too numerous to justify a review of them here. Many of the principal decisions are collected in 1 Jones, Mortg. (5th Ed.) § 538, and the result of them stated; and it is there said:

"The doctrine is the same under statutes which declare without qualification that an unacknowledged or unrecorded deed shall be void as against purchasers, or as against all persons who are not parties to the conveyance."

The rule is the same in respect to personal property. No distinction in the application of the doctrine can be based upon a distinction between the two classes of property. Jones, Chat. Mortg. (4th Ed.) § 308. It rests upon a broad and fundamental equity. It must be conceded that there are occasionally to be found cases which seem to lead to a different conclusion, but the general current and weight of authority is as above indicated. No doubt there are exceptions to this rule where the statute goes further than to provide for the mere giving of notice, and expressly declares that the instrument shall only become valid upon its registration. In such case the condition is made essential to its validity. The decisions of the supreme court of the state of Connecticut show beyond doubt that the rule which prevails in that state upon this subject is the same as the rule which prevails generally in the courts of the several states and of the United States, and it may be regarded as the settled rule of Connecticut that statutes of a kindred character, and having the same purpose as that here under consideration, are to be construed, not as rendering prior transactions void as between the parties themselves or others who had equivalent notice of such transactions, and who, therefore, were in no predicament requiring protection, but as provisions whose whole scope and intended effect was the protection of parties who had an equity arising upon the fact of their having altered their situation, in reliance upon the apparent condition of things. Wheaton v. Dyer, 15 Conn. 307; Blatchley v. Osborn, 33 Conn. 226; Hamilton v. Nutt, 34 Conn. 501. These cases indicate the law of the state, and the rule by which the construction of its statutes should be governed, and are controlling. Bank v. Francklyn, 120 U. S. 747, 7 Sup. Ct. 757; Hammond v. Hastings, 134 U. S. 404, 10 Sup. Ct. 727; Bishop v. Globe Co., 135 Mass. 132. The cases of Platt v. Axle Co., 41 Conn. 255, and First Nat. Bank v. Hartford Life & Annuity Ins. Co., 45 Conn. 22, do not declare any contrary rule as applicable to the provisions of the statute here in question. On the other hand, it is clear from the discussion of the question by the court in the last-cited case that they adopt as the test of decision the principle upon which that court had acted in previous cases turning upon the construction and effect of statutes designed to accomplish in respect of other species of property the same kind of protection against secret incumbrances and conveyances; for the court, in distinctly announcing the rule of their decision, say:

"The equitable interest of the bank [the pledgee] stands postponed to the publicly recorded lien of the insurance company [that is, the lien declared by the statute] by the principle which postpones an imperfect to a completed attachment, or a secret, unrecorded mortgage of land to one which, although later in time, is recorded by a grantee who has no notice of the first."

In neither of the two cases last cited was there any notice to the corporation of the pledge of the shares of its stock, and all that was said by the court in either case has reference to such a condition of things; and the expressions of the court are in harmony with and much like those of the courts generally when discussing the consequences of a failure of the first grantee or mortgagee to record his conveyance where subsequent purchasers in good faith had parted with their property in reliance upon the apparent ability of the grantor to convey or pledge. As to such cases, all that is said in these two Connecticut cases may be fully conceded, but the rule of their decision furnishes quite completely the distinction which shows that the present case is not within the purpose of the statute, and not affected by it, if the claim of the bank that the Hotchkiss & Upson Company had actual notice of the pledge of its stock before the incurring of any liability by Hotchkiss to it is sustained by the proof. It would seem to admit of much doubt whether a debt or liability incurred by positive malfeasance of an officer of the corporation was a debt within the meaning of the statute. The natural inference to be gathered from the language of the statute and the nature of the subject would seem to be that the debts referred to were such as would arise upon an actual contract, for it would be in such cases that the question whether any reliance had been placed by the corporation or any other person upon the state of the records and files in the office of the corporation would arise.

