

Railway Company, incorporated by 14 and 15 V., c. 51, to a judgment creditor of the company, with a debt due by the company to the shareholder for arrears of salary as president of the company where the first mentioned debt is for stock not paid up and where no calls have been made by the company on such unpaid stock:—1869, *Ryland & Delisle*, 14 L. C. J., 12; 3 P. C. App., 17.—Q. B., 12 L. C. J., 29, 147; 21 L. T., 325; 4 L. C. L. J., 61; 17 R. J. R. Q., 216, 533; 6 M. P. C. R., M. S., 225; 38 L. J. P. C., 67.—*Beauchamp*, J., P. C., 234.

22. Damages given for illegal and unwarranted attachment, *saisie-arrest*, may be compensated by debt due upon which *saisie-arrest* issued:—C. R., 1870, *Beillisle vs Lyman*, 15 L. C. J., 305; 17 R. L., 537; 20 R. J. R. Q., 42, 519.

23. Le commerçant qui reçoit une consignation d'effets a le droit d'appliquer le produit de la vente de ces effets en déduction d'un compte que celui qui a consigné lui devait:—*Torrance*, J., 1873, *Stabb vs Lord*, 5 R. L., 181.

24. The right to compensate an amount paid in error or without legal cause arises the moment the payment is made, and not merely at the date of the action en répétition for such amount:—C. R., 1874, *Bruncelle vs Buckley*, 19 L. C. J., 98.

25. A party acquiring a claim under the circumstances and for the purpose mentioned in s. 91 of the Insolvent Act of 1869, cannot oppose said claim in compensation.—The transfer of such debt is null and void as against the insolvent's estate.—In the present case the compensation could not be acquired under C. c. 1188 and 1196:—*Beaudry*, J., 1874, *Riddell vs Reay*, 18 L. C. J., 130.

26. That a dividend payable under a dividend sheet, under the Insolvent Act of 1875, cannot be retained by the assignee of the estate, by way of set-off or compensation against a debt due to the assignee by the creditor collocated, as endorser of certain notes given in payment of a sale of the stock-in-trade of the insolvent by the assignee to another party:—Q. B., 1878, *Walker & Doure*, 23 L. C. J., 317.

27. A plea of compensation by damage, to an action for a liquidated claim under a charter party, is not demurrable:—*Johnson*, J., 1881, *Bozzo vs Moffat*, 4 L. N., 61; 17 R. L., 97.

28. When a plea of compensation was set up in answer to an action on a cheque, and the claims on which compensation was asked were due before the cheque was given, it was held that the plea was bad:—*Torrance*, J., 1882, *Dorion vs Dorion*, 5 L. N., 130.—Q. B., 3 Q. B. R., 389.

29. Un actionnaire d'une banque qui achète des créances contre la banque, après

la suspension de paiement, ne peut offrir ses créances en compensation du montant des versements que le syndic de la banque lui réclame, en vertu de la section 58 du 34 V., c. 5:—C. B. R., 1882, *Gilman & Court*, 13 R. L., 619; 14 R. L., 8.

30. A claim of unliquidated damages *ex delicto* (damages caused by the wrongful issue of a *capias*) cannot be pleaded in compensation to an action for goods sold:—*Brooks*, J., 1883, *Lucke vs Wood*, 6 L. N., 98.

31. La compensation doit être offerte et opérée de bonne foi, et un créancier, porteur d'un billet, ne peut s'endetter chez le faiseur, en lui laissant ignorer qu'il est porteur de ce billet, pour ensuite l'offrir en compensation:—*Rainville*, J., 1883, *Daoust vs Geoffrion*, 12 R. L., 401.—*DeLorimier*, J., 1899, *Laurendeau vs Coutu*, 5 R. de J., 266.

32. The defendant was entitled to plead, to an action on a promissory note, that the plaintiff was under an obligation to deliver to him a note for a larger amount in payment of goods sold and delivered, but had made default, and to ask that the note sued on be declared compensated by so much of what was due by plaintiff:—C. R., 1883, *Quintal vs Aubin*, M. L. R., 1 S. C., 140, 397; 8 L. N., 60.

33. En matière commerciale, lorsque l'acheteur néglige de donner au vendeur un billet promissoire, tel qu'il aurait été convenu, ce dernier peut alors et avant l'expiration du terme, poursuivre l'acheteur pour le montant de la vente. Il peut aussi, dans le cas précédent, offrir le montant de la vente en compensation à l'encontre d'un billet promissoire dont l'acheteur réclame le paiement contre lui:—C. R., 1883, *Quintal vs Aