

**GUARANTEE—INDEMNITY—ORAL "PROMISE TO ANSWER FOR THE DEBT OF ANOTHER"**—STATUTES OF FRAUDS (29 CAR. 2, C. 3) S. 4—(R.S.O. C. 338, s. 5).

In *Harburg India Rubber Co. v. Martin* (1902) 1 K.B. 778, that well known fount of litigation, the Statute of Frauds, s. 4 (R.S.O. c. 338, s. 5) receives further exposition. The defendant in the action was a director of and had a large interest as a shareholder in a joint stock company and orally promised the plaintiffs, who were execution creditors of the company, that he would indorse bills for the amount of the plaintiffs' debt against the company. On the faith of this promise the plaintiffs' withdrew their execution. The defendant relied on the Statute of Frauds, s. 4, as a defence because the promise was not in writing. At the trial Mathew, J., gave judgment for the plaintiffs, holding that s. 4 did not apply. The Court of Appeal (Williams, Stirling and Cozens-Hardy, L.JJ.), however, reversed his decision, and held that the statute did apply, and that the contract was not one of indemnity. That Court also was of opinion that the case would not be deemed to be excepted from s. 4 on the ground that the defendant, as a shareholder and otherwise, had an interest in freeing the company's goods from execution, he having no legal interest in, or charge upon, the goods.

**COMPROMISE—ORDER—COUNSEL'S AUTHORITY TO COMPROMISE—COUNSEL EXCEEDING AUTHORITY—LIMITATION OF COUNSEL'S AUTHORITY UNKNOWN TO OPPOSITE PARTY—INTERLOCUTORY ORDER—ABSENCE OF MISTAKE.**

*Neale v. Gordon Lennox* (1902) 1 K.B. 838, is a case to which reference has already been made in these columns. (See ante pp. 355, 394). The action was for slander and libel, and the plaintiff authorized her counsel to agree to a reference of the action, but only on condition that the defendant made a statement disclaiming all imputations on the plaintiff's character. The plaintiff's counsel, however, the limitation of his authority being unknown to the defendant or her counsel, agreed to a reference of the action but without any statement by the defendant disclaiming imputations against the plaintiff's character, and an order of reference was accordingly made. The plaintiff's counsel was acting under no mistake or misapprehension as to the extent of his authority. On being apprised of the order, the plaintiff at once repudiated it. Lord Alverstone, C.J., who made the order, having been applied to to rescind it, granted the application, being of opinion that as the