COURT OF SESSION.

Wednesday, January 24.

FIRST DIVISION.

BLAKISTON *v.* LONDON AND SCOTTISH BANKING AND DISCOUNT CORPORATION, LIMITED.

Company—Prospectus—Material Misrepresentation—Rectification of Register.

B applied for shares in a projected company in reliance on a statement in a prospectus that S was to be a director. B did not know S personally, but knew him to be the director of another company of established reputation. S withdrew his name before allotment, but no intimation of this fact was made to B.

Held that B was entitled to have his name removed from the register of shareholders, in respect that he had been induced to take shares by a material misrepresentation on the part of those acting for the company, made in the knowledge that it was untrue.

This was a petition at the instance of John R. Blakiston under section 35 of the Companies Act 1862 for rectification of the register of the London and Scottish Banking and Discount Corporation, Limited, by removal of his name therefrom, and for repayment of the sums paid by him in respect of certain shares in said company which had been allotted to him.

The petitioner averred that he had been induced to take shares in the company by a statement in the prospectus that Robert Scrafton, who, as was well-known to the petitioner, enjoyed a high reputation for business ability and integrity, was to be a governor or director of the company; that Scrafton had withdrawn his consent to be a director before allotment; that the directors knew when they allotted the petitioner said shares that Scrafton had withdrawn, but failed to communicate this fact to the petitioner; and that their failure to inform the petitioner of Mr Scrafton's withdrawal was a fraudulent misrepresentation, whereby the petitioner was materially deceived and induced to acquire said shares.

Answers were lodged for the company, in which, *inter alia*, they denied that the petitioner had been induced to take shares by the announcement that Scrafton was to be a director, and further denied that Scrafton had intimated his withdrawal before the shares were allotted.

The result of the proof which was allowed, appears clearly from the opinion of Lord Kinnear. Shortly stated, the material facts established were these: In the beginning of 1893 Mr Scrafton agreed to be a governor of the respondents' company, subject to the condition that he should have an opportunity of going over the articles and memorandum of association with the other intended directors, and being satisfied as to the character of the business which the projected company was going to carry on. Early in March a prospectus was published relative to the formation of the company, in which Scrafton's name was announced as a governor without his having had any such meeting with the other governors. On this coming to his knowledge he did not at once object, but a few days later, on 11th March 1893, he wrote to the provisional secretary of the company requesting that his name should be removed from the prospectus as a governor, and that intimation of his withdrawal should be sent to each shareholder. The petitioner applied for shares on 8th March, and these were allotted to him on 14th March. No intimation was made to him of Scrafton's withdrawal, although the parties who acted for the company in making the allotment knew at the time that Scrafton had withdrawn.

It was further proved that the petitioner had taken shares in reliance on the statement in the prospectus that Scrafton would be a director. He did not know Scrafton personally but knew that he was a director of Appleton, French, & Scrafton of Middlesborough, a company doing a large business and enjoying a high reputation, and would not have applied for shares in the respondents' company but for the announcement that Scrafton was to be a governor.

Argued for the petitioner—The evidence showed that Scrafton never finally agreed to become a director, but only consented to entertain the proposal on the condition that he should have an opportunity of meeting the other intended directors, and of going over the memorandum and articles of association and satisfying himself of the character of the business which was to be carried on by the projected company. This condition had never been purified, and the respondents were therefore not entitled to publish his name as a governor. But whether that was so or not, Mr Scrafton had, in the most unqualified terms, withdrawn any consent he might have given before allotment, and the respondents were bound to have intimated this fact to intending shareholders before allotment. Their failure to do so was a misrepresentation or concealment entitling a person who had been induced thereby to take shares to recission of his contract. In the next place, it was established that the petitioner had applied for shares in reliance on Scrafton being a director. No doubt he did not know him personally, but he knew him to be a director of a company doing a large business in the north of England, and enjoying a high reputation, and would not have taken shares but for the fact that Scrafton's name was announced as a director, which appeared to him to guarantee the soundness of the projected company. The petitioner had therefore been induced to take shares by a material misrepresentation or concealment on the part of the respondents, which entitled him to have his contract rescinded—*In re Life Association of England, Blake's* case,

1865, 34 Beav. 639; *in re Scottish Petroleum Company, Anderson's* case, 1881, L.R. 17 Ch. Div. 373; *Smith* v. *Chadwick*, 1881, L.R. 20 Ch. Div. 27, also 1884, L.R., 9 App. Cas. 187; *Karberg's* case, L.R. 1892, 3 Ch. 1.

