

it was not "exempted" when the latter came into force. By 2 Ed. VII. c. 25, assented to on March 27, 1902, the word "exempted" was struck out of the above clause and in May, 1902, the appellants were included in the assessment roll for that year for taxation on their railway.

*Held*, per TASCHEREAU, C.J., that under the above recited clause the railway was exempt from taxation.

*Held*, per SEDGWICK, DAVIES, NESBITT and KILLAM, JJ., that if the railway could be taxed under the Assessment Act of 1900 the rate was not authorised until the amending Act of 1902 by which it was exempt had come into force and no valid tax was, therefore, imposed. Appeal allowed with costs.

*Lozett*, for appellants. *Borden*, K.C., for respondents.

N.S.]

KNOCK v. OWEN.

[June 8.

*Solicitor and client—Costs—Confession of judgment—Agreement with counsel—Overcharge.*

A solicitor may take security from a client for costs incurred though the relationship between them has not been terminated and the costs not taxed, but the amount charged against the client must be made up of nothing but a reasonable remuneration for services and necessary disbursements.

A country solicitor had an agreement with a barrister at Halifax for a division of counsel fees earned by the latter on business given him by the solicitor. The solicitor took a confession of judgment from a client for a sum which included the whole amount charged by the Halifax counsel, only part of which was paid to him.

*Held*, that though the arrangement was improper it did not vitiate the judgment entered on the confession, but the amount not paid to counsel should be deducted therefrom. Appeal dismissed with costs.

*Wade*, K.C., for appellant. *Borden*, K.C., for respondents.