

Corporation Law for Officers and Directors (Book Note)

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BOOK NOTES

LAW OF TRUSTS. Second Edition. By Edward J. O'Toole. Brooklyn: St. John's University School of Law, 1935, pp. xviii, 138.

Professor O'Toole has published a second edition of his text on the law of trusts. The first edition was published in 1933. The task of covering the subject matter within a limited number of hours in a single semester is exceedingly difficult. The author is to be congratulated on the choice of subject matter made by him and the space allotted to the discussion of the several portions of the course. In the citation of cases Professor O'Toole has shown willingness to lay aside older authorities and refer the reader to more recent material. The discussion is in general clearly expressed although one like the reviewer, who has taught substantially the same topics for several years, might state certain problems in a different manner. Due to the personal equation, each instructor has doubtless his own preferences as to treatment and scope, so that no adverse criticism of the text is intended.

Under constructive trusts the discussion of the following of a trust *res* is carefully and clearly expressed in Section 92. In the discussion as to the rights of several beneficiaries where different trust *res* are commingled, the student is shown which of three possible solutions is best. It would appear desirable to cite directly in this connection the celebrated *British Red Cross* case,¹ where the maxim of "Equality is Equity" was applied. The inclusion of material on life insurance trusts is timely. It is believed that this topic will be of increasing importance in future years.

Both Professor O'Toole and his students should be satisfied with the outline he has prepared. It should be useful to his classes.

D. F. S.

CORPORATION LAW FOR OFFICERS AND DIRECTORS. By William J. Grange. New York: The Ronald Press Co., 1935, pp. xxx, 904.

At a recent meeting of the stockholders of a large public utility corporation, the management—officers and directors—were interrogated respecting their large salaries and the equally large pensions paid to officers upon retirement. One stockholder made the observation that officers who had received exorbitant salaries might be expected to care for themselves in their "old age" without requiring stockholders, via large pensions, to sustain them in the "grand manner". Observations by other stockholders at this meeting were equally caustic and pointed. Skilled parliamentarians finally subdued the complainants. The management won the skirmish. Was it a pyrrhic victory?

Publication by governmental agencies of salaries, bonuses and profits paid to management is making stockholders more inquiring and restive. Mere formal

¹ 2 Ch. D. 419 (1914).

accounting will not satisfy. Management must be better trained, more competent and less greedy.

This volume was prepared primarily for officers and directors and should be of great value to them. One finds here an appreciation of the functioning of a corporation in action. The law and practice governing fundamentals—dividend payments, rights and liabilities of directors and officers, contracts in which officers and directors are personally interested, corporate mortgages, and rights and remedies of minority stockholders—are thoroughly discussed. The "New Deal" corporation legislation is covered by compact analyses of the Securities Act of 1933, the Securities Exchange Act of 1934, and Corporate Reorganizations under Section 77B of the Bankruptcy Act. A large number of interesting and illustrative forms are included. The book is useful not only to officers and directors, but to all students of corporation law.

L. P.

GUIDE TO FEDERAL APPELLATE PROCEDURE. By Nathan April. New York: Prentice-Hall, Inc., 1936, pp. xxx, 522.

The jurisdiction of the Federal Government has become so greatly enlarged that federal pleading is an onerous and frequent duty of most of the active members of the bar. Among the most contested factors in federal appellate practice are the matters of writs and assignments of error, admixed with the strange supersedeas. It results in tension that, for the general practitioner carrying on an appeal, relaxes only when the procedural part with its ramifications and requirements has been completely settled.

The present publication is a guide through this maze of technicalities, supplemented by forms, and the Rules of the Circuit Court of Appeals for the Second Circuit; it contains cross-reference to the Rules of the other federal circuit courts, and has an outline of the Appellate Procedure in a "step by step" arrangement. This guiding effect is further enforced by a contrast drawn between the practice in the state and in the federal forums.

The apt hand of a craftsman has taken an unpleasantly routine subject with its rigid and pragmatic regulations and has succeeded in bringing simplicity into their application.

N. P., JR.

LEGAL RESPONSIBILITIES AND RIGHTS OF PUBLIC ACCOUNTANTS. By Wiley Daniel Rich. New York: American Institute Publishing Co., Inc., 1935, pp. xii, 236.

In a collation of case and statutory law applicable to public accountants, Professor Rich has been able to bring together the legal background of one of the younger professions. Helped by favorable legislation and business needs, accountancy has received mounting recognition during recent years. The courts have spoken upon more than one occasion on the rights and responsibilities of