

not offer the additional security, and on 16th June the Society went into liquidation. Petitioner answered that the Directors had never regularly refused the guarantee, but had refused the advance in order to go into liquidation; that they had asked the additional guarantee, which was at once given. That the assembly of 14th May had not power to order the liquidation. That the Federal Act was only passed subsequently.

TORRANCE, J. Two questions present themselves. 1. The sufficiency of the security and the exercise of discretion by the Directors of the Society. 2. The validity of the Act of the Federal Legislature, 42 Vic., cap. 48. The property owned and offered by the petitioner as security was valued by the City Corporation at \$2,000, and by Mr. Hopkins and Mr. Brown at \$3,500. On the other hand, Mr. Trihey, the valuator of the Trust and Loan Company, says the security would not be good for \$2,000, and his company would not lend money on it at all as being unproductive. The other property under discussion, though not formally offered or examined, was valued by the Corporation at \$500. Mr. Hynes, the owner, paid \$700 for it, and it was mortgaged for \$300. Mr. Hynes intended to remove the mortgage, but cannot say that he informed the officers of the defendants of this intention. In respect to the exercise of discretion by the directors in accepting a security, I would refer to the evidence of Daniel Phelan. Against his reasons for refusal I am unable to say a word. I would also call attention to the bill before the Quebec Legislature to define the investments to be made by administrators and trustees. By this bill they are not allowed to lend money on a security less than double the amount to be loaned, and the value is taken from the valuation roll of the municipality. It is to be remarked that the value of the two properties in question is only \$2,500 according to the Corporation roll. Mr. Phelan also says that they would have a greater claim against the borrower than the \$2,000 advanced, namely, for fines. My conclusion is, therefore, that the security offered was wisely refused. It may be unnecessary to pronounce upon the validity of the Federal Act (15th May, 1879), 42 Vic., cap. 48, but it appears to me that a legislature which has power in matters of bankruptcy and insolvency and

savings banks, may reasonably claim power to legislate for the liquidation of this Society, for the reasons mentioned in the preamble to the Act. Petition dismissed.

*Lacoste, Q. C.*, for petitioner.

*D. R. McCord* for defendants.

#### COURT OF REVIEW.

MONTREAL, NOV. 29, 1879.

SICOTTE, JOHNSON, LAFRAMBOISE, JJ.

O'REILLY v. O'REILLY, and KEARNS, adjudicataire.

[From S. C. Montreal.]

*Contempt of Court—Adjudicataire receiving title to property before complying with all the conditions of the licitation.*

JOHNSON, J. The plaintiff in this case inscribes for review a judgment refusing to make absolute a rule taken by the plaintiff against Kearns, who had become *adjudicataire* under a *licitation forcée*. The *cahier des charges* stipulated for half of the price to be paid down, and security to be given by the *adjudicataire* for the other half, he paying interest until the death of William O'Reilly. The *adjudicataire* paid the \$3,000, and got from the Court a title simply and absolutely, without mention of the obligation to give security. The party plaintiff took a rule for contempt, and on its return the rule was discharged, because the omission complained of was not a contempt of Court in the person of the *adjudicataire*, but, at most, an error on the part of the officer of the Court;—an error, if it be one, that is subject, no doubt, to rectification and for which the party has his recourse, if it constitutes any grievance to him; but it cannot be held to be the act of the *adjudicataire*, which can subject him to imprisonment for contempt. Judgment confirmed.

*J. M. Glass* for petitioner for rule.

*Doutre & Co.* for adjudicataire.

MONTREAL, DEC. 15th, 1879.

MAILLÉ v. RICHLER.

*Lessor and Lessee—Right of lessor to exact assessments from lessee before he (the lessor) has paid them to the city.*

The plaintiff sued for a balance of rent, and also for the assessments due on the premises to the Corporation of Montreal.