deceased never had an interest, and property of which the deceased never was competent to dispose and which on his death passes to persons other than the husband or wife, or a lineal ancestor or descendant of the deceased) does not exceed £15,000, whatever may be the value of the succession; or

(b) Where the amount or value of the succession together with any other successions derived by the same person from the testator, intestate, or predecessor does not exceed £1,000, whatever may be the principal value of the property; or

(c) Where the person taking the succession is the widow or a child under the age of 21 years of the testator, intestate, or predecessor, and the amount or value of the succession together with any other succession derived by the

same person from the testator, intestate, or predecessor, does not exceed £2,000, whatever may be the principal value of such property.

The valuation is made in the same way as for estate duty, and payment may be made at once, or by eight equal yearly payments, or sixteen equal half-yearly payments, interest being charged upon the succession duty left unpaid at the rate of 3 per cent.

Persons who fail to give notice when there is a succession, and succession duty is payable, render themselves liable to heavy penalties.

SUE. (Fr. *Pour suivre*, Ger. *verklagen*, Sp. *Perseguir*, *entablar una acción*, It. *Citare*, *chiamare*, *perseguire*.)

To sue is to prosecute a suit at law for the payment of a debt, or for the recovery of damages or other relief for a loss suffered.

SUFFERANCE WHARF. (Fr. *Dépôt de marchandises en souffrance*, Ger. *Zollwerft*, Sp. *Muelle permitido*, It. *Molo per deposito di merci in sofferenza*.)

This is a wharf licensed by the Custom House, and at which an officer attends, where goods liable to duty may be landed or stored until the duty upon them has been paid.

SUPER-TAX. (See *Income Tax*.)

SUPERANNUATION. (Fr. *Pension de retraite*, Ger. *Pension*, Sp. *Pensión*, It. *Pensione per avanzata età*.)

This is a pension given on account of long service, old age, or infirmities.

SUPERCARGO. (Fr. *Subrécargue*, Ger. *Superkargo*, Sp. *Sobrecargo*, It. *Suprintendente al carico*, *sopraccarico*.)

This is a person who is sometimes engaged to go with a ship for the purpose of superintending the sale of the cargo, and of procuring other cargo or freight for the return voyage.

SURCHARGE. (Fr. *Surcharge*, *trop forte charge*, Ger. *Überladung*, *Überlast*, *Überforderung*, Sp. *Sobrecargo*, *sobrepeso*, It. *Sopraccarico*.)

This is a sum of money which is charged against an accounting party, beyond the amount which he admits that he has received or which he has improperly expended.

SURETY. A meeting may be:—

1. (Fr. *Garant*, Ger. *Gewährsmann*, Sp. *Garantizador*, It. *Garante*.)

A person who is bound by bond that he will be answerable for the debt of another person if it is not paid when due.

2. (Fr. *Répondant*, Ger. *Bürge*, Sp. *Fiador*, It. *Mallevadore*, *responsabile*.)

A person who is bound by bond that

he will be responsible for the performance of some duty undertaken by another. (See *Guarantee*.)

SURRENDER VALUE. (Fr. *Valeur de renoncement*, Ger. *Rückkaufswert*, Sp. *Valor de renuncia*, It. *Valore di rinunzia*, *valore di riscatto*.)

This term is applied generally to life insurance policies, and signifies that amount of money which the company is willing to give to the insured if the latter will surrender his policy and extinguish his claim upon them. The older a policy is, or the greater the number of premiums paid upon it, the higher is the surrender value.

In practice it is generally found that the market value of a life policy is from 15 to 20 per cent. greater than the surrender value. But many special considerations may cause this rule to vary.

SURVEY. (Fr. *Expertise*, Ger. *Besichtigung*, Sp. *Visita*, *aprecio*, It. *Perizia*.)

A survey is an inspection made, by an independent party, of goods which have suffered damage through any cause, and concerning which a question as to compensation arises. It is a very common thing for a survey to be made of goods which have been shipped and which have arrived at their destination in a damaged condition.

SURVEYOR OF CUSTOMS. (Fr. *Visiteur*, Ger. *Zollinspektor*, Sp. *Vista de aduana*.)

This is the officer in superintendence at a Custom House station or warehouse.

SUSPENSE ACCOUNT. (Fr. *Compte en suspens*, Ger. *Conto sospeso*, Sp. *Cuenta en suspenso*, It. *Conto in sospeso*.)

The account, used by merchants, bankers, and others, wherein sundry items are kept, which, owing to death, oversight, postal irregularities, or want of detail or information at the time of posting cannot be placed to their regular accounts in the books.

SUSPENSION OF PAYMENT. (Fr. *Suspension de paiements*, Ger. *Zahlungseinstellung*, Sp. *Suspensión de pagos*, It. *Sospensione dei pagamenti*.)

This signifies the cessation of the payment of any of the debts due by a banker, merchant, or other person, on becoming aware of his insolvency and complete inability to discharge the whole of his liabilities.

SWEATING COINS. (Fr. *Frai par le ballottage*, Ger. *den Wert von Münzen durch Schütteln verringern*, Sp. *Merma de la moneda*, It. *Erosione dolosa di monete che ne diminuisce il valore*.)

This refers to the practice of debasing money, formerly carried on to a large extent in England, by putting a number of gold coins in a bag and roughly shaking them together until a considerable portion of the metal was worn off by friction, the dust thus obtained being sold at a clear profit.

SWORN BROKERS. (Fr. *Courtiers assermentés*, Ger. *beeidigte Börsenmakler*, Sp. *Corredores jurados*, It. *Sensali giurati*.)

These are stock and other brokers, who are licensed by the authorities as fit and proper persons to act as agents for negotiating business, after having taken an oath and entered into a bond for due fulfilment of their duties. Sworn brokers are now unknown in England, but still exist on the bourses of Berlin and Vienna.

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

T.Q., Tale Quale (grain trade).

T.T., Telegraphic transfers.

TAEL. (Fr., Ger., Sp., and It., *Tael*.)

This is a Chinese measure of weight, equal to $1\frac{1}{3}$ oz. avoirdupois. The name is also given to a coin which has a circulating value of about 2s. 10 $\frac{1}{2}$ d.

TAKE IN. (Fr. *Reporter, faire le report*, Ger. *in Report nehmen*, Sp. *Reportar*, It. *Fare il riporto*.)

This is a Stock Exchange expression meaning to receive backwardation (*q.v.*).