If we are right in supposing that the statute was enacted simply for the purpose of giving notice, it would seem to follow that it had no reference to a case like this, where the liability arises only upon an implied assumpsit founded on a tort. But, passing this question, we proceed to the other branch of the case, and consider the question whether the Hotchkiss & Upson Company had actual knowledge of the pledge of the shares to secure the $15,000 note. That Hotchkiss, the president of the company, had notice, necessarily follows from his having been a participant in the transaction of borrowing the money and pledging the stock. He appears from the evidence to have had, jointly with Upson, the management of the business affairs of his corporation. Whether the knowledge that he had was notice to his company, in view of the fact that in committing the act of embezzlement he was acting in hostility to the interests of the company, may be doubted; yet no such question arises in regard to the knowledge which Upson had of the condition of that stock, which knowledge was acquired prior to the incurring by Hotchkiss of his liability to the company. It appears from the evidence that upon an occasion when Upson, who was the treasurer of the company, was at the bank in October, 1886, for the purpose of discounting notes indorsed by the Hotchkiss & Upson Company, in a conversation between him and Mr. Bourne, the cashier of the bank, the subject of Hotchkiss' dealings with the bank and his pledge of this stock was distinctly brought forward and canvassed with much interest by both of the participants in that interview; and Mr. Bourne testifies that he at that time showed Upson the

book "showing the amount we had loaned Mr. Hotchkiss, and I stated to him the collateral which we held for the loan of $15,000. He took a memorandum of some of the items which I had called his attention to, and thanked me for doing so. Said he would look the matter up, and report to me. He did report to me in a few days, and said that, while some of the notes were not regular Hotchkiss & Upson Company business, the transactions were kept properly upon the books, and that the matter was all right, or would be fixed all right." This indicates also that Upson had knowledge that Hotchkiss had dealings with the bank on his private account, which were mixed up with the company's business. And Upson himself testifies that at one interview, the date of which he could not state, he asked Mr. Bourne "if Hotchkiss had any other liabilities there, and he told me he had some personal loans secured by collateral." He does not essentially contradict Bourne, and his testimony as a whole seems rather to lend confirmation to Bourne's testimony than otherwise; and the testimony of Hotchkiss tends also to show that the fact that this pledge of stock had been made as collateral to the $15,000 note of Hotchkiss was a matter of conversation between Upson and Hotchkiss at the company's office. Upon the whole testimony in reference to the knowledge by Upson at the time when Hotchkiss' defalcation began of the fact that the stock had been pledged, we cannot entertain any doubt whatever, and we quite agree with the court below in holding that the company had notice in fact. Adopting the rule which the counsel for the appellant quotes from 17 Am. & Eng. Enc. Law, 140, tit. "Officers, Private Corporations," that "the notice, to be binding upon the corporation, must be notice to the agent acting within the scope of his agency, and must relate to the business, or, as most of the authorities have it, the very business, in which he is engaged, or is represented as being engaged, by authority of the corporation. It must be the knowledge of the agent coming to him while he is concerned for the corporation, and in the course of the very transaction which is the subject of the suit, or so near before it that the agent must be presumed to recollect it,"—we conclude that, notwithstanding that the principal business which was being transacted between Bourne and Upson, in October, 1886, was the business of the Hotchkiss & Upson Company with the bank, and that the consideration of Hotchkiss' business with the bank was only incidentally brought forward, yet that it was so connected with the business in hand, and about which their interview took place, that the information then gathered by Upson was such as he was likely to have remembered during the period which ensued, and while Hotchkiss was appropriating the funds of the company; and that his knowledge ought to be imputed to the company. We cannot help feeling conscious that there may be an incongruity in a discussion leading to the establishment of this proposition with what seems to us the obvious purpose of the Connecticut statute, for the reason that, as before stated, it seems doubtful to us whether the statute has any application to a liability incurred in the way