

strued together with the conversion privilege, and that when so construed, the option to convert must be held to terminate when the option to redeem is exercised. Thus the determining question is whether the option to redeem is considered as exercised at the time of the publication of the first notice or whether all notices must have been published. In a Missouri case, a non-resident landowner contesting a drainage tax bill which required notice by publication for four successive weeks contended that there was no notice at all until the last publication, after which he must be allowed time to respond to the notice, but the court refused to uphold this contention. *State ex rel. v. Blair* (1912) 245 Mo. 680, 151 S. W. 148. In the principal case, it is apparent that the holder had actual notice, and the court, without going as far as it did, might reasonably have held this sufficient. A Kentucky case held that where a claimant of land had actual notice of prior equities, he could not rely on lack of notice simply because the proceedings from which he acquired notice were extra-judicial so that he could not be charged with constructive notice. *Hart v. Hawkins* (Ky. 1814) 3 Bibb. 502.

The reasoning of the Circuit Court of Appeals seems the more equitable, because it prevents a holder of bonds with both a redemption and a conversion privilege from realizing profits not contemplated by the contract by a bit of manipulation when the corporation seeks to call in its bonds.

H. C. H., '31.

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CRIMINAL LAW—ACCESSORIES—PURCHASERS OF INTOXICATING LIQUOR.—

The defendant was charged with unlawfully and knowingly having purchased intoxicating liquor fit for use for beverage purposes, in violation of the National Prohibition Act. Prosecution was brought under sec. 6, tit. 2, 41 Stat. 310, (1919) 27 U. S. C. sec. 16, which provides that, "No one shall manufacture, sell, purchase, transport or prescribe any liquor without first obtaining a permit from the commissioner to do so." *Held*, the purchaser was not guilty of any violation of the National Prohibition Act because the section of the act prosecuted under was applicable only to abuse of the legal and controlled traffic in liquor and had nothing to do with illegal and unrestricted sales. *U. S. v. Farrar* (1930) 50 S. Ct. 425.

This is the first decision on the point under the National Prohibition Act, but it has always been held in states which had local prohibition laws that the purchaser of liquor was not guilty of violating that prohibition regulation in the absence of express law to the contrary. *Commonwealth v. Willard* (Mass. 1839) 22 Pick. 476; *Lott v. U. S.* (Alaska 1913) 205 F. 28; *U. S. v. Katz* (1926) 271 U. S. 354; *Brister v. State* (1924) 97 Tex. Crim. 395. Courts are inclined to interpret the law literally and hold that if the legislature has not made a proviso holding the purchaser guilty there is no reason for finding him so for some other reason or on some other grounds. Furthermore, since the purchaser of liquor is usually the chief source of evidence against the seller, the rule against self-incrimination would hinder the prosecution of the more important cases. Because of the same considerations the purchaser is not considered an accessory to the crime of selling liquor.

Under a separate and distinct charge of conspiracy to violate the Prohibition Act and under conditions pertinent thereto the purchaser can be prosecuted with the seller as a party to the conspiracy. *De Witt v. U. S.* (1923) 291 F. 995; *U. S. v. Slater* (1922) 278 F. 266; *U. S. v. Vanatta* (1922) 278 F. 559; *U. S. v. Kerper* (1928) 29 F. (2d) 744. But there must be actual planning by the purchaser with the seller to justify a conviction on this ground. So it seems clear that the casual buyer of liquor can be charged neither with violating the National Prohibition Act nor with conspiracy to violate it.

C. F. G., '32.

**EMINENT DOMAIN—POWER OF DOMESTIC CORPORATION ACTING IN INTEREST OF FOREIGN CORPORATION.**—The case of *Patterson Orchard Co. v. Southwest Ark. Utilities Corp.* (Ark. 1929) 18 S. W. (2d) 1028, furnishes an example of judicial interpretation of a constitutional provision with the view to avoiding injurious effects and to facilitating economic enterprises despite a relatively clear contrary intention in the provision itself. *Held*, a domestic corporation, organized by employees of a foreign corporation, which had been unsuccessful in condemning a right of way because foreign corporations were prohibited by the state constitution from taking property within the state, has power to condemn a right of way for an electric transmission line and immediately lease it to the foreign corporation.

The decision is in line with the weight of authority, as exemplified by the comparatively few cases passing on the question. At an early date, *Lower v. Chicago, B. & Q. R. Co.* (1882) 59 Iowa 563, 13 N. W. 718, and *In re Staten Island Rapid Transit Co.* (1886) 103 N. Y. 251, held that a domestic corporation could condemn land for a railroad right of way, with the express design of procuring the right of way for a foreign corporation. In *Postal Telegraph & Cable Co. v. Oregon Short Line Co.* (1901) 23 Utah 474, 65 Pac. 735, the court said, "There is nothing in the letter, spirit, or policy of the law which prohibits the same person from forming and conducting two or more different corporations." In 20 C. J. 543, the rule is stated: "The fact, however, that a foreign corporation is interested in a domestic corporation, or owns the greater part of its stock and controls its management, will not prevent the latter from exercising the power of eminent domain." In *Shepherdstown Light & Water Co. v. Lucas et al.* (W. Va. 1929) 148 S. E. 847, it was held that ownership by a non-resident corporation of controlling stock in a public service corporation deprives the latter of the power to condemn property. See also *Snyder v. Baltimore & O. R. Co.* (1904) 210 Pa. 500, 60 Atl. 151. In *Potter v. Gardner* (Ky. 1928) 1 S. W. (2d) 537 it was held that foreign telegraph and telephone companies need not domesticate themselves to be entitled to condemn right of way across private property.

But in *In re N. Y., L. & W. R. Co.* (1885) 99 N. Y. 12, 1 N. E. 27, it was held that if the fact were established that the taking was not for the purpose of enlarging the railroad company's road but for the sole benefit of a foreign lessee an injunction should issue against the condemnation proceedings. And Nebraska courts hold that a domestic railroad company cannot