TAKE UP A BILL. (Fr. *Faire honneur à un effet*, Ger. *einen Wechsel einlösen*, Sp. *Pagar una letra de cambio*, It. *Onorare una cambiale o tratta*.)

To take up a bill is to pay the money value of a bill either to a banker or to the party who holds it. The term is synonymous with "retiring a bill."

TALE. (Fr. *Compte, chiffre*, Ger. *Zahl*, Sp. *Cuenta*, It. *Conto sinottico*.)

This term means the reckoning of goods by number and not by weight.

TALE QUALE. (Fr. *Tel quel*, Ger. *tale quale*, Sp. *Tal cual*, It. *Tale quale*.)

This is an expression used in contracts when grain and other produce is sold "to arrive." It means that the goods as they lie are held to be the same as the sample submitted, but the buyer takes the risk of any damage the produce may afterwards sustain during the voyage.

TALLY TRADE. (Fr. *Commerce à tempérament*, Ger. *Abzahlungsgeschäft*, Sp. *Comercio temporal*, It. *Commercio o pagamento rateale*.)

This is a system of dealing by which customers are furnished with articles on

credit, agreeing to pay the stipulated price in instalments.

TALLYING. (Fr. *Contrôler*, Ger. *kontrollieren*, Sp. *Ajustarse*, It. *Controllare*, *verificare*.)

This is the act of checking another's account — one counts while the other tallies or checks him.

TALON. (Fr. *Talon*, Ger. *Talon*, Sp. *Talón*, and It. *Taglio*.)

A talon is a certificate attached to transferable bonds (usually the last portion of the coupon sheet), to be exchanged for an additional series of coupons as soon as those on the coupon sheet have all been presented and paid.

TAPE PRICES. (Fr. *Prix télégraphiques*, Ger. *telegraphische Preise*, Sp. *Precios telegráficos*, It. *Prezzi telegrafici del cambio*.)

This term signifies the Stock Exchange and other market quotations as recorded on the "tape" of the instruments of the Exchange Telegraph Company.

TARE. (Fr. *Tare*, Ger. *Tara*, Sp. *Tara*, It. *Tara*.)

Tare is an allowance for the weight of the case, cask, bag, chest, or other package in which goods are secured.

1. Actual Tare. (Fr. *Tare réelle*, Ger. *wirkliche Tara*, Sp. *Tara real*, It. *Tara reale*.)

This means that the package has been weighed separately from the goods before they were packed.

2. Average Tare. (Fr. *Tare moyenne*, *tare commune*, Ger. *Durchschnittstara*, Sp. *Tara común*, It. *Tara media*.)

This is where the packages are numerous and of a similar size, and only a few are weighed so as to form an average for the whole.

3. Customary Tare. (Fr. *Tare d'usage*, Ger. *übliche Tara*, Sp. *Tara de costumbre*, It. *Tara d'uso*.)

This means the established allowance made for the weight of packages which are so invariably alike and of such uniform weight as to warrant a fixed percentage allowance being made for them.

4. Estimated Tare. (Fr. *Tare légale*, Ger. *geschätzte Tara*, Sp. *Tara legal*, It. *Tara legale*.)

This means that the package has not been actually weighed apart from the goods, but its weight has been estimated from the similarity of its size to those packages which have been weighed.

5. Super Tare. (Fr. *Surtare*, Ger. *Ubertara*, Sp. *Supratara*, It. *Sopratara*, *tara additionale*.)

This is an additional tare made in

some instances when the package exceeds a certain weight.

TARIFF. (Fr. *Tarif*, Ger. *Tarif*, Sp. *Tarifa*, It. *Tariffa*.)

A tariff is a table of fixed charges. Also a list issued by the customs enumerating all the articles upon which duties are levied, showing the rates charged, and stating the articles which are prohibited and exempt, as well as those upon which drawback or bounty is allowed.

TASTING ORDER. (Fr. *Ordre d'échantillonnage*, Ger. *Probiererlaubnis*, Sp. *Orden de sacar muestras*, It. *Ordine di assaggio di campioni di liquidi*.)

This is an order chiefly used in the wine and spirit trade, authorising the dock company to allow the bearer to taste certain wines or spirits named in the order. They are issued by the owner or seller, and are of great service in commerce, intending buyers being enabled to taste the various growths or qualities in bulk as they are stored in the warehouse.

TELEGRAPH RESTANTE. (Fr. *Poste restante pour télégrammes*, Ger. *postlagerndes Telegramm*, Sp. *Poste restante para telegramas*, It. *Fermo telegrafo*.)

This is a term which is used when a telegram is to wait until called for at a telegraph office named.

TELEGRAPHIC MONEY ORDER. (Fr. *Mandat télégraphique*, Ger. *telegraphische Postanweisung*, Sp. *Orden telegráfica*, It. *Vaglia telegrafico*.)

This is a mode of remitting money by telegram through the Post Office. In addition to the cost of the telegram there is a charge for remittance, varying with the amount. (See *Money Orders*.)

TELEGRAPHIC TRANSFERS. (Fr. *Transferts télégraphiques*, Ger. *telegraphische Auszahlungen*, Sp. *Trasferencias por telegrafo*, It. *Tassa per vaglia telegrafici*.)

These are messages sent by telegraph, ordering the transfer of specified amounts from one person to another by means of debit and credit of their respective accounts. There is a daily rate quoted in the money market reports for transferring money from one country to another.

TELLER. (Fr. *Caissier*, Ger. *Kassengehilfe*, Sp. *Cajero*, It. *Computista cassiere*.)

This is the name given to the cashier who receives and pays out money over the counter of a bank.

TEMPORARY ANNUITY. (Fr. *Annuité*, Ger. *zeitweilige Annuität*, Sp.

Anualidad temporal, It. Rendita temporanea.)

This is an annuity which is payable for a limited number of years only, and which is to commence at once.

TENANT. (Fr. *Locataire*, Ger. *Mieter*, Sp. *Arrendatario*, *inquilino*, It. *Locatario*, *inquilino*.)

A tenant is a person who holds property, houses, or land from another under an agreement or lease, and pays rent for the same. (See *Landlord and Tenant*.)

TENDER. (Fr. *Soumission*, *offre*, Ger. *Angebot*, Sp. *Oferta*, It. *Offerta*, *esibizione scritta*.)

In one sense, a tender is a written offer to supply certain commodities upon specified terms.

