

If X. turns his business into a "one man" or "dummy" company, and receives, as part of the price for the business, debentures, and the company subsequently becomes insolvent, can the debentures be treated as "covenant bonds" within 13 Eliz. c. 5, and be set aside for the benefit of the creditors of the company?

IN RE LONDON HEALTH ELECTRICAL INSTITUTE, LIMITED.

[S. J. 275; L. J. 100.]

No, said the Court of Appeal, and refused to make an order to wind up the company, as there were no assets for the creditors, in order that an inquiry might be made into the validity of the debentures.

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If a first mortgagee sells the mortgaged property, and after paying himself all that is owing to him, he retains a balance in his hands instead of handing it to the second mortgagee, is the second mortgagee entitled to claim interest on the money retained?

ELFY v. READ.

[L. T. 317.]

Yes, and at the rate of four per cent. per annum, said the Court of Appeal, unless the circumstances of any particular case show that it would be unjust to charge the mortgagee with interest; and the Court remarked that the fact of the second mortgagee deliberately abstaining for four years to bring an action to recover the money was not a circumstance relieving the mortgagee from the obligation to pay interest.

On what ground will the Court issue sequestration against a company?

FAIRCLOUGH v. MANCHESTER SHIP CANAL.

[S. J. 225; W. N. 7; L. T. 292; L. J. 71.]

The Court of Appeal (Russell, C.J., Lindley and Smith, L.JJ., decided that this could only be done on similar principles on which a private individual is committed for contempt, i.e., the order of the Court must have been contumaciously disregarded.

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Are creditors or contributories supporting or opposing a petition to wind up, and appearing by the solicitors who are instructed by the petitioner or the company, entitled to a separate set of costs?

IN RE BRIGHTON MARINE PALACE AND PIER CO., LIMITED.

[T. 202; S. J. 257; L. T. 339; W. N. 12; L. J. 90.]

No, said Byrne, J., remarking that he was informed that a rule had been laid down by Vaughan Williams, J., that a separate set of costs was not, in such a case, to be allowed, and he did not think he ought to refuse to adopt that rule.

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When the Court has to determine whether the costs of an action brought to prove a will in solemn form shall come out of the estate of the deceased, what principle does the Court act upon?

BROWNING v. MOSTYN AND OTHERS.

[T. 184.]

Barnes, J., said the question to be determined in each case is