

converting the towage contract into a claim for salvage was, nevertheless, a good defence to a claim for damages for breach of the towing contract.

ADMIRALTY—TOWAGE CONTRACT—DEFECT IN TOWING GEAR—
WARRANTY OF FITNESS OF TUG—EXEMPTIONS FROM LIABILITY
—CONSTRUCTION.

The West Cock (1911) P. 23, was a claim for damages for breach of a towage contract. The contract provided that the defendants were not to be liable "for any damage to the ship they have contracted to tow from any perils or accidents of the seas, rivers, or navigation, collision, straining, or arising from towing gear (including consequence of defect therein or damage thereto) and whether the perils or things above mentioned or the loss or injury therefrom be occasioned by the negligence, default or error in judgment of the pilot, master, officers, engineers, crew, or other servants of the tug owners." The damage in question arose from the carrying away of the towing gear of the tug, due to the defective condition of the rivets attaching the towing gear of the tug to her bunker casing. This defect, Evans, P.P.D. held was not covered by the above conditions, which he held only applied to circumstances occurring after the commencement of, and during the towage, and not to a defect existing before the towage began, there being in his opinion an implied contract that at the commencement of the contract the tug and its equipment was reasonably sufficient for the work required to be done. In arriving at this conclusion the learned President relied on, and adopted, the reasoning of that "eminent tribunal" the Supreme Court of the United States in *The Caledonia* (1895) 157 U.S. 124, at p. 138.

SETTLEMENT—CONSTRUCTION—ANNUITY EXPRESSED TO BE PAY-
ABLE OUT OF INCOME—GIFT OVER SUBJECT TO ANNUITY—IM-
PLIED CHARGE OF ANNUITY ON CORPUS.

In re Watkins, Wills v. Spence (1911) 1 Ch. 1. The point decided by the Court of Appeal (Cozens-Hardy, M.R., and Moulton and Farwell, L.JJ.) overruling Eady, J., in this case was simply this, that where by will an annuity is given to a person for life which is expressly directed to be paid out of income, and this is followed by a gift over of the corpus "subject thereto," the words "subject thereto" mean "subject to the annuity"