The tender is the first step in the formation of a proposed contract. An advertisement, circular or other intimation that tenders are required for the carrying out of certain work or the purchase of certain goods is nothing more than an invitation to offer, and has no legal effect. Until the tender is accepted there is no binding contract. There is no *primâ facie* undertaking that the best or any offer will be accepted by the person who has invited the tenders.

In another sense, the word "tender" is used to denote an offer to perform a certain act or to pay a sum of money in discharge of an obligation.

"Tender is attempted performance; and the word is applied to attempted performances of two kinds, dissimilar in their results. It is applied to a performance of a promise to do something, and of a promise to pay something. In each case the performance is frustrated by the act of the party for whose benefit it is to take place."

With respect to tender in the case of a contract for the sale of goods, section 37 of the Act of 1893 is as follows:—

"When the seller is ready and willing to deliver the goods, and requests the buyer to take delivery, and the buyer does not within a reasonable time after such request take delivery of the goods, he is liable to the seller for any loss occasioned by his neglect or refusal to take delivery, and also for a reasonable charge for the care and custody of the goods. Provided that nothing in this section shall affect the rights of the seller where the neglect or refusal of the buyer to take delivery amounts to a repudiation of the contract."

The effect of such a tender of performance is to discharge the vendor from all

liability under the contract, and he can either maintain or successfully defend an action for breach of the contract.

A tender of money, however, in discharge of a debt does not extinguish the debt. But the debtor should, if the money is not accepted, and an action is commenced against him, bring the amount into court and plead the tender. If the creditor then continues his action, and recovers no more than the amount tendered and paid into court, he will have to pay the defendant's costs of the action.

A tender, in order to be valid, must fulfil the following conditions:—

(a) The full amount must be actually produced unless the creditor expressly dispenses with or prevents its production. It must be of the whole debt, and no change can be demanded.

(b) It must be unconditional.

(c) It must be made to the creditor himself, or to an agent duly authorised to receive payments.

(d) It must be in the current coin of the realm. (See *Legal Tender*.)

TENEMENT. (Fr. *Local*, Ger. *gepachtetes Land*, Sp. *Inquilinaje*, It. *Tenuta*, *affittanza*.)

This is the general name for land or other property held by a tenant.

TENURE. (Fr. *Tenure*, Ger. *Mietsvertrag*, Sp. *Arrendamiento*, It. *Possesso sotto certe condizioni*.)

This is the manner of holding land or houses, as copyhold tenure, freehold tenure.

TERM DAYS. (Fr. *Termes*, Ger. *Zahltag*, Sp. *Dias de pago*, It. *Giorni di scadenza*.)

These are either the days—quarter-days—upon which rents fall due, or the days upon which the legal terms begin.

TERM OF A BILL. (Fr. *Terme d'un billet*, Ger. *Ziel eines Wechsels*, Sp. *Duración de una letra*, It. *Scadenza o termine di una cambiale*.)

This is the time for which a bill is drawn, as one month after sight.

TERMINABLE ANNUITIES. (Fr. *Annuités terminables*, Ger. *Annuitäten auf bestimmte Zeit*, Sp. *Anualidades terminables*, It. *Rendite annue a termine fisso*.)

These are annuities granted by Government, and by most insurance offices, for a period of years, or for the life of a person, in return for a present payment of money. The rate is fixed by actuarial calculation, based on the tables of the probabilities of life at certain ages.

THIRD CLASS PAPER. (Fr. *Valeurs de 3e classe*, Ger. *Wechsel dritter Güte*, Sp. *Valores de 3a orden*, It. *Valori di terza classe, valori di terz' ordine*.)

Bill-brokers and others divide commercial bills into various grades, calling them first, second and third class paper, according to the financial standing of the persons who are parties to the bills, and their reputation in the market.

THRO' AND THRO' COAL. (Fr. *Charbon-mélange*, Ger. *gemischte Kohlen*, Sp. *Mezcla de carbon*, It. *Mescolanza di carbone*.)

This is an expression now and then met with which is used to indicate a mixture of large and small coal.

TICKET DAY. (Fr. *Deuxième jour de la liquidation*, Ger. *zweiter Tag der Liquidation*, Sp. *Segundo día de la liquidación*, It. *Secondo giorno di liquidazione*.)

This day, which is also called "name day," is the second day of the fortnightly settlement on the Stock Exchange.

The fortnightly settlement extends over three days. On the first day, which is called Contango, or Continuation Day, all speculative business, such as time bargains, are adjusted. On the second day, which is known as Ticket Day, tickets are passed between brokers and jobbers, by means of which they learn the amount of stocks and shares they have to deliver or receive on the following day. The differences are struck and the names of buyers are declared. The third day is Pay, Account, or Settling Day.

TIME BARGAIN. (Fr. *Marché à terme*, Ger. *Termingeschäft*, Sp. *Mercado á término*, It. *Contratto o mercato a termine*.)

A time bargain is a contract to buy or sell merchandise or stocks at a certain future time, but at a price arranged at the time the bargain is made.

TIME POLICY. (Fr. *Police à terme*, Ger. *Zeitpolice*, Sp. *Póliza á término*, It. *Polizza a termine fisso*.)

This is a marine insurance policy for a certain fixed period, not exceeding one year and thirty days in length. The risk undertaken is for any loss which may happen during that time, irrespective of the voyage or voyages undertaken. In the absence of special stipulation, there is no implied warranty of the seaworthiness of a vessel which is insured under a time policy.

TIP. (Fr. *Mot, tuyau*, Ger. *Fingerzeig, Wink*, Sp. *Sugestión*, It. *Informazione privata, suggerimento*.)

In business circles the word "tip" is frequently used to denote some private information given to another as likely to yield him a profit if he acts upon the advice give him.

TOKEN MONEY. (Fr. *Monnaies jetons*, Ger. *Markengeld*, Sp. *Monedas fiduciarias*, It. *Monete fiduciarie*.)

This is the name applied to those coins which are of less metallic value than the sum named upon them, but which can legally be exchanged for standard coins at fixed rates. The standard gold coins of this country, and of gold standard countries generally, are intrinsically worth the amounts named upon them, but the silver and bronze coins are not. When the value of any article is estimated in silver coinage, what is meant is the fraction of the standard gold coin to which it corresponds.

TOLLS. (Fr. *Droits, péages*, Ger. *Abgaben*, Sp. *Derechos, peajes*, It. *Gabelle, tasse di pedaggio*.)

