

some of which were overdue, was outstanding when the plaintiffs asked for an assignment of the lease. This the defendant demurred to giving, desiring to retain the lease as security. The plaintiffs then, but against the defendant's advice, executed a chattel mortgage of their stock-in-trade to him, whereupon he made over the lease to them,

Held, that the chattel mortgage should not be set aside on the ground of having been obtained by coercion.

While the rule that in the absence of agreement the purchaser of a specific chattel cannot return it on breach of warranty may not apply to a sale providing that the property shall not pass until payment of the purchase price, it will apply in such case where the vendee in addition to keeping the article a longer time than reasonable or necessary for trial, has exercised the dominion of an owner over it, as by giving a chattel mortgage of it to the vendor.

Allen, K.C., for plaintiffs. *Trucman*, for defendants.

Province of Manitoba.

KING'S BENCH.

Richards, J.]

[August 24.

NEW HAMBURG MANUFACTURING COMPANY, LIMITED v. SHIELDS.

Foreign judgment — Contract — Estoppel — Presumption of jurisdiction of foreign Court—Consent to jurisdiction—Defences to original cause of action—Sale of Goods Act, R.S. M. 1902, c. 152, s. 16(a).

The plaintiffs sued on a judgment recovered in Ontario upon notes given by defendants for a threshing engine. The defendants were residents in Manitoba and there signed the order for the engine, which was delivered to them in Manitoba. They did not defend the action in Ontario, but were allowed, under s. 38(1) of the King's Bench Act, to plead in answer to the judgment the same defence that they might have set up in the Ontario action. These were that the engine supplied was useless for the purpose for which, to the knowledge of the plaintiffs, the defendants had ordered it, and that it was a condition specially written on the order that the engine should be satisfactory to them, and that it was not satisfactory, and that they had returned it to the plaintiffs. The defendants also counterclaimed