

trust, and was, with his co-defendants, ordered to pay not only the money wrongfully paid, but also the costs of the action.

COMPANY.—ISSUE OF STOCK AT A DISCOUNT.—ISSUE OF DEBENTURES AT A DISCOUNT.

In *Webb v. Shropshire Railways Co.*, (1893) 3 Ch. 307, the Court of Appeal affirmed the decision of Romer, J., to the effect that, under the English Companies Clauses Consolidation Act, 1845, a company may lawfully issue paid-up stock at a discount, either for cash, or for land, labour, or other consideration, subject to the liability of the directors for issuing the stock below its value, without necessity. And such companies may also, if authorized to borrow money by mortgages or debentures, validly issue debentures at a discount; and an agreement by such a company with its bankers to issue to them paid-up stock and debentures at a discount, in consideration of an advance of money, was, under the circumstances, upheld.

LUNATIC.—MAINTENANCE.—DEBTS OF LUNATIC.

In *re Plenderleith*, (1893) 3 Ch. 332, the Court of Appeal (Lindley, Lopes, and Smith, L.JJ.) decided that where a fund belonging to a lunatic is under the control of the court an order may be properly made for the maintenance of the lunatic out of the income and capital thereof, even though the effect of the order may be to leave insufficient capital to pay the debts of the lunatic, and that creditors have no right to have sufficient of the capital impounded to meet their demands, notwithstanding they may have obtained a charging order upon the fund. In other words, the court regards the maintenance of the lunatic as the first charge upon any funds of the lunatic under the control of the court, to which the claims of all creditors must be subordinated. It may be open to doubt how far the principle on which this case proceeds is consistent with the provisions of R.S.O., c. 54, s. 11.

COMPANY.—PROFITS.—INCOME OR CAPITAL.—TENANT FOR LIFE AND REVERSIONER.

In *re Armitage, Armitage v. Garnett*, (1893) 3 Ch. 337, was a contest between a tenant for life and a reversioner as to whether certain moneys paid in respect of shares were to be regarded as capital or income. By a will the testator bequeathed his residuary estate to A. for life, and after her death upon further trusts.