

paid-up capital. The application was opposed by certain holders of the debenture stock on the ground that the proposed reduction would be prejudicial to their security inasmuch as it would enable the company to pay dividends on the reduced capital instead of applying the profits to making good the lost capital. The assets, according to the latest balance-sheet, exceeded the debenture stock by about £500,000. In these circumstances, Astbury, J., held that the debenture-holders were not entitled to object to the proposed reduction, which he therefore sanctioned.

COSTS—PRIORITY OF CLAIM OF TRUSTEES FOR COSTS, AS AGAINST MORTGAGEE OF BENEFICIARY.

In re Pain, Gustavson v. Haviland (1919) 1 Ch. 38. In this case a beneficiary under a will, who had mortgaged her interest, brought an action against the trustees of the will for an account. The mortgagees were made parties to the action, and an account was ordered, the mortgagees not objecting. The result of the account established that nothing was due from the trustees, and the plaintiff was ordered to pay their costs, which were also declared a charge on her beneficial interest in priority to the mortgage so far as they were incurred subsequent to the order for taking the account.

Correspondence.

BAIL ON HABEAS CORPUS IN EXECUTION.

THE EDITOR OF THE CANADA LAW JOURNAL:

SIR:—The judgment in the case of *Dr. Henry O. Simpson* on his application for discharge on a writ of *habeas corpus* in the Supreme Court of Nova Scotia in November of last year, on a commitment for a violation of the Nova Scotia Temperance Act, is reported in Volume 44, Dominion Law Reports, No. 1, page 137.

It is to be regretted that the conditions on which the Court admitted the applicant to *interim* bail, pending the decision of the Court on the application, are not more fully reported in the statement of the case. There was a condition imposed by the Court when admitting him to bail in \$400, that he pay the penalty in the