

COMPANY — REORGANIZATION OF CAPITAL — REDUCTION OF CAPITAL—SUBDIVISION OF SHARES PARTLY PAID UP—PART OF RESULTING SHARES PARTLY PAID, AND PART WHOLLY UNPAID—SURRENDER OF WHOLLY UNPAID SHARES—COMPANIES ACT, 1908 (8 EDW. VII. c. 69), ss. 41 (d), 45, 46 (a), 120—(R.S.O. c. 178, s. 16).

*In re Doloswella Rubber & Tea Estates* (1917) 1 Ch. 213. Under the English Companies Act, 1908, applications for reduction or reorganization of the capital of limited companies have to be made to the Court which under the Ontario Companies Act (R.S.O. c. 178) are made to the Lieutenant-Governor. This case furnishes an illustration of the kind of reorganization of capital which is sanctioned under the English Act, and incidentally furnishes a guide to what may be done under the Ontario Act. The issued capital of the applicant company in this case consisted of 640 shares of £500 each, on each of which shares £185 had been paid. The company sought to divide each £500 share into 5 shares of £100 each, to apply the £185 paid, equally on three of the new £100 shares, and to treat the other two shares as wholly unpaid; these shares it was proposed should be surrendered for re-issue. The Court made an order confirming the division of the shares, and the proposed application of the amount paid up, and declared the 1,580 wholly unpaid to be "unissued, and nothing is to be deemed paid thereon." The question of the right or power of a company to take a surrender of its own shares, which have been fully paid up, cannot be said to be clear. It is thought by some that it is not possible because it might lead to the distribution of the capital represented by such surrendered shares among the other shareholders, and thereby cause a reduction of capital, which it is thought might be prejudicial to the rights of third persons dealing with the company, as reducing their security. On the other hand, the transaction is one that would be for the obvious benefit of both the company itself and the other shareholders, and would probably be sanctioned subject to the condition that the capital surrendered would not be distributed except on the final winding-up of the company.

SOLICITOR BILL OF COSTS. SOLICITOR TRUSTEE. TAXATION BY CO-TRUSTEE. "PARTY CHARGEABLE." SOLICITORS ACT, 1843 (6-7 VICT. c. 73), s. 37. (SOLICITORS ACT, ONT. R.S.O. c. 159, s. 40).

*Re Davies* (1917) 1 Ch. 216. This was an application for the taxation of a solicitor's bill. The solicitor was a trustee entitled to