

of interest and otherwise was harsh and unconsonable within the meaning of the Money Lenders Act, 1900 (see R.S.O. c. 175), and that the plaintiff was entitled to relief, and that, in taking the account, the rate of interest should be 15 per cent. per annum.

COMPANY—MANAGER—REMUNERATION BY A PERCENTAGE ON ANNUAL NET PROFITS—PRIOR DEDUCTION OF INCOME TAX.

*Johnston v. Chestergate H.M. Co.* (1915) 2 Ch. 338. In this case the plaintiff was the manager of the defendant company at a fixed salary and a percentage of the annual net profits of the company. The agreement provided: "For the purposes of this clause the words 'net profits' shall be taken to mean the net sum available for dividends as certified by the auditors of the company after payment of all salaries" and other items, which did not include certain items which would be deducted before arriving at the net profits, or the income tax payable by the company. In fixing the net profits for the purpose of computing the percentage payable to the plaintiff the auditors deducted the income tax, but Sargant, J., held that they erred in so doing, and that their certificate, being based on a wrong principle, was not binding on the Court.

MORTGAGE—EXPECTANT SHARE AS ONE OF NEXT-OF-KIN OF LIVING PERSON—ASSIGNMENT BY WAY OF MORTGAGE—BANKRUPTCY AND DISCHARGE OF MORTGAGOR BEFORE FALLING INTO POSSESSION OF SHARE.

*In re Lind, Industrials Syndicate v. Lind* (1915) 3 Ch. 345. This was a contest between assignees of an expectant share of one of the next-of-kin of a living person in such person's estate. In 1905 one Lind, one of the next-of-kin of his mother, who was insane, and had never made a will, mortgaged his presumptive share in her estate to the N. Society. In May, 1908, he made a second mortgage of the share to one Arnold. In August, 1908, he was adjudicated bankrupt, and subsequently obtained his discharge; neither the N. Society nor Arnold proved in the bankruptcy. In 1911 Lind made an assignment of his expectant share to the plaintiffs, and in 1914 the mother died and the share fell into possession. The plaintiffs claimed, as assignees, to be entitled to the share free from the mortgages, which they contended only amounted to a covenant, the liability on which had been discharged by the discharge in bankruptcy, but the Court of Appeal (Eady, Phillimore and Bankes, L.JJ.) agreed with Warrington, J., that the prior mortgages constituted an