Tolls are charges made by dock and canal companies upon the traffic conveyed by them. They are payable by the owners of the goods, and not by the vessel carrying them.

TON. (Fr. *Ton, tonne, tonneau*, Ger. *Tonne*, Sp. *Tonelada*, It. *Tonnellata*.)

An imperial ton is equal to 20 cwts. of 112 lbs., or 2,240 lbs. avoirdupois; but a ton in the United States and Canada is equivalent to 2,000 lbs. only.

TONNAGE. (Fr. *Tonnage*, Ger. *Tonnengehalt*, Sp. *Tonelaje, cabida*, It. *Tonnellaggio, portata*.)

The tonnage of a ship is its cubical capacity, one ton being estimated at 100 cubic feet. This registered tonnage does not in any way represent the carrying capacity of the ship.

TONNAGE DUES. (Fr. *Droits de tonnage*, Ger. *Tonnengeld*, Sp. *Derechos de tonelaje*, It. *Diritti di tonnellaggio*.)

These are charges of so much per ton made on a ship's registered tonnage, upon entering or leaving a port, in order to maintain and renew the mooring-chains, etc., kept for general use.

TONTINE. (Fr. *Tontine*, Ger. *Tontine*, Sp. *Tontina*, It. *Tontina*.)

The financial plan in which a number of persons pay a certain sum of money, for which they are each granted a life annuity. As each member dies his share is divided amongst the rest, and the last survivor inherits the whole.

TOWAGE. This word is used in two senses:—

1. (Fr. *Remorquage*, Ger. *Schleppen*, Sp. *Remolque*, It. *Rimorchio*.)

The act of towing a ship.

2. (Fr. *Touage*, Ger. *Schlepplohn*, Sp. *Atoaje*, It. *Spesa di rimorchio*.)

The payment made for such service.

TOWN TRAVELLER. (Fr. *Placier*, Ger. *Stadtreisender*, Sp. *Representante viajando en la ciudad*, It. *Piazzista*.)

A town traveller is one who does not go on a journey, but confines his circuit to the town or city in which his employer is established.

TRADE. (Fr. *Commerce*, Ger. *Handel*, Sp. *Comercio*, It. *Traffico, commercio*.)

This term is generally applied to buying, selling, and exchanging commodities, bills, money, and the like. Adam Smith divides the wholesale trade of a country into three different kinds, viz., the home trade, the foreign trade of consumption, and the carrying trade.

The home trade is employed in purchasing in one part and selling in another part of the same country the produce of the industry of the country and it comprehends both the inland and the coasting trade, or that which is carried on both by land and by sea.

The foreign trade of consumption is occupied in purchasing foreign goods for home use.

The carrying trade is engaged in carrying the produce of one country to another.

Retail trade is engaged in supplying private consumers with articles of daily want.

TRADE BILL. (Fr. *Effet de commerce*, Ger. *Handelswechsel*, Sp. *Letra comercial*, It. *Effetto commerciale*.)

A trade bill is one drawn in the usual course of trade for goods shipped, value received, etc. It is so named to distinguish it from an accommodation bill.

TRADE DISCOUNT. (Fr. *Escompte commercial, escompte de revente*, Ger. *Handelsskonto, Wiederverkaufsskonto*, Sp. *Descuento comercial, descuento de reventa*, It. *Sconto commerciale, sconto di rivendita*.)

This is a special allowance made by the sellers of goods to people who purchase the same for the purpose of re-sale.

TRADE-MARK. (Fr. *Marque de commerce, marque de fabrique*, Ger. *Schutzmarke*, Sp. *Marca de fábrica*, It. *Marca di fabbrica*.)

A trade-mark is a particular mark, stamp, or device, affixed or attached to manufactured goods, indicating to the public generally that the goods have

been manufactured or otherwise dealt with by the person or persons who have affixed or attached the mark.

At common law there was no property in a trade-mark. But where a person had long been in the habit of making use of a particular mark, he could prevent, by proper proceedings, any other person from fraudulently making use of the same or a similar mark to pass off the latter's goods as though they were those of the former.

Registration of a trade-mark was first required by the Trade Mark Registration Act, 1875. Various Acts referring to trade-marks were passed at different times, but the whole were finally consolidated by the Act of 1905, which is now the statute dealing with the subject.

A trade-mark must consist of or contain one at least of the following essential particulars:—

(a) The name of a company, individual, or firm represented in a special or particular manner.

(b) The signature of the applicant for registration or some predecessor in his business.

(c) An invented word or invented words.

(d) A word or words having no direct reference to the character or the quality of the goods, and not being according to its ordinary signification a geographical name or a surname.

(e) Any other distinctive mark, but a name, signature, or a word or words, other than such as fall within the descriptions in the above paragraphs (a), (b), (c), and (d), shall not, except by order of the Board of Trade, or the Court, be deemed a distinctive mark.

The majority of the cases upon the validity of a name, etc., as the subject of a trade-mark, have turned upon the third and fourth of these particulars.

Registration is effected by application in the prescribed form to the comptroller at the Patent Office. The application must be accompanied by a certain number of representations of the trade-mark, and a statement of the particular class of goods in connection with which the applicant desires that it should be registered. The application must be advertised by the comptroller, and any person may within two months give notice of opposition to the registration, either on the ground that the trade-mark is not a proper subject for registration, or that it so closely resembles a mark already registered that it is calculated to deceive. If the applicant does not,

after notice of opposition, proceed with his claim for registration, he will be presumed to have abandoned it.

As soon as a trade-mark is registered, the proprietor has a *prima facie* right to its exclusive use. Registration is valid for fourteen years from the date of application, and can be renewed every fourteen years. The fees payable for application and registration are fixed by the Board of Trade.

A register of trade-marks is kept at the Patent Office. In it are entered all particulars as to trade-marks, the names and addresses of the grantees, notifications of assignments and transmissions, and such other matters as affect their validity and ownership.

As in the case of patents, most of the work in connection with application and registration is done through an agent.

A registered trade-mark can be assigned, but its assignment can only take place together with the assignment of the goodwill of the business with which the trade-mark is connected.

By the Merchandise Marks Act, passed in 1887, it is an offence, punishable criminally, for any person to forge or falsely to apply a registered trade-mark, or a false description, to goods. If the goods of a foreign manufacturer are imported into this country, and bear the name or mark of any manufacturer, dealer, or trader in the United Kingdom, they must also bear a clear indication of the name of the country in which they have been produced.