Argued for the respondents—The evidence did not substantiate the petitioner's case. In the first place, Scrafton consented to become a director, and it was his own fault that he did not have the opportunity he desired of going over matters with the other governors. At all events he knew his name was announced as a director, and did not intimate any objection for several days. The petitioner's application was made before Scrafton intimated his desire to withdraw, and it could not be said that at that date the statement that Scrafton was to be a governor was unauthorised. Even assuming, what was not satisfactorily proved, that Scrafton's letter of withdrawal was intimated to the governors before the shares were allotted, that did not lay on them an obligation to inform applicants of the fact before making allotment; their failure to do so did not entitle the petitioner to recission of his contract—*Hallows* v. *Fernie*, 1867, L.R. 3 Eq. 520, also 1868, L.R. 3 Ch. 467. Lastly, the petitioner had failed to prove that he had so relied on Scrafton's name as to be entitled to recission of his contract. He must show that he was materially deceived. It was not enough for him to say that he knew Scrafton to be director of a well-known business, and therefore relied upon him. Reliance upon the business reputation of a person whose name was falsely published as a director, without personal knowledge of such person, would only be held to justify recission where the person relied on was a recognised leader in the world of commerce or finance—*Smith* v. *Chadwick*, *supra*, *per* M.R. Jessel, L.R., 20 Ch. Div. 50-51.

At advising—

LORD KINNEAR—This is a petition by Mr Blakiston to have his name removed from the register of shareholders of the London and Scottish Banking and Discount Corporation, Limited. The averments of fact which are set forth in the petition, and upon which the petitioner claims this remedy, are, that he was induced to take shares in reliance upon the statements contained in the prospectus of the company, that one of the gentlemen who had agreed to become a director was a certain Mr Robert Scrafton, who enjoys a high reputation for business ability and integrity; and that he has learned and now avers that prior to the allotment of shares to him the said Robert Scrafton had intimated to the company and to the other governors named in the prospectus that he withdrew his consent to become a governor of the company, and declined to allow his name to be used in any way by the company. Then he goes on to say—"The governors of the company when they allotted the said shares to the petitioner were unaware of the statement in the prospectus, and of Mr Scrafton's withdrawal, but the fact of said withdrawal was not communicated to the petitioner, who acquired the shares and paid the said sums in ignorance thereof. The failure to inform the petitioner of Mr Scrafton's withdrawal was a fraudulent misrepresentation, and the petitioner was thereby materially deceived and induced to acquire said shares." It was maintained for the respondents that the petitioner cannot succeed in this petition unless the Court is satisfied that he has made out a case of fraud against them, that he has in fact made out no such case, and therefore that the petition must be dismissed.

I may say at the outset that I do not see any ground for charging the governors of this company with fraud, but I think that, nevertheless, the petitioner is quite entitled to have the remedy he seeks, if he has succeeded in proving the averments of fact on which the petition is presented, even although the inference which he draws from these statements of fact, that there was a fraudulent intention, should not be well founded, as I think it is not—because the averments of fact, if they are proved, come to this, that a certain representation was made to him which was material to induce him to enter into the contract with the company; that he relied upon this representation when he applied for shares, and that if it were true when it was first made, it had ceased to be true when the company came to conclude the contract by allotting shares to him on his own application. I think, further, when one comes to consider the proof, that the petitioner has made out his case. What he says is that when he first saw the prospectus of this company, he thought, and said to a friend who was with him at the time, that it appeared to be a good thing, and therefore I have no doubt that on considering the terms of the prospectus itself he was disposed to become a shareholder of the company. But then nobody of ordinary good sense would act on such an inclination to the effect of acquiring shares and becoming a shareholder, unless the statements in the prospectus appeared to him to be vouched by the names of some person either known to himself or enjoying a general reputation known to him, upon which he could rely with some confidence that the statements in the prospectus were true. Now, he says that what induced him to have confidence in this prospectus was that he saw one of the directors was Mr Scrafton, a director of Appleton, French, & Scrafton, Limited, Middlesborough. It appears that he is not personally acquainted with this gentleman, and he has no opinion, from any knowledge of his own, of his personal capacity, but he does know that the company of which he is a partner is a company of high reputation, and there is evidence that that is the reputation which this company enjoyed. Now, I do not think we have anything whatever to do, in considering this question, with the actual position of this company of which we know nothing. The only question is whether Mr

