

on 2nd April, 1902. Both bonds and interest coupons are expressly made payable to bearer, and it is declared that each bond and all rights and benefits arising therefrom shall pass by delivery. In these circumstances, I think the bonds and coupons are negotiable securities, and that, in the absence of notice that the bank held them as security, or that Ritchie had some title or interest therein, the respondents' title would be good: *Young v. McNider*, 25 S. C. R. 272, and the cases there referred to by Strong, C.J.; and the question is whether the sale is binding on Ritchie, and I think it is not.

The bank were pledgees for a debt, payable at a fixed time, which had elapsed. Therefore no demand of payment was necessary, and the bank had a power to sell as provided in the instrument of pledge. The pledge was of the bonds and all coupons attached thereto. The notice of sale seems to be as meagre and slipshod a compliance with the contract as could well be imagined. It describes the bonds as bearing 5 per cent. interest, instead of 6 per cent. per annum, and states that to each bond all "maturing" coupons are attached. The bonds were dated 1st April, 1882, and became due on 2nd April, 1902, and so, on the day named for the sale, there was only one coupon "maturing" on each bond. There were nearly 40 overdue coupons on each bond, representing a debt exceeding the whole amount of the principal money, which were not advertised to be sold at all. The bonds were part of a series of 2,200 for \$1,000 each, the whole with interest secured *pari passu* by mortgage of the railway and all its works, and the advertisement is silent as to there being any security. It is not said how the bonds would be offered, whether *en bloc* or in parcels, nor does the evidence disclose how they were offered. All that is said is, by Mr. Burn, that there were no bids, and by Mr. Langdon, that on the last adjournment on 25th March the sale was closed, there being no bidders thereat, and the sale proved abortive. After the failure to sell on 18th March, the bank informed Mr. Ritchie by letter and telegram of the further postponement of the sale to the 25th; that there had been considerable inquiry for the bonds; and that it was probable there would be no lack of purchasers when they were finally exposed for sale; but, as already observed, there was no further advertisement of this final postponement, or, so far as appears, any other effort to reach those inquirers or expected purchasers, or any notice except to Ritchie.