
Vernon Waters
BOOK REVIEWS


This book reveals some of the intricate mysteries of corporate finance. It is most advantageous to the student and practicing attorney who seek to explore this specialized field of corporation finance. In order to grasp the material, and thereby derive the most beneficial results, one should be thoroughly grounded in the general law of corporations. The book aims to merely give one a perspective of corporation finance so as to enable one to understand the application of law to present day big business mechanisms.

The book is divided into two parts. The first deals with the corporate organism. The majority of the matter covered in this part is but a repetition of some of the general laws of corporations which are particularly adaptable to the ways and means of financing a corporation. Added to this is material which is peculiar to the field of finance, namely: the retirement reduction or purchase of stocks either common or preferred by which fluctuations in the markets are sometimes caused, and the rights of bondholders and their relationship to the corporation and each other.

The second part of the book deals exclusively with the process of financing which includes: 1) the project or idea for the forming of the corporation, which is not a property right of the one forming the idea (Haskins vs. Ryan); 2) the promotion of that idea (by the promoter) which necessitates the finding of capital; 3) the rights of the promoter and his relationship with the stockholders; 4) the public issuance of securities; 5) and expansion and extension of the corporation activities together with a skeletonized study on reorganization.

The reviewer concludes that this study is one for the post-graduate and should not be undertaken by one who has had only a course in general corporation law. Although he might understand the first part of the book, he would be utterly at a loss in part two.

Vernon Waters '31.


Mr. Vance brings down to date the law of insurance in his second edition of Cases on Insurance. In his preface he states that two factors govern his selection of cases. The first is a shifting of emphasis from the historical background of modern insurance law to its economic setting; and the second is the frank recognition that the American law of insurance has branched off widely from the parent English system.

Having just recently published a second edition of Handbook of the Law of Insurance, Mr. Vance should be preeminently qualified to compile a case book. The topics selected for presentation are particular to the law of insurance. The chapters cover: Insurable Interest, Making the Contract, Premiums, Ascertaining of Risk, Waiver and Estoppel, Rights Under Fire, and Life Policies, Subrogation and Construction of Policies—Fire, Life, Accident, and Marine. The appendix contains samples of insurance policies, form of application for life insurance and mortality tables.
Under the chapter Rights Under Life Policies among other subjects treated the author has cases on these interesting points, where the beneficiary murders the insured; where the beneficiary is divorced from the insured and where both beneficiary and insured perish in the same disaster.

Many of the cases are quite recent. The reviewer discovered one from Wisconsin as late as 1928 (Ramsdell vs. Insurance Co. of North America, 197 Wis. 136). There are about ten Wisconsin cases given in full.

James T. Friar '31.