

declared, and the last balance sheet prior to the winding-up showed a loss to date of £9,000. At the time the winding-up order was made the company had a large quantity of antimony on hand which had since so risen in price that the assets were sufficient to cover the loss, and pay all arrears of preferential dividends, and also a dividend upon the ordinary shares. On an application by the liquidator for directions, Neville, J., held that the arrears of preferential dividends payable could not be limited to dividends actually declared, but that the preference shareholders were entitled to dividends on their shares from the date of their issue up to the commencement of the winding-up.

EASEMENT — WATER — UNDERGROUND PIPE — SEVERANCE
OF TWO TENEMENTS—APPURTENANCES—IMPLIED GRANT
OF EASEMENT—TWENTY YEARS' ENJOYMENT—JUS TERTII.

Schwann v. Cotton (1916) 2 Ch. 120. In this case the owner of two parcels of land, A and B, in 1893, openly laid a pipe through A to B for the purpose of conveying water to B from a well on a parcel of land C, owned by a stranger, but there was no evidence of any grant by the owner of C, or of the circumstances in which the pipe came to be laid, but the water so conveyed was used for the purposes of the house and garden on parcel B. The owner of parcels A and B died in 1902 leaving a will devising parcel A to the defendants' predecessors in title, and devising parcel B to the plaintiffs' predecessors in title. The existence of the underground pipe was unknown to the defendants, who acquired title without actual notice of its existence. In 1914 in the course of making a new roadway the pipe running through parcel A was discovered, and taken up, and the supply of water to parcel B was thereby cut off. The action was brought to restrain this interference with the plaintiffs' easement. It was contended on behalf of the defendant that the easement claimed was precarious because the source of supply was not constant, but Astbury, J., who tried the action, found that the well was fed by percolation from an underground stream and was continuous, and therefore the easement claimed might be, and in fact was, the subject of an implied grant, and passed to the devisee of B as an appurtenance of parcel B. The defendant further claimed that there was no evidence of any grant from the owner of parcel C, but Astbury, J., held that even if the defendant was entitled to rely on the *jus tertii* he had failed to establish it, inasmuch as *prima facie* the twenty