TRADE PRICE. (Fr. *Prix marchand*, *prix faible*, Ger. *Engrospreis*, Sp. *Precio arreglado*, It. *Prezzo mercantile o ridotto pei rivenditori*.)

This is the market price of goods less a wholesale discount allowed to retailers who have to sell again.

TRADE RIGHTS. (Fr. *Droits de commerce*, Ger. *Handelsrechte*, Sp. *Derechos comerciales*, It. *Diritti del commercio*.)

This term designates those proprietary rights which, apart from brands and trade-marks, belong exclusively to the person or the firm who has built up an established trade or business. Such, for instance, is a trade name, or the name of a place of business, which if assumed by another person would be likely to take away business by misleading the public, and so divert business from the original proprietor.

TRADE UNION. (Fr. *Union ouvrière*, Ger. *Handwerkerverband*, Sp. *Unión obrera*, It. *Corporazione del lavoro*, *camera del lavoro*, *consolato operaio*.)

This is a combination of workmen, known as "Society men," whose object is to maintain their rights and privileges as to wages, hours of labour, and customs of the trade. All trades of any magnitude have now a union of their own, which they support by periodical contributions and levies.

These combinations were illegal until 1871. By an Act passed in that year, any seven or more members of a trade union may, by subscribing their names to the rules of the union, and otherwise complying with the provisions of the Act with respect to registry, register such trade union under the Act, provided that if any one of the purposes of such trade union is unlawful the registration is void. The registrars under the Act are the registrars of Friendly Societies. But although the existence of trade unions is legalised, the court will not entertain any legal proceedings to enforce or recover damages for the breach of any of the following agreements:—

(a) An agreement between members of a trade union as such, concerning the conditions on which any of the members shall not sell their goods, transact business, employ, or be employed.

(b) An agreement for the payment by any person of any subscription or penalty to a trade union.

(c) An agreement as to the funds of the union being applied for the benefit of the members, or for furnishing contributions to employers or workmen not members of the union, in consideration of such employers or workmen acting in conformity with the rules or resolutions of such trade union, or for paying any fine imposed upon any person by sentence of a court of justice.

(d) An agreement made between one trade union and another.

(e) A bond to secure the due performance of any of the foregoing agreements.

The result is, therefore, that the courts will not assist the unions in any way, but nevertheless they will not declare the agreement made by the unions unlawful, although some of them are clearly in restraint of trade, and therefore illegal at common law.

The chief contests in which the unions have been engaged have been in connection with strikes. In 1901, in the celebrated *Taff Vale* case, it was held that a trade union could be sued for acts which would make a private person

amenable to the law. This decision, however, is no longer law by reason of the Trades Disputes Act, 1906. In November, 1908, it was held by the Court of Appeal that the funds of a Trade Union could not be applied towards the payment of members of Parliament; but this decision, like that of 1901, has been rendered ineffectual by reason of the Trade Union Act of 1913, which has legalised such application of funds under certain specified conditions. It may be useful to quote the 3rd section of the Act, which is as follows:—

3.—(1) The funds of a trade union shall not be applied, either directly or in conjunction with any other trade union, association, or body, or otherwise indirectly, in the furtherance of the political objects to which this section applies (without prejudice to the furtherance of any other political objects), unless the furtherance of those objects has been approved as an object of the union by a resolution for the time being in force passed on a ballot of the members of the union taken in accordance with this Act for the purpose by a majority of the members voting; and where such a resolution is in force, unless rules, to be approved, whether the union is registered or not, by the Registrar of Friendly Societies, are in force providing—

(a) That any payments in the furtherance of those objects are to be made out of a separate fund (in this Act referred to as the political fund of the union), and for the exemption in accordance with this Act of any member of the union from any obligation to contribute to such a fund if he gives notice in accordance with this Act that he objects to contribute; and

(b) That a member who is exempt from the obligation to contribute to the political fund of the union shall not be excluded from any benefits of the union, or placed in any respect either directly or indirectly under any disability or at any disadvantage as compared with other members of the union (except in relation to the control or management of the political fund) by reason of his being so exempt, and that contribution to the political fund of the union shall not be made a condition for admission to the union.

(2) If any member of a trade union alleges that he is aggrieved by a breach of any rule made in pursuance of this section, he may complain to the

Registrar of Friendly Societies, and the Registrar of Friendly Societies, after giving the complainant and any representative of the union an opportunity of being heard, may, if he considers that such a breach has been committed, make such order for remedying the breach as he thinks just under the circumstances; and any such order of the Registrar shall be binding and conclusive on all parties without appeal and shall not be removable into any court of law or restrainable by injunction, and on being recorded in the county court, may be enforced as if it had been an order of the county court. In the application of this provision to Scotland the sheriff court shall be substituted for the county court, and "interdict" shall be substituted for "injunction."

(3) The political objects to which this section applies are the expenditure of money—

(a) on the payment of any expenses incurred either directly or indirectly by a candidate or prospective candidate for election to Parliament or to any public office, before, during, or after the election in connection with his candidature or election; or

(b) on the holding of any meeting or the distribution of any literature or documents in support of any such candidate or prospective candidate; or

(c) on the maintenance of any person who is a member of Parliament or who holds a public office; or

(d) in connection with the registration of electors or the selection of a candidate for Parliament or any public office; or

(e) on the holding of political meetings of any kind, or on the distribution of political literature or political documents of any kind, unless the main purpose of the meetings or of the distribution of the literature or documents is the furtherance of statutory objects within the meaning of this Act.

The expression "public office" in this section means the office of member of any county, county borough, district, or parish council, or board of guardians, or of any public body who have power to raise money, either directly or indirectly, by means of a rate.

(4) A resolution under this section approving political objects as an object of the union shall take effect as if it were a rule of the union and may be rescinded in the same manner and subject to the same provisions as such a rule.

(5) The provisions of this Act as to the application of the funds of a union

for political purposes shall apply to a union which is in whole or in part an association or combination of other unions as if the individual members of the component unions were the members of that union and not the unions; but nothing in this Act shall prevent any such component union from collecting from any of their members who are not exempt on behalf of the association or combination any contributions to the political fund of the association or combination.

TRAFFIC RETURNS. (Fr. *État de recettes*, Ger. *Verkehrsbericht*, Sp. *Estadísticas de tráfico*, It. *Statistiche o bollettini periodici del traffico e delle entrate*.)