Blakiston did or did not rely on the general reputation of the company, and upon the fact that Mr Scrafton, who was set out on the face of the prospectus as having agreed to be a director, was a managing partner,—a member of a well-known company enjoying a high reputation. He says so himself, and I must say I see no reason for distrusting his evidence. I think we must believe that he resolved to make the application for these shares, because, as he said, he was satisfied that a member of this firm, which was well-known to him, would have nothing to do with a bogus company. That is to say, he was satisfied that Mr Scrafton would not have allowed his name to appear on the prospectus as one of the directors of the company unless he had made such investigation as satisfied him in allowing himself to be held out to the world as vouching for the matters of fact contained in the prospectus, and also for the solidity of the promises which it held out to the public or applicants for shares. Now, I have no doubt if that be proved as matter of fact, it is a material statement inducing a member of the public relying on it to become a shareholder; and that if it is not true in point of fact that Mr Scrafton gave any authority for the publication of his name in this form, that is a sufficient ground for rescission of the contract. The result is that Mr Blakiston entered into the contract under error as to an essential point, and that his error was induced by the representations of the other contracting party.

The question remains, whether the representation contained in the prospectus was or was not true, either at the first when the prospectus was published, or at the time when the company concluded their contract with Mr Blakiston by allotting shares on his application. As to the authority which Mr Scrafton had given to publish his name as a person who had agreed to become a director, I do not think that there can be any question on the evidence, because Mr Scrafton gave a perfectly clear account of all that passed between himself and the provisional secretary of the company at the time when he was considering the question of becoming a director, and the only other party to that conversation, the secretary in question, has not been called to dispute Mr Scrafton's statement. I take it therefore that we must assume that that statement is true, and that if Mr Baker, the secretary in question, had been in the box he must have confirmed all that Mr Scrafton says. Now, what he says is this, that having been invited to become a director of this company, he considered the matter favourably, and about the 12th or 13th January he had some correspondence and meetings with Mr A. F. Baker for the purpose of giving his decision on the question. He says that at this meeting Mr Baker said that "so far our arrangements were progressing satisfactorily, but of course a meeting would be held of the governors before the prospectus was issued, and before anything was definitely done, so that, of course, I did not trouble in regard to it at all." Then Mr Scrafton went to Norway, and returned on 28th January, and he says —"I saw Mr Baker on my return at the office of the company. He said that nothing much had been done during my absence, and that it would be some little time before the company would be ready to issue the prospectus and to obtain the capital. But he said that of course the governors would be called together for the purpose of going through the articles of association and the prospectus and the agreements, and so on, before anything was done. I said that of course I would be glad to meet the other gentlemen who were proposing to be governors, to go into the business, and see on what lines it was proposed to be done in order that I might be quite satisfied in regard to the character of the business. That is all that passed at that meeting." Then he says at a later part of his examination that he had considered it quite necessary that he should see the articles and memorandum of association before he agreed to be a director.

Now, on that evidence it is of course quite clear that there was no completed agreement which could justify the promoters of this company in publishing to the world that Mr Scrafton had agreed to become a director, because he had only agreed to become a director subject to the condition that he should have an opportunity of meeting with the other proposed directors and going over the prospectus and the articles and memorandum of association with them. Mr Jameson referred us to a letter from Mr Baker to Mr Scrafton, dated 10th January, which seems to confirm this view of the matter so far as it goes, because he writes to him and says—"I had hoped to have had the pleasure of seeing you here, and if it is impossible for you to call, I am afraid we must abandon the idea of your associating yourself with us. We have the final meeting on Monday to complete prospectus." There is a little difficulty in reconciling the date of this letter with the evidence. It is not quite clear. I do not think Mr Scrafton is asked about it, or if he is, I have not observed it in the evidence. It is not quite clear whether this was written before or after Mr Baker's interview with Mr Scrafton. If it was written after and referred to it, then it would be confirmation of Mr Scrafton's evidence, when he said, "I must be present at the meeting of directors before I finally agree to become one," because what Mr Baker points out is that there is going to be a meeting, and that if he cannot be there, they must give up the idea of his becoming a director. However that may be, the fact remains that on Mr Scrafton's evidence, which for the reason I have given I think the respondents cannot dispute, he expected that before he finally agreed to accept the office of a director he must have an opportunity of going over the prospectus and the memorandum and articles of association with the other directors. Now, if that be so, there is certainly no authority for publishing a prospectus with Mr Scrafton's name in it as a director until such a meeting

