

The defendants, by the letter of their solicitors of the 25th February, 1913, stated that they would return to the plaintiff the cheque for \$1,000 deposit. Counsel for the defendants, at the trial, said that he did not ask to have that deposit forfeited to the defendants.

The plaintiff should get a return of his deposit. If the cheque was used, the defendants should pay interest at five per cent. upon the amount from the 25th February, 1913. If not used, the claim for \$1,000 will be satisfied by a return of the cheque so deposited.

Upon the evidence, it is clear that there would have been no difficulty in clearing the title if the plaintiff had accepted the contract. The matters in that respect complained of by the plaintiff were matters of adjustment.

The defendants counterclaimed for damages. They have sustained no damages other than the trouble of litigation. There will be a declaration that the contract was properly cancelled, and is now at an end.

There will be judgment for the plaintiff for \$1,000, as above stated, without costs.

The counterclaim of the defendants will be dismissed without costs.

LENNOX, J.

NOVEMBER 29TH, 1913.

RE CLAREY AND CITY OF OTTAWA.

Municipal Corporations—Waterworks By-law—Powers of Council—Expenditure of Money—Special Act, 3 & 4 Geo. V. ch. 109—Exceeding Sum Fixed by Act—Motion to Quash By-law—Discretion.

Motion by Thomas Clarey to quash a by-law of the City of Ottawa.

T. McVeity, for the applicant.

F. B. Proctor, for the Corporation of the City of Ottawa.

LENNOX, J.:—In the month of May, 1913, the Legislature of Ontario, by 3 & 4 Geo. V. ch. 109, authorised the Corporation of the City of Ottawa to construct waterworks for the use of the inhabitants of the city, partly within and partly beyond the