

as I understand those cases the distinction is this : a mere covenant by A with B to pay a sum of money to C, gives C no right of action at law or in equity to enforce the covenant, but if the payment is to be out of specific property then a trust arises in favour of the beneficiary which he can enforce against the property."

In all of the above cases there appears to have been ample property on which the trust was held to attach to pay the plaintiff's claim in full. What would be the result if the trust property were insufficient? It is submitted is that the property would have to satisfy the debt *pro tanto*, and that there would be no personal liability beyond the value of the property. This seems to be the logical conclusion, because the liability arises only on the equitable doctrine that there is a trust to pay out of the property. When the property is gone you have to fall back on the common law liability of contract and are immediately shipwrecked, there being no privity of contract. For instance, A transfers all his property to B in trust to pay A's creditors 50 cents on the dollar, which B covenants and agrees to pay. B immediately disposes of the property to the best advantage, but realizes sufficient only to pay the creditors 25 cents on the dollar. Is B personally liable at the instance of the creditors for the remaining 25 cents? It is submitted on the above authorities that he is not, there being no privity of contract between the creditors and B. They can enforce B's contract only by virtue of the trust attaching to the property, and therefore only to the extent of the value of the property. When you get away from the property you get into the realms of the common law doctrine of want of privity of contract. When the property is exhausted the trust on which the equitable doctrine is founded is also exhausted.

Take another case, A makes an assignment for the benefit of creditors to B. A secures a composition with his creditors to accept 50 cents on the dollar. B then conveys to C in trust to pay A's creditors 50 cents on the dollar, which C covenants to pay. The property is sold to the best advantage, but C realizes only sufficient to pay A's creditors 25 cents on the dollar. It is submitted that the creditors being interested in the consideration are *cestuis qui trustent*, and can enforce the covenant but to the extent of 25 cents on the dollar only. There being no privity of contract the trust can be enforced out of the property to which it attaches to the extent of the value of the property only. His interest in the