

3. Does the maxim *caveat emptor* apply if the buyer has inspected the goods, and there is no fraud on the part of the seller, but the defect is latent and not discoverable on examination? Answer fully.

4. (a) What was necessary at common law to give validity to a sale of personal property? Answer fully, and illustrate your answer by an example.

(b) Point out the distinction between a bargain and sale of goods, and an executory agreement.

5. A. found a watch and sold it to B. for \$100, stating that he bought it in Switzerland. B., not knowing that A. was not the owner, sold it to C. for \$130. Has B. made himself liable to the owner of the watch, and, if so, in what amount of damages? Give reasons.

6. "By the law of England, there are certain exceptions to the rule that a man cannot make a valid sale of a chattel that does not belong to him." What are these exceptions?

7. A. on Monday afternoon gave B. a cheque for \$500 in payment of an account. B. presented the cheque on Wednesday at eleven o'clock, when he learned that the bank had suspended payment at half-past ten of that day.

Is A. liable to B. for the amount of the cheque? Answer fully, giving reasons.

8. A. drew a bill of exchange on B., who was acting as agent for C., although B. was not aware of this fact. B. accepted the bill as agent for C. Is either B. or C., or are both, liable on the bill? Give reasons.

9. On a contract for the sale of goods does the title in goods date from the date the offer was made, or from the date the offer is accepted?

10. What are the requirements of a valid assignment of a chattel mortgage, and what steps must the assignee of the mortgage take to protect his claim to the goods covered by the mortgage against creditors of the mortgagor?

11. (a) Can a purchaser defeat the right of *stoppage in transitu* by intercepting the goods at an intermediate point?

(b) If a carrier wrongfully refuses to deliver the goods to the purchaser, can the vendor subsequently exercise the right of *stoppage in transitu*?

12. Mention the priorities or preferred claims which must be recognized by an assignee in distributing an estate under the Assignment and Preference Act (R.S.O., cap. 124).

13. Explain fully what is meant by the Doctrine of Pressure, and discuss its application to a conveyance impeached under the Assignment and Preference Act, as amended by the Act of 1891 (54 Vict., cap. 20).

14. What was the effect at common law of a transfer of a warehouse receipt, and state in general terms how it has been modified by statute in Canada?

15. "The impairment of the policy of the Chattel Mortgage Act by the warehouse receipt clauses of the Provincial Act (R.S.O., cap. 122) is apparent rather than real."

Explain the above quotation fully, and show why it does not apply to the analogous clauses of the Bank Act.