These are periodical statements issued by railway, tramway, and other companies, showing the income received from the goods and the passengers carried on their lines. The information is for the benefit of speculators and investors, who are enabled thereby to make comparisons and calculate the probable amount of dividend to be paid at the next distribution, and thus to anticipate a rise or a fall in the shares of the company.

TRANSFER. (Fr. *Transfert*, Ger. *Übertragung*, Sp. *Transferencia*, It. *Trasferimento*.)

The general meaning of the word "transfer" is to pass the right or the title to anything from one person to another. This can be accomplished in various ways, and the transaction can take place either actually or symbolically. Thus, in banking, when two persons transacting business together have an account at the same bank, the debtor would pay his creditor by a cheque on the bank, which cheque would be paid in for collection as usual, but the amount of money in the bank would remain the same, as the value of the cheque is simply transferred from one account to the other in the bank's books.

On the Stock Exchange a transfer is a document used by the seller of registered stocks and shares at the time of his transferring them to the buyer.

TRANSFER DAYS. (Fr. *Jours d'enregistrement des transferts*, Ger. *Skontotag*, Sp. *Días de registro de las transferencias*, It. *Giorni di registrazione dei trasferimenti o cessioni*.)

Transfer days are certain fixed days at the Bank of England, and some other banks, for entering the transfers of registered stock in their books. On these days transfers are made free of

charge. If a transfer is made at any other time a fee is charged.

TRANSFEEE. (Fr. *Cessionnaire*, Ger. *Zessionar*, Sp. *Cesionario*, It. *Cessionario*.)

This is the person to whom a bill of exchange, or any other document, security, or article is transferred.

TRANSFEROR. (Fr. *Cédant*, Ger. *Übertrager*, Sp. *Cedente*, It. *Cedente*.)

The transferor is the person who parts with a bill of exchange or any other document, security, or article to another.

The transferor of a bill of exchange by mere delivery, that is, without indorsing it, warrants to his immediate transferee being a holder for value that the bill is what it purports to be, that he has a right to transfer it, and that at the time of transfer he is not aware of any fact which renders it valueless. But the transferor is not, in such a case, liable upon the instrument itself, nor is he liable on the consideration in respect of which he has transferred the bill, if the bill should be dishonoured, unless—

(1) The bill was given in respect of an antecedent debt; or

(2) It appears that the transfer was not intended to operate in full and complete discharge of such liability.

For example, A., the holder of a bill for £100, which has been indorsed in blank, discounts it with a banker for £90 without indorsing it. If the bill is dishonoured at or before maturity A. is not liable to refund the £90.

TRANSHIPMENT. (Fr. *Transbordement*, Ger. *Umladung*, Sp. *Transbordo*, It. *Trasbordo*.)

This is the act of transferring goods directly from one ship to another; the goods so transferred are said to be transhipped.

Goods which are liable to pay duty if imported into this country are often brought to a British port, and then sent off at once to some other destination. In order to avoid any difficulties as to duty it is necessary to follow the regulations laid down for transshipment by the Custom House authorities. The bill of lading is presented at the custom house, certain documents are prepared, and the freight is paid, upon which an authority is given to transfer the goods from one ship to another. The exporter has to give a bond for the due performance of the transshipment.

TRANSHIPMENT BOND NOTE. (Fr. *Transfert douanier*, Ger. *Umladungsschein*, Sp. *Permiso de transbordar*, It. *Nota doganale di trasbordo*.)

This forms an entry for the goods when dutiable goods are transhipped, and states that the party named has given security for the due transshipment and exportation of the goods named therein. This note is handed in to and is retained by the customs in all cases where dutiable goods are transhipped from one vessel to another.

TRANSHIPMENT DELIVERY ORDER. (Fr. *Permis de transfert maritime*, Ger. *Umladungslieferschein*, Sp. *Permiso de transbordo*, It. *Permesso di trasbordare*.)

This is a note used when dutiable goods are to be transhipped. It is addressed by the customs to their officer on board the incoming vessel, instructing him to send up in charge of an officer of customs the goods specified therein, to be delivered into the custody of the proper officer at the docks where the export steamer is lying.

TRANSHIPMENT FREE ENTRY. (Fr. *Entrée franc de droits pour le transbordement*, Ger. *steuerfreier Eintritt zur Umladung*, Sp. *Entrada franco de derechos para el transbordo*, It. *Entrata esente di dazio per il ricarico*.)

This is the form of customs entry inwards for free goods in transit or through letter of lading, when no bond is given.

TRANSHIPMENT PRICKING NOTE. (Fr. *Billet de transbordement douanier*, Ger. *Umladungsschein*, Sp. *Nota de transbordo*, It. *Nota di trasbordo*.)

This is another document also in use when dutiable goods are transhipped. It is addressed by the customs to their officer on board the export steamer, instructing him to receive the goods (by land or water, as the case may be), and is signed by him, as well as by the mate of the ship, as certifying to the shipment.

TRANSHIPMENT SHIPPING BILL. (Fr. *Certificat de transbordement*, Ger. *Umladungsschein*, Sp. *Certificado de transbordo*, It. *Certificato di trasbordo*.)

This forms the export entry for goods transhipped under bond. It is passed in the Long Room, and afterwards goes to the officer in charge of the export ship, who certifies as to the shipment and takes a mate's receipt for the goods on board.

TRANSIRE. (Fr. *Passavant*, Ger. *Ausfuhrerlaubnis*, Sp. *Permiso de tránsito*, It. *Permesso di transito in cabotaggio*.)

This is a document issued at the Custom House, drawn in duplicate, for use in the coasting trade, fully describing the goods on board a ship, and giving the names of the shipper and the consignee. The duplicate serves as the

outward clearance of the vessel; and the original being given up when she reaches her destination, is her entry inwards. Most vessels engaged in the coasting trade have a general transire granted for a year.

TRAVELLER. (Fr. *Voyageur*, *commis voyageur*, Ger. *Reisender*, Sp. *Viajante*, It. *Viaggiatore*, *commesso viaggiatore*.)

A traveller is a person engaged by wholesale houses and manufacturers to canvass for orders, collect money, and represent their interests away from the establishments.

The rights and duties of a traveller will depend upon the terms of his engagement. He may be merely a servant of his principal or he may be in the position of an agent.

When a traveller is engaged to go abroad it is necessary to obtain information as to the terms upon which such a person will be allowed to transact business in each country he visits. Such information is obtainable at any consulate.

