

compound interest. But under Con. Rules 387, 393, and under the jurisdiction in Chambers conferred by Rule 698, a month's further time may be allowed for the redemption of the plaintiffs' mortgage.

SCOTT, LOCAL MASTER AT OTTAWA. APRIL 20TH, 1905.

MASTER'S OFFICE.

HOME BUILDING AND SAVINGS ASSOCIATION v.
WILLIAMS.

Mortgage—Building Society—Payment by Monthly Instalments—Loan on Shares—Mortgage as Collateral Security—Rate of Interest—Fines—Rules of Society—Insurance Moneys Received by Mortgagees—Appropriation.

Reference in a mortgage action.

F. A. Magee, Ottawa, for plaintiffs.

O. E. Culbert, Ottawa, for defendant.

THE MASTER:—Plaintiffs were incorporated under R. S. O. 1887 ch. 169. The mortgage sued on is dated 7th April, 1902. It recites that the mortgagor has subscribed for 11 shares in the 24th series of the capital stock of the association, and has requested an advance of \$2,200, the equivalent of the shares, which the mortgagees have agreed to make on the terms thereafter contained. The proviso reads in part as follows:

‘Provided this mortgage to be void upon payment of the following sums:—A monthly instalment of \$11 on account of the principal sum of \$2,200, on the 3rd Friday of each and every month after the date of these presents, and a monthly payment of \$13.20 on the said 3rd Friday of each and every month for interest, being at the rate of 7 1-5 per cent. per annum upon the whole amount of principal advanced, the said payments of principal and interest to continue to be paid until the shares so advanced to the mortgagor as aforesaid shall have attained the par value of \$200 each, when the mortgagor shall be freed from all further payments of principal and interest and shall be entitled to have this mortgage discharged; . . . and also upon payment of all other charges which shall become due or payable during the