

Mesa vs. The United States.

execute it with fidelity, not for their own benefit, but for the common benefit of the stockholders of the corporation.

In executing this mortgage, and thereby securing to themselves advantages which were not common to all the stockholders, they were guilty of an unauthorized act, and violated a plain principle of equity applicable to trustees. "The directors are the trustees or managing partners, and the stockholders are the cestuis que trust, and have a joint interest in all the property and effects of the corporation, and no injury that the stockholders may sustain by a fraudulent breach of trust can, upon the general principles of equity, be suffered to pass without a remedy."

Angel & Ames on corporations, edition 1861, sec. 312. *The Charitable Corporation vs. Sutton*, (2 Atkyns, 404.) *Robinson vs. Smith*, (3 Paige, 220.) *Hodges vs. New England Screw Co.*, (1 Rhode Island, 321.) *York and North Midland Railway Co. vs. Hudson*, (19 Eng. L. & E., 361.)

The decree dismissing the bill is affirmed.

MESA vs. THE UNITED STATES.

1. An appeal must be prosecuted by filing the record within the term next after the appeal is taken.
2. If it be brought up and filed after the first term has gone by, the appeal will be dismissed.

This was a California land case, in which an appeal had been taken by the claimant and one Clark, an intervenor. The appellants suffered a term to pass without filing a copy of the record in this Court, but at the second term brought up the transcript and had it docketed.

Mr. Gillet, of Washington City moved that the appeal be dismissed.

Mr. Magraw, of Pennsylvania, and *Mr. McDougall* of California, opposed the motion.

Moran vs. Commissioners of Miami County.

PER CURIAM.—Let this appeal be dismissed. It has not been prosecuted in the manner directed nor within the time limited by the Act of Congress, which requires that the transcript shall be filed at the next succeeding term after the appeal is taken

MORAN ET AL. *vs.* THE COMMISSIONERS OF MIAMI COUNTY.

1. Acts of incorporation and other statutes granting special privileges are to be construed strictly, and whatever is not given in unequivocal terms is withheld.
2. But this principle must be applied with reference to the subject matter as a whole, and not in such manner as to defeat the general intent of the Legislature.
3. A county or other municipal corporation being authorized by statute to borrow money and issue bonds for the payment thereof, if the bonds be made and delivered reciting the facts, which show them to have been regularly issued, the county is estopped to deny their regularity or to assert that they were not made in conformity to the statute.
4. Such bonds, with interest warrants annexed, are commercial securities; the holder of them has a full title; and as against one who has taken them in good faith, the county cannot set up the equities which might have been available against the original payee.

Error to the Circuit Court of the United States for the District of Indiana.

Mr. Porter, of Indiana, for Plaintiffs in Error.

Mr. Ross, of Indiana, *contra*.

Mr. Justice WAYNE. This cause has been fully argued. It is an action to recover the interest in arrears on coupons annexed to bonds which were issued by Miami County, payable to the Peru and Indianapolis Railroad Company, or bearer, and which is declared in the bonds to be given for a loan of money. We