Currie v. *Hodgins*, 42 U.C.R. 601, followed.

Bristol and West of England Land Co. v. Taylor, 24 O R. 286, distinguished.

It was contended that, as the original mortgagor became after his conveyance to W. a surety for the latter, and there was no reservation of the rights of the assignee against him, he was discharged, and the assignor was consequently discharged, because, upon payment by him of the mortgage debt, he could not get back the security unimpaired.

Held, not so ; for the fair meaning of the reservation of rights against the assignor was that the taking of the W. mortgage was not to operate so as to effectuate anything that should prevent the assignee looking to his assignor for payment of the mortgage and interest because of the default of the mortgagor in paying according to the terms of the mortgage.

Aylesworth, Q.C., for the plaintiffs.

W. M. Douglas for the defendants.

ROSE, J. } Jan. 11
MACMAHON, J. }

QUEBEC BANK *v.* TAGGART.

Chose in action — Absolute assignment — Secret defeasance — Subsequent assignment for value without notice—Equities.

The insured absolutely assigned to a creditor, by indorsement on a life insurance policy, all his interest therein, and the assignee further absolutely assigned such interest to the plaintiffs, by similar indorsement, for valuable consideration. After the death of the insured a written memorandum was found in his desk, purporting to be signed by the first assignee, setting forth that the policy was assigned as security for a small debt, and that, after the assignee had paid his own claim out of the insurance moneys, he was to pay the balance to the wife and children of the insured, the defendants. The plaintiffs had no notice of this. Upon the trial of an interpleader issue the jury found that the signature to the memorandum was that of the first assignee.

It was contended by the defendants that the first assignee could not assign to the plaintiffs any greater interest than the agreement between him and the insured gave him.

Held, that as the terms of the first assignment indicated that it was intended to be unaffected by any equities existing between the parties to it, and clothed the assignee with authority to dispose of it absolutely, the plaintiffs were not affected by the agreement found by the jury, and were entitled to the whole of the insurance moneys.

In re Agra and Masterman's Bank, L.R. 2 Ch., at p. 397, specially referred to.

H. H. Collier, for the plaintiffs.

Aylesworth, Q.C., for the defendants.

MEREDITH, C. J. } Jan. 11.
ROSE, J. }

HARVEY *v.* ATKINS.

Judgment debtor—Examination—Answers—Gambling transactions.

Upon a motion to commit a judgment debtor for unsatisfactory answers upon his examination, the Court should not be called upon to inquire into gambling transactions, that is, practically to take an account to ascertain what money was made and subsequently lost by the judgment debtor, so as to determine whether, arising therefrom, any profits remained as estate in the debtor's possession.

J. W. Nesbitt, Q.C., for the plaintiff.

E. G. Rykert for the defendant.