

SELECTIONS.

being reserved to H. A creditor's action was commenced against V., and she employed the firm of solicitors in which H. was a partner to conduct the action on her behalf. H. afterwards proved the will and was made a defendant. Held, by Mr. Justice Chitty, that H. was entitled to his profit costs of the action, but not for business not done in the action even though transacted before he obtained probate; the judge expressly stating that on the reported decisions *Cradock v. Piper* stood unimpeached. The most recent decision on the point is that of the Court of Appeal in *Re Corsellis, Lawton v. Elwes*, above referred to. The facts were shortly these; T. (a solicitor and partner with the defendant E.) and F. were appointed executors and trustees of a will dated in 1876, which contained a clause enabling T. to make the usual professional charges. T. died in 1880, and the defendant E. was appointed trustee in his place. In 1881 an application for maintenance out of the estate was made to the court, and E.'s firm acted through their London agents as solicitor for E. and his co-trustee in the matter. E. and his co-trustee appointed E.'s partner steward of a manor which formed part of the trust estate, and he carried the steward's fees to the credit of E.'s firm. In 1881 E. became sole surviving trustee, and an action was then commenced against him to carry into execution the trusts of the will and for the appointment of a receiver. E.'s London agents acted as solicitors for him in such action and credited his firm with part of their proper costs. E.'s firm, by their London agents, acted as solicitors of the receiver appointed in the action, and E. claimed a share of their costs in that capacity; E. also claimed a share of profit costs of certain leases and agreements for leases of parts of the trust estates granted by him and prepared by him or his firm. Held, by Mr. Justice Kay, upon the principle that a trustee ought not to place himself in a situation where his interest conflicts with the duties, that none of the profit costs in the aforesaid matters ought to be allowed out of the trust estate to the defendant E.'s firm or to E. On appeal that judgment was sustained as to three of the items out of five, but as to the remaining two, namely, profit costs in the maintenance

proceeding and the steward's fees, the appeal was allowed. The Court of Appeal, consisting of Cotton, Lindley and Lopes, L.JJ., after stating that the exception introduced by the case of *Cradock v. Piper* had always been acted upon at the taxing-master's office, and was an established rule of the court, laid down that it ought not to be frittered away, and held that the proceedings for maintenance were within that rule. They also allowed the steward's fees on the ground that they were not professional charges at all, but were fixed by statute or by custom.

Whether a solicitor-mortgagee will be entitled to profit costs appears to be doubtful. According to the older decisions, it seems that he will not. In *Sclator v. Cotton* (29 L. T. Rep. O. S. 309; 3 Jur. N. S. 630) the facts were these: In 1882 E. M. and F. C. mortgaged their life estates in certain renewable leaseholds for lives and money in court to L. M. H. and F. S. (who was a solicitor). Two of the lives having dropped, the persons interested in the remainder in the mortgaged premises commenced a suit for the purpose of having the renewal fine paid out of the money in court and out of the rents. To this the mortgagees objected, and the suit stood over generally. L. M. H. died, and then a second suit, adverse to the mortgagees, was commenced and was dismissed.

In the first suit F. S. had acted as solicitor for himself and his co-mortgagee, and in the second for himself alone. Held, by Vice-Chancellor Kindersley, that F. S. was only entitled to his costs out of pocket in the aforesaid suit; and the leading text-books on mortgages confirm that view of the law. But in the recent case of *Re Donaldson* (51 L. T. Rep. N. S. 622; 27 Ch. Div. 544), where one of several mortgagees was a solicitor and acted as such in realizing the mortgage security, it was held by Vice-Chancellor Bacon that he was entitled to charge profit costs as against the mortgagor, whether the mortgagees were trustees or not. No doubt there is much force in the point stated in the taxing master's certificate in that case—namely, that if the beneficiaries of the money lent to the mortgagor were taxing the bill, the rule would apply, but that in the case under notice the trust fund would not in any way be diminished by the soli-