

cases which make a distinction between notice to a director who acts at the Board in the particular transaction, and notice to a director who does not so act, and which affirm that the corporation is bound in the former case and not in the latter, are evidently disapproved of by the learned author, who is of opinion that if either of these distinctions is to prevail, the foundation on which the security of all moneyed or other corporations rests will be sapped, it being clearly his opinion, that no act, or representation, or knowledge of any agent of such corporation, should bind it, unless officially done, made, or acquired. *Ibid.*, sec. 140 (b). And in this opinion, as I conceive, he is supported by the current of authority. *National Bank vs. Norton*, 1 *Hill's N. Y. Rep.*, 575, 578; *Sharon Canal Co. vs. Fulton Bank*, 4 *Paige*, 127, 129; *Washington Bank vs. Lewis*, 22 *Pick.*, 24.

The cases of the *Bank of the United States vs. Davis*, 2 *Hill's N. Y. Rep.*, 451, and of the *North River Bank vs. Aymar*, 3 *Ibid.*, 262, do seem to recognise the distinction, and to prove that if any one of the directors who participates with the Board in the particular transaction has notice, it is sufficient to bind the corporation, although the other directors have no knowledge thereof. But, as before said, this distinction is condemned by Mr. Justice Story, who reviews all the authorities upon the subject, and appears to me replete with mischief and insecurity to all corporations. In commenting upon the cases, the author, at section 140 (c), speaks of the identical case now under consideration, and inquires, in a mode clearly showing his disapprobation of the doctrine, that notice to a director who acts in the transaction will bind the corporation, "whether a mortgage made to a bank by one of its directors, or by a third person, would be affected by a prior unregistered incumbrance or other equities attaching to it, which were known at the time to such director?" And there would seem to be no doubt, from the way in which the question is put, and the whole tenor and drift of the commentaries of the writer, that he was of opinion that the bank would not be affected by such notice.