

There were in truth not two funds to administer: one fund, represented by the insurance moneys, was at home in the hands of the plaintiffs before the other fund, derived from the sale moneys, arose. By sec. 6 (2) of the Mortgages Act, R.S.O. 1914 ch. 112, the mortgagees had the right to apply all the insurance money to satisfy their own mortgage, which right they exercised on the 23rd December, 1915; and that concluded any claim to dispose otherwise of the money. That reduced the first mortgage for the benefit, as was right, of the execution creditors, and afforded no ground of complaint to the second mortgagee: *Edmonds v. Hamilton Provident and Loan Society* (1891), 18 A.R. 347.

The appeal should, therefore, be allowed.

The purchaser should have his vesting order; and the plaintiffs should get no costs beyond those already taxed to them. The appellants should get their costs of appeal out of the fund in Court as a first charge before payment to the plaintiffs. The report to be readjusted so as to fix exactly the amount to be paid out to the respective parties entitled.

LATCHFORD, J.

FEBRUARY 25TH, 1916.

RE HAMILTON.

*Deed—Trust-deed Settling Share of Beneficiary under Will—Judgment—Omission of Clause Restraining Anticipation of Income—Assignments of Income by Beneficiary—Application by Beneficiary for Correction of Master's Report and Deed Settled by Master—Applicant Required to Do Equity in Regard to Claims of Assignees.*

Motion by Annie Seaborn Hill, a daughter of Robert Hamilton, deceased, and one of the beneficiaries under his will, by way of appeal from the report of the Local Master at Peterborough, dated the 14th May, 1914, and for an order referring the report back for amendment, and directing that the report and the deed of settlement consequent upon it should be made conformable to the judgment and order of BOYD, C., of the 10th December, 1912 (27 O.L.R. 445), as affirmed by a Divisional Court of the Appellate Division (28 O.L.R. 534), on the ground that the report and deed did not, as they should, restrain the applicant from anticipating the income payable to her.

The motion was made pursuant to leave granted by MIDDLETON, J., on the 7th January, 1916, and pursuant to the judgment of a Divisional Court of the Appellate Division of the 11th December, 1915 (ante 264).