mission was not revocable without the leave of the court. Under R. S. O. c. 53, s. 13, every submission to arbitration may be made a rule of court, unless the agreement contains words purporting that the parties intended that it should not be made a rule or order of court; and, by s. 16, no submission not containing words purporting that the parties intend that it shall not be made a rule of court is revocable without the leave of the court. The effect of s. 13 (Eng. C. L. P. Act, s. 17), however, Cave, J., points out, was discussed in *Mills* v. *Bayley*, 2 H. & C. 36, where it was held that this section has not the effect of inserting in the agreement a clause empowering it to be made a rule of court, or, in other words, that this statutory power was not the same thing in effect as an agreement that the submission should be made a rule of court. This decision was followed in *In re Rouse and Meier*, L. R. 6 C. P. 212, and by the Court of Appeal in *Fraser* v. *Ehrensperger*, 12 Q. B. D. 310. But the learned judge distinguishes those cases from the present, because here the parties had expressly incorporated the provisions of the C. L. P. Act; and, therefore, section 17 was included in the submission; and, therefore, in this case, there was an express agreement that the submission should be made a rule of court; and, therefore, under 3 & 4 Wm. IV. c. 42, s. 39, the submission was not revocable, and in this conclusion the Court of Appeal (Lindley and Bowen, L.JJ.) concurred. We may observe, however, that 3 & 4 Wm. IV. c. 42, s. 39, is not as wide in its terms as R. S. O. c. 53, s. 16, and under the latter section it would seem clear that, even without the incorporation of the provisions of the C. L. P. Act, no submission which does not contain words purporting that the parties intend that it should not be made a rule of court can be revoked without the leave of the court, as provided in that section.

COMPANY—ARTICLES OF ASSOCIATION—POWER TO ISSUE PREFERENCE SHARES—WINDING-UP—SURPLUS ASSETS—NET PROFITS.

Turning now to the cases in the Chancery Division, we find *In re Bridgewater Navigation Co.*, 39 Chy. D. 1, calls for notice. In this case two points arose: first, as to the right of the company to issue preference shares; and, second, the rights of preference and ordinary shareholders in the surplus assets of the company. The original memorandum of association provided that the capital of the company should consist of 500 £1,000 shares. Article 4 gave power to create additional share capital, which might be issued as preference shares. By special resolution, under a power in the articles, it was resolved that the 500 £1,000 shares should be converted into 50,000 £10 shares, and that the capital should be increased by 80,000 new £10 shares. The company, by special resolution, repealed the original articles and substituted others, one of which was to the same effect as the original article 4. When 100,000 £10 ordinary shares had been issued, the company resolved to issue the remaining 30,000 £10 shares as preference shares. North, J., held that the 30,000 preference shares had been validly issued. That though the original 50,000 shares could not be issued with preferential rights, the 80,000 new shares were in a different position, and under article 4 were entitled to be issued with pre-