TREASURY. (Fr. *Ministère des finances*, Ger. *Schatzkammer*, Sp. *Ministerio de hacienda*, It. *Ministero delle finanze e tesoro*.)

This is the name given to the Government department which has charge of the finances of the country. The Prime Minister is usually the First Lord of the Treasury.

TREASURY BILLS. (Fr. *Billets du trésor*, Ger. *Schatzkammerschein*, Sp. *Cédulas del tesoro*, It. *Boni del tesoro*.)

These are instruments of credit issued by the Government as an acknowledgment for sums of money lent by private persons. Advertisements appear in the *Gazette* when the Government requires money in this way. There are three, six, and twelve months' Treasury bills; and, as the purchaser receives them at a discount, the operation is similar to the process of discounting an ordinary trade bill. Forms of tender for Treasury bills are obtainable at the Bank of England whenever an announcement appears in the *Gazette* inviting such tenders.

TREASURY BOND. (Fr. *Bon du trésor*, Ger. *Schatzkammerscheine*, Sp. *Bono del tesoro*, It. *Biglietto del tesoro*.)

This is the same thing as an Exchequer Bond (*q.v.*).

TRET. (Fr. *Réfaction*, Ger. *Refaktie*, Sp. *Rehacimiento*, It. *Rifazione*, *rifacimento*.)

This is an allowance of 4 lbs. on every

104 lbs. of certain articles of merchandise for dust, waste, etc.

TRIAL OF THE PYX. (See *Pyx.*)

TRIM. (Fr. *Arrimer*, Ger. *Kohlen stauen*, Sp. *Arrumar*, It. *Stivare*, *disporre convenientemente il carbone.*)

To "trim" coal is to stow it away properly in a ship's bunkers, so that it is equally distributed and not left in heaps or all in one place.

TRIMMER. (Fr. *Arrimeur*, Ger. *Kohlenstauer*, Sp. *Arrumador*, It. *Stivatore.*)

This is a person who is employed to trim or to stow coal in a ship's bunkers.

TRINITY HOUSE. (Fr. *Trinity House*, Ger. *Trinity House*, Sp. *Departamento de pilotos*, It. *Sezione della marina mercantile nel ministero della marina.*)

Trinity House is the corporation entrusted with the regulation and management of the lighthouses, buoys, and beacons of the shores and rivers of the United Kingdom, and with the licensing and appointment of pilots for the British coasts. It consists of thirteen acting elder brethren, of whom two are elected from the Royal Navy and eleven from the Merchant Service, and thirteen honorary elder brethren. The acting members attend at the Admiralty Court to act as assessors, and they also advise the Board of Trade in nautical matters. The income of the corporation is about £300,000 per annum, and is expended, under the auditorship of the Board of Trade, on the various duties already mentioned, in pensions to decayed masters of the mercantile marine, and in administrative expenses.

It is believed that Trinity House dates back to the time of King Alfred. It rose to a position of importance in the reign of Henry VIII, who granted a charter in 1518 for the purpose, among other things, of improving the breed of seamen. The full title of the body is the Corporation of the Elder Brethren of the Holy and Undivided Trinity.

TROY WEIGHT. (Fr. *Poids troy*, Ger. *Karatgewicht*, Sp. *Peso troy*, It. *Pesi troy per preziosi.*)

This is a measure of weight now rare in this country, differing from the avoirdupois most commonly in use, and limited to the weighing of gold, silver, platinum, diamonds, and other precious stones. The pound troy is that from which all other weights are obtained; $\frac{1}{2}$ of it is the ounce troy, $\frac{1}{20}$ of the ounce is a pennyweight, and $\frac{1}{24}$ of a pennyweight is a grain. There are, therefore,

5,760 grains in a pound troy, whilst 7,000 such grains go to make a pound avoirdupois.

TRUCK SYSTEM. (Fr. *Paiement en marchandises*, Ger. *Tauschsystem*, Sp. *Pago en mercancías*, It. *Pagamento in generi o merci.*)

This is the practice of paying workmen wholly or partly in goods instead of money. The system is now rendered illegal by the Truck Acts.

The word is derived from the French, *troc*, which means an exchange of goods without the intervention of money.

TRUCKAGE. (Fr. *Camionnage*, Ger. *Rollgeld*, Sp. *Gastos de carruaje*, It. *Spese di trasporto con carri.*)

This is a charge made for the use of railway and other trucks as distinct from a charge for carriage.

TRUE DISCOUNT. (Fr. *Véritable escompte*, Ger. *wirklicher Skonto*, Sp. *Verdadero descuento*, It. *Vero sconto.*)
(See *Discount.*)

TRUST. (See *Trustee.*)

TRUST. (Fr. *Monopole*, Ger. *Monopol*, *Ring*, Sp. *Monopolio*, *unión de fabricantes*, It. *Monopolio.*)

This is the name applied to large combinations of business firms, where several have been amalgamated into one large company.

The object of the various trusts is to prevent the continuous fall in prices arising from competition. Small businesses are compelled to give way and to disappear when opposed to similar businesses which command a large amount of capital. The larger houses are then left to compete amongst themselves. Profits are reduced to a minimum, and the contest is nothing but a fight between capitalists, from which the public alone derive any advantage. It was to prevent this continuous ruinous contest that the first combinations of capitalists took place, by which prices were regulated, and from the time of the establishment of the Standard Oil Trust in America, in 1882, the idea has pervaded all the principal commercial countries so far as the greatest of its industries are concerned.

It is obvious that the chief aim of trusts is to obtain a private monopoly. If all the firms engaged in any particular business were to combine this would be easily attained; but it has been found in practice that a few firms remain outside the combinations, and that trusts have not quite a monopoly, but the power of dominating the market.

But the effect is in reality nearly the same.

The trusts claim certain advantages for their methods of trading. It is said that there is an economy in production owing to the large scale upon which raw material is bought, and to the use of the best kinds of machinery and processes, that there is better organisation, that there is economy in transport, and that there are advantages in sale owing to the elimination of superfluous expenses. But on the other hand there are the evils naturally arising from the stifling of healthy competition, and the arbitrary methods invariably accompanying the possession of an enormous capital, and these vastly outweigh any of the advantages claimed for the existence of trusts.

The problem of trusts is one of the greatest industrial questions of the present day, and owing to the fact that there are now in contemplation international organisations of huge dimensions, the question is one not affecting any particular country, but the world as a whole.

