

Thursday, July 17.

FIRST DIVISION.

THE INDUSTRIAL AND GENERAL TRUST, LIMITED, PETITIONERS.

*Process—Petition—Warrant to Sell.*

Circumstances in which the Court granted warrant to a financial company to sell certain bonds deposited with them in security of an advance to a commercial company, unpaid and overdue.

The Industrial and General Trust, Limited, a financial company carrying on business in London, on 12th September 1889 made an advance to the Coats Iron and Steel Company of Coatbridge of £7500, who in return therefor granted a letter of obligation in the following terms—"We, The Coats Iron and Steel Company, hereby acknowledge the receipt from the Industrial and General Trust, Limited, of the sum of £7500, which sum we hereby agree to repay on or before the 12th day of March 1890, together with interest thereon at the rate of six per cent. per annum. By way of security for the repayment of the said loan and interest we have to-day transferred to the said Industrial and General Trust, Limited, 100 debenture bonds of £100 each, fully paid, Nos. A 649 to A 748 inclusive, of and in the undertaking called Goodwins, Jardine & Company, Limited, and we hereby expressly agree that there shall always be a margin of at least fifteen per cent. in the value of the security so given to the said trust for the said loan over and above the amount of the said loan, and that if the debentures now transferred to the said trust should at any time during the currency of the said loan show on their market value a margin of less than fifteen per cent., we will on demand repay so much of the said loan as may be necessary to bring the margin of security up to the said minimum of fifteen per cent. Dated this 12th day of September 1889."

The borrowers failed to repay the advance on its due date 12th March 1890, and the Trust Company on 11th June following presented a petition to the First Division of the Court of Session for authority to sell the debenture bonds held by them in security, in order to reimburse themselves for the said advance with interest and expenses.

At the date of the application the estates of the Coats Iron and Steel Company, as well as the estates of those of its individual partners were sequestered, and a trustee had been duly appointed on the sequestered estates.

The petitioners prayed for authority to sell by public roup or private bargain, and after such advertisement, if any, as the Court might see fit, the debenture bonds held by them in security of the loan above mentioned.

It was mentioned at the bar that there

were no other parties interested in these securities except the creditors and the debtors; and the Court granted warrant to sell at the sight of the chairman of the Stock Exchange at Edinburgh, Glasgow, London, Manchester, and Liverpool, or any one of them.

Counsel for the Petitioners—Ure. Agents—J. & J. Ross, W.S.

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SECOND DIVISION.

PLAYFAIR AND OTHERS (PLAYFAIR'S TRUSTEES), AND OTHERS.

*Succession—Trust—Specification.*

A trustor conveyed his whole estate to trustees, appointed them his residuary legatees and sole executors, and directed them to divide and pay over to the children of his niece a specific sum "after the youngest child has attained the age of twenty-five years complete . . . and it is specially provided and declared that said provisions in favour of the children of my niece shall not become vested interests in them until the same shall be absolutely conveyed, paid, or made over to them by my said trustees."

Held that the vesting did not take place till the period named, that therefore the trustees were not bound to pay the interest of the sum to the beneficiaries, or to accumulate the same for their benefit, but must deal therewith as forming part of the residue of the estate.

The late Mr Peter Playfair died unmarried on 20th August 1888 possessed of heritable and moveable estate to the value of about £20,000. He was survived by five nephews, James, John, Patrick, William Menzies, and Patrick George Playfair, sons of his brother Charles Playfair. He was also survived by one niece, Mrs Hunter. There were five children of this marriage alive, the youngest of whom at the testator's death was about eight years of age.

Peter Playfair left a trust-disposition and settlement dated 13th November 1880, by which he appointed his nephews above named, and John Panton, banker and writer in Blairgowrie, for the purposes, *inter alia*—" (Second), I direct and appoint my said trustees to divide and pay over to the children of Margaret Constable or Hunter, my niece, wife of Patrick Hunter, farmer, Ardgath, after the youngest child has attained the age of twenty-five years complete, but not till then, the sum of £13,000 sterling equally amongst them, share and share, and it is specially provided and declared that said provisions in favour of the children of my niece, the said Margaret Constable or Hunter, shall not become vested interests in them until the same shall be absolutely conveyed, paid, or