had taken place. And that I think would be quite conclusive of the whole question between the parties were it not that it appears that after the prospectus had been published Mr Scrafton became aware of the fact, although he had given no previous authority for issuing a prospectus with his name in it to the public—he became aware of the fact that it had been issued, and did not at once object to it and put a stop to the publication. He found from a communication which he received from a newspaper office that the prospectus was being advertised. A newspaper proprietor asks him to obtain the company's advertisement for his paper, and Mr Scrafton wrote on 7th March forwarding the application of the newspaper to Mr Baker, the secretary of the proposed company, and saying nothing more against the proposed publication of the prospectus than this—"I expected directors would be called together before prospectus issued." Now, the prospectus had been issued before Mr Baker received that letter. There was no antecedent authority to publish to the world a prospectus with Mr Scrafton's name as one of those who were to be directors. The question that appears to be raised is, whether this letter did not supply the previous want of authority, by indicating to the persons in the administration of the company that Mr Scrafton was aware of the intention to publish his name, and did not oppose it. Now, that might be natural if the question were whether Mr Scrafton was in a position to complain of anything that the directors had done upon receipt of that letter. But that is not the question between the parties in this case. Mr Scrafton says—"I did not take any immediate steps though I saw that my name was being published to the world, but I was aware that I would have an opportunity of withdrawing before allotment"—that is to say, if on further inquiry he was not satisfied to go on, and become a director of the company, he would be entitled to say—"You have no right to publish to the world that I have agreed to be a director, and you must not allot shares to anybody on the faith of a prospectus containing my name," because he was not only entitled to withdraw from the office of director, but to withdraw from the position in which he was placed before the public as a person who had given his approval of the statements in this prospectus. And therefore Mr Scrafton was probably right enough in thinking that no harm would be done by his abstaining from intimating an immediate disapproval of the publication, because he could withdraw before allotment was made on the faith of the prospectus already published. Therefore it does not appear to me, so far, that the company has placed itself in a position of being able to say to anybody who has applied for shares on the faith of that prospectus, that they had in fact Mr Scrafton's authority for saying he had agreed to become one of the directors.

But then the matter does not rest there, for after consideration Mr Scrafton writes a most clear and peremptory letter to the secretary for the company on the 11th March, in which he says—"I am advised that as one of the governors advertised in the prospectus issued to the public, I am responsible for every statement in the prospectus, and as I have had no opportunity whatever of verifying the statements contained therein, I cannot take any responsibility in regard to them, and have therefore no alternative but to request that my name may be removed as a governor from the prospectus, and that notice may be sent to the public press to this effect, and that in the event of the company going to allotment, notice may also be sent to each shareholder, informing them that I had resigned my position as a governor before the company went to allotment," and then goes on to say he had never in his previous experience become identified with any company without having an opportunity of knowing more about it than he knew about this one. Now, a question has been raised whether this letter was or was not before the administrators of the company when they made the allotment of which the petitioner complains. I think we must hold it quite clearly established that it was before them. Mr Scrafton is quite distinct in his evidence in saying that he wrote a letter in these terms and gave it to be posted, and he is corroborated by his clerk, against whose evidence I can see nothing that can be said, and he is further corroborated by the circumstance that his letter, or a letter of the same date written from him, and containing the same information, must have been received by Mr A. F. Baker, because in this letter he communicates a certain address in London as the place where he would be found on Monday and during the following week, and on Monday he received a telegram from Mr Baker to that address. But then I think what is absolutely conclusive if there were ever any doubt at all on the evidence is this—that in the first place, Mr Baker, who was a responsible officer of the company at the date of this letter, and must have received it if it was despatched at all, is not called as a witness to deny that he received it, and again that the persons who proceeded to allot the shares, and before whom this letter ought to have been laid if Mr Baker did his duty, are not called to say that they did not see it. Certain directors of the company who were appointed subsequent to the allotment were called to say that they knew nothing about it, but we have not the evidence of the persons by whom the allotment was actually made, and I think if the intention of the respondents had been to prove that the allotment was made without any knowledge of this letter having been written and being before their secretary, they ought to have called on persons who made it and who were managing the company's affairs at the time. Mr Scrafton's evidence as to what passed between him and Mr Baker would perfectly well explain the proceeding of the company to go on with the allotment notwithstanding that

they had Mr Scrafton's letter before them, for he says that according to Mr Baker's account they did so intentionally in order that the allotment might not be delayed by other possible resignations. Now, we have no contrary evidence, and again I say that if the company intended to dispute Mr Scrafton's account of what passed at that meeting with Mr Baker, the same obligation lay upon them as lay on them in regard to the letter—they were bound to produce Mr Baker as a witness or account in some way, which they have not done, for his absence.