TRUST DEED. (Fr. *Acte de fidéicomis*, Ger. *Pfandurkunde*, Sp. *Asignación de síndico*, It. *Scrittura*.)

A deed conveying property to a trustee or trustees. The most common form is that of a deed of arrangement (*q.v.*) by which an insolvent debtor conveys his property, with the acquiescence of his creditors, for the purpose of an equitable division without the publicity and expense of going through the Bankruptcy Court.

TRUSTEE. (Fr. *Curateur*, Ger. *Pfandhalter*, Sp. *Curador*, It. *Curatore*.)

A trust may be defined as a confidence reposed by one person in conveying or bequeathing property to another that the latter will apply it to purposes directed by the former. The person in whom the confidence is reposed is called the trustee, and the persons for whose benefit the trust is created are termed the *cestuis que trustent*. If there is but one beneficiary he is the *cestui que trust*.

Trusts owe their origin in England to the ingenuity of the ecclesiastics. At all events, they have existed from a very early period in the history of this country, and the control of trustees by the Chancery Division of the High Court dates back to the reign of Richard II. That control has been exercised ever since, and the rules and principles relating to the duties, obligations, and

liabilities of trustees consist almost entirely of what is known as judge-made law, varied to some extent by modern statutes.

Trustees are appointed, in general, by the instrument creating the trust, whether a will or a deed, and provision ought to be made as to who is to have the appointment of new trustees when the first ones die or wish to retire from the trust. Any person may be a trustee, though it is not advisable to name an infant to act as such, especially if he is to be a sole trustee. There may be matters of importance to attend to before he attains the age of twenty-one, and others which he could not undertake at all during his minority. But in order to prevent a deadlock the court will, on proper cause being shown, appoint another person to act so long as the minority lasts. No one is compelled to act as trustee any more than as executor. But if he once interferes with the trust property, or does anything in respect of the trust, he cannot disclaim until he has been discharged or finally released. A disclaimer need not be in writing, though it is safer not to rely upon one made by parol only.

The choice of trustees is not an easy matter, especially as great responsibilities may attach to the position. Some trustees are inclined to favour the beneficiaries at the expense of the trust fund; others are of an opposite nature, and cause trouble on every possible occasion. The person to seek is one who will carry out the terms of the trust with the utmost strictness, but who will nevertheless put no obstacles in the way of doing anything which can be beneficial to the trust estate generally—in fact, who will take some personal interest at least in the matter. It has been said: "The best persons to be appointed trustees are men of substance and position, friends of the family and interested in their welfare, but not very closely connected. Of such persons (if they are to be found) it is desirable to appoint three where the property is considerable, and two where it is of moderate compass. Even where the property is small it is, as a rule, highly inexpedient to appoint a sole trustee."

The first duty of trustees is to reduce the subject matter of the trust into their possession, and if it consists of inscribed securities to have them transferred into their joint names, and they must take the same care of the trust estate as they would be expected to take if it

were their own, and they must themselves do such acts as a man would usually himself do in business. But they are justified in delegating to professional people such work as is in the ordinary course of business committed to such people, for example, the sale and the receipt of the purchase money of stocks and shares to brokers, the sale and the receipt of the deposit of the purchase money of land to auctioneers, and the receipt of the purchase money of land to solicitors.

They must invest trust moneys according to the directions contained in the trust instrument, and in default of such directions, in the modes authorised by the Trustee Act, 1893, as to which the broker who buys for them is always a competent adviser.

When it is considered that trustees generally act without any personal remuneration, the law appears to treat them with excessive stringency, for in the execution of their trusts and the administration of the trust estates they are liable for a mistake as much as for a wilful breach of trust. They can, however, and in every case of difficulty they should, apply to a judge of the Chancery Division of the High Court for directions as to what they ought to do, or as to any question arising out of the administration of their trusts. This can be done promptly and inexpensively at the cost of the trust estate, and the opinion of the judge if followed will operate as an indemnity to the applicants.

There is a popular notion that there can be one acting trustee, and another or others dormant. But this is a fallacy. A trustee who stands by and permits his co-trustee to commit an act of malversation incurs the same measure of liability as if he had himself joined in it.

Trustees are not justified in allowing moneys to remain uninvested or in placing them on deposit with their bankers. As it is not right to allow one trustee to receive dividends on behalf of himself and his co-trustees, and as it is often inconvenient and occasions delay to send dividend warrants and cheques to all the trustees for indorsement, the plan usually adopted is that trustees give a power of attorney in the case of consols, and a written authority in other cases for their own bankers to receive the dividends as they become due from the Bank of England and the companies whose debentures, stocks, or shares such

trustees hold. Their bankers then place the dividends to the account of the trustees. When there is only one *cestui que trust*, for instance, a tenant for life, the trustees also give their bankers authority to honour his cheques to the amounts so paid in to their account, but where there are numerous *cestuis que trustent* cheques must, of course, be drawn to each of them separately for the purpose of distribution.

Where land is held in trust for an infant, the trustees must manage or superintend the management by an agent of the land, with power to cut timber or underwood, erect, pull down, rebuild, and repair houses and other buildings, continue the working of mines and quarries which have usually been worked, drain and improve the land, insure against fire, make arrangements with tenants to let on yearly or short tenancies, but not to grant leases. If it is desired to let on leases application must be made to a judge of the Chancery Division for his sanction thereto.

The trustees can, at their discretion, apply the whole or any portion of the income arising out of land or other property for the infant's maintenance, education, or benefit, or pay it to his parents or guardians. This is entirely a matter for the trustees, and it is immaterial whether there is any other fund available for the purpose, or any person bound by law to provide for the infant's maintenance and education or not. Any surplus of the income which has been so applied must be invested and accumulated at compound interest, but the trustees may at any time apply the accumulations as if they were income arising in the then current year. Of course these powers only apply if and so far as a contrary intention is not expressed in the instrument under which the infant's interest arises, and have effect subject to the terms of that instrument.

This is quite in accordance with the general principle upon which trustees are bound to act. The principal or *corpus* of the property is to be held intact as long as the trust continues. The income, unless expressly ordered to be accumulated for a period allowed by the law, can generally be devoted for the benefit of the *cestuis que trustent*, and if the trust instrument is silent upon the point an application may be made to the Chancery Division.

Where a trustee is dead or remains out of the United Kingdom for more than