shares of £10 each, and those shares were to have a preferential dividend of 10 per cent., but no preference as regards capital. The company afterwards lost one of their cables, thus losing a considerable part of their capital. Resolutions were then passed that they should reduce their capital by reducing the amount of both the ordinary and preference shares one-half. A preferential shareholder brought the action for an injunction to restrain this reduction of capital so far as the preferential stock was concerned, and an injunction was granted by Bacon, V.C.; but on appeal the Court of Appeal reversed his decision, holding that the contract to pay a preferential dividend did not preclude the right to reduce the capital created by the new shares, and did not amount to a bargain to pay an annuity of £6,000 in respect to the whole of the preference shares, but simply to pay a preferential dividend on the amount of those shares—whatever it might be—the new capital being subject to reduction in like manner as the original capital.

On a subsequent application, *In re Direct Spanish Telegraph Co.*, reported at p. 307, Kay, J., confirmed the resolution for reduction.

PRACTICE—PARTNERSHIP ACTION—DISSOLUTION—JUDGMENT CREDITOR OF PARTNERSHIP.

In *Kearney* v. *Attrill*, 34 Chy. D. 34, after a judgment had been pronounced in the Chancery Division for a dissolution of a partnership, and appointing a receiver, a creditor obtained judgment in the Queen's Bench Division against the firm. An application was then made in the Chancery action by the judgment creditor for leave to issue execution, but, instead of granting leave to issue execution, Kay, J., gave the execution creditor a charge for his debt and costs on all the moneys then in the hands of, or which might be thereafter taken possession of by, the receiver, the execution creditor undertaking to deal with the charge according to the order of the court.

PRACTICE—ADMINISTRATION ACTION—ABSENT PARTIES.

In *May* v. *Newton*, 34 Chy. D. 347, Kay, J., was called on to consider the practice of the court as to binding absent parties in an administration action. The result of his examination of the practice may be best stated in his own words. He says at p. 350:

The effect of all these rules is that persons interested in the property which is being administered, and whose rights or interests may be affected by an order directing accounts or inquiries are not bound—at any rate when they ought to be served with notice of such order—unless they are so served, or unless such a representation order is made as I have mentioned (i.e., an order appointing one person of the class to which the absent person belongs to represent that class). If service upon them is dispensed with, or if under Ord. xvi. r. 46, the court proceeds in the absence of any one representing them, they are not bound.

WILL—WILLS ACT S. 15 (R.S.O. C. 106 S. 17)—VOID LIFE INTEREST—ACCELERATION.

In re Townsend, Townsend v. *Townsend*, 34 Chy. D. 357, is a decision upon the effect of the Wills Act s. 15 (R.S.O. c. 106, s. 17). A gift of real and personal estate was made by a testator upon trust to convert and pay the income of the proceeds to A. for life, after his death to pay the capital and income to A.'s child or children, with gifts over, in case A. died without leaving issue living at his death. The gift in favour of A. was void because the will was attested by his wife, and A. had no children, and the question was: What was to be done with the income of the fund, which was the proceeds of realty only? And Chitty, J., held that until A. had a child the gifts upon the determination of his life estate could not be accelerated, and that during the life of A., and so long as he had no children, the income of the trust fund was undisposed of and belonged to the testator's heir-at-law, and could not be accumulated for the benefit of those entitled in remainder.

WILL—GIFT DURING WIDOWHOOD—GIFT OVER ON DEATH.

Stanford v. *Stanford*, 34 Chy. D. 362, is another decision of Chitty, J., upon the construction of a will whereby the testator gave the residue of his real and personal property upon trust for his widow during her life, provided she remained a widow; and from and after her death or remarriage he gave such residue to B., absolutely. In the event (which happened) of B. dying during the life of the widow, the property was given over to the testator's brothers and sisters, who should be living at the widow's death. B. died an infant and the widow married again, and it was held that upon such remarriage the gift over in favour of the testator's brothers and sisters took immediate effect and was not postponed until the widow's death.