Now, if the result of the evidence is that at the time when the subscribers of the memorandum of association—for I understand it was they who made the allotment—proceeded to allot the shares to Mr Blakiston, that is to say, to complete the contract of the company with him as an independent shareholder, they were aware that Mr Scrafton of the firm of Appleton, French, & Scrafton, whose name they had published for the purpose of giving confidence in the statements in their prospectus to those persons who might know Mr Scrafton and rely on his capacity and his honesty—if they knew at the time they were completing the contract with Mr Blakiston that Mr Scrafton declined to be a director, and had withdrawn any consent he might have been supposed to have previously given for that purpose, I think they were not entitled to withhold that information from the persons contracting with them. If it be proved—and I think it is proved—that Mr Blakiston made his offer in reliance on the reputation of Mr Scrafton, and that at the time his offer was accepted by the allotment of shares, the administrators of the company were perfectly well aware that Mr Scrafton had not agreed and did not intend to agree to be a director, then I think the petitioner has made out his case, that he has been induced to make this contract in reliance on representations material to induce to that result, and that that representation was made by the company in the knowledge that it was in fact untrue. I am therefore of opinion that the prayer of the petition should be granted.

LORD ADAM concurred.

LORD M'LAREN—This is an application by Mr Blakiston to be relieved of his contract to take shares with the London and Scottish Banking and Discount Corporation, Limited, on the ground that he was induced to enter into the contract by fraud; but at an early stage of the argument it became apparent that the petitioner had taken upon himself an unnecessary *onus*, and that it was sufficient for the purpose of this case that he should prove that he had purchased the shares—or rather agreed to take the shares—under essential error, induced by an agent of the company. Now, a consideration of the case involves two elements—whether there was in the mind of Mr Blakiston error relating to the essentials of the contract to take shares, and whether he took the shares in reliance on erroneous statements made to him—in other words, whether he was induced by the secretary of the company, or someone for whom the company is responsible, to enter into this contract.

On the first point I think that while the evidence involves a variety of considerations, the import of it as a whole is clear that there was error in the statement made in the prospectus of the names of the directors of the company, and in allowing that statement to remain after one of the directors had intimated his withdrawal. Mr Scrafton, the gentleman concerned, certainly admits, and his letters prove, that he had responded favourably to an invitation to join the company as a director—that he was willing to become a director provided he was satisfied as to the prospects of the concern, and the truth of the statements made in the prospectus which was to be given out. I think there can be no doubt of that; but I think also that he was well entitled to make his consent to join the company conditional, especially when we consider that under a recent statute persons who allow their names to appear in prospectuses as directors are held responsible for the accuracy of the statements which they subscribe. Now, it may be if we were here on a question between the company and Mr Scrafton, that Mr Scrafton had not taken all the opportunities that were open to him to become acquainted with the affairs of the company. He went off to Norway just at the time when the meeting of gentlemen who were proposed as directors was to take place, and it may be that the promoters of the company were entitled after what had passed in the verbal communings and after Mr Scrafton's letters, to insert his name in the proof prospectus believing that they would be able to satisfy him on the points on which he had stipulated for information. And I would say further that when Mr Scrafton received the proof, and especially after he had been informed that the prospectus was advertised, he was hardly in a position to say, if he left that advertisement uncontradicted, that he had not authorised its publication. But then we not are here in a question between Mr Scrafton and the company—Mr Scrafton may or may not have had good reasons for withdrawing. It rather appears that he had been led to take the final step by information which he received at the last moment from a different source; but he was entitled to withdraw at any time before allotment, and in the letter which Lord Kinnear has read he does most unequivocally resile from his informal undertaking to join the board, and gives his reasons for so doing. It is clear enough that this letter was received on the morning of the day appointed for allotment, because we have a telegram sent to the address given in the letter.

