

The very recent case of *O'Keefe v. Pearson*, 73 (2d) 673, which was decided on December 1, 1934 by the Circuit Court of Appeals for the First Circuit, did not involve a holding company but involved a trustee arrangement similar to that involved in the National Bank of Kentucky cases (*Keyes v. American Life & Accident Ins. Co.*, 1 F. Supp. 512, and *Laurent v. Anderson*, 70 F. (2d) 819).

The stock of the Federal Trust Company, which was later converted into the Federal National Bank of Boston, was delivered to a trustee in return for trust certificates. The trustee was to hold the shares for the holders of such trust certificates, to pay over all earnings to them, and to deliver the shares to them upon termination of the trust. The holders of the trust certificates retained the right to vote the shares. Moreover, the trust agreement contained the following specific provision whereby the holders of the trust certificates undertook to pay any assessment levied upon the shareholders of the bank:

"In the event of any assessment being made or ordered upon the stockholders of the Federal Trust Company each registered holder of a trust certificate hereby agrees for himself, his heirs, executors, administrators and assigns to forthwith pay such assessment as may be made upon or against the stock of the Federal Trust Company held by the Depository under this agreement and represented by the trust certificate held by him at the time such assessment is made or ordered, and while such assessment is unpaid, no trust certificate shall be transferred or new certificate issued therefor."

In accordance with the well established rule that assessments levied on stockholders of National banks are collectible from the real owners of the shares rather than the nominal or fictitious owners, the

Court held that the holders of the trust certificates were liable for the assessment.

This case is easily distinguishable from the case of a corporation owning bank stock, because it is well settled that property of the corporation belongs to it and not to its stockholders. *Steinfeld v. Copper State Mining Company*, 290 Pac. 155.