Now, in that state of the facts, and the contract between Mr Blakiston and the company being still incomplete—because, of course, it required acceptance by the company in order to make a contract; they were in no way bound to allot the

shares—in that state of the facts, if the company were to proceed to allot shares to a shareholder who relied on Mr Scrafton's name in the knowledge that Mr Scrafton no longer intended to be a director, I must say, that whatever may have been their original position they were certainly inducing him to go on and complete a contract under material error as to a matter affecting the constitution of the company. It is no answer to say that at the time when they signed the prospectus the promoters believed Mr Scrafton was to join them. The truth is, that at the time when the contract was completed Mr Blakiston was under essential error, and that was induced by the neglect of the promoters of the company to give him notice of the change of circumstances that had taken place.

As regards the second point, the materiality of the change of matters consequent on Mr Scrafton's withdrawal, I think that it must always be a material circumstance to a person who intends to subscribe to a company, that in a statement submitted to him there is a guarantee for good administration by a board of directors, consisting of men of substantial financial position and business capacity. In one of the cases cited the observation is made with which I agree, that the names of the directors would generally be the first thing that is looked at by anyone who thinks at all of subscribing to a company. Now, I think that the illustration given in the case of *Chadwick* of a person induced to take shares in reliance on the names of one of the two leading financial houses in the world, is not to be taken as a normal case of what was meant by the learned Judge, but rather as an extreme illustration. It does appear to me that a party seeking to invest in a new company may very well rely on the circumstance that the list of directors contains a name which he knows as the name of a firm of established reputation—such a firm as we have here, of millers who have six mills in six of the principal towns of Durham and the north of Yorkshire, and which is known to be an established firm. The fact that a director is a partner of that firm might very well be considered a material element by someone who was not personally acquainted with him, but who merely looks to his known reputation. People entrust the conduct of their business and the treatment of their ailments to professional persons on no other ground than that they know these names as the names of leading men in their professions, and therefore I think there is nothing in the statement of Mr Blakiston that is at all improbable, and certainly there is no contradiction of his statement that he did in fact rely on Mr Scrafton's name, and would not have made the application for shares but for the circumstance that he or someone of like reputation, known to him to be a man of business habits and capacity, was on the list of directors.

Now, the result of these considerations is, that in my view of the case the promoters of the company were not entitled to proceed with the allotment, so far as Mr Blakiston was concerned, after having received notice of Mr Scrafton's withdrawal. They might if they pleased have adjourned the allotment, and might have tried to satisfy Mr Scrafton; but supposing they failed to do so, or supposing they did not choose to apply to him again, then their clear duty was to intimate to all applicants for shares this change in the constitution of the company. It was all the more necessary that they should do so seeing that, as I have pointed out already, in a recent statute applicants could hold those who subscribed the prospectus as guarantors of the statements contained in it.

I am therefore of opinion with your Lordships that the petitioner is entitled to have his name taken off the register.

The LORD PRESIDENT concurred.

The Court granted the petition.

Counsel for the Petitioner—C. S. Dickson—Cullen. Agents—J. & A. F. Adam, W.S.

Counsel for Respondents—Jameson—Guy. Agent—George A. Munro, S.S.C.

Thursday, January 25.

SECOND DIVISION.

[Sheriff of Inverness.

MACKENZIE *v.* CAMERON.

Crofter—Succession—Bequest of Holding—"Member of Same Family"—Landlord's Objection—Crofters Holdings (Scotland) Act 1886 (49 *and* 50 *Vict. c.* 29), *sec.* 16.

The Crofters Act, sec. 16, provides—A crofter may by will or other testamentary writing bequeath his right to his holding to one person being a member of the same family—that is to say, his wife or any person who, failing nearer heirs, would succeed to him in case of intestacy (hereinafter called the legatee), subject to the following provisions—(*a*) Intimation of the bequest within twenty-one days to the landlord or his agent. . . . (*c*) Objections to receive by landlord within one month of intimation. (*d*) If the landlord or his known agent intimates that he objects to receive the legatee as crofter in the holding, the legatee may present a petition to the Sheriff praying for decree, declaring that he is the crofter therein as from the date of the death of the deceased crofter, of which petition due notice shall be given to the landlord, who may enter appearance and state his ground of objection, and if any reasonable ground of objection is established to the satisfaction of the Sheriff, he shall declare the bequest to be null and void, but otherwise he shall decern and declare in terms of the prayer of the petition; (*e*) the decision of the Sheriff under such petition as aforesaid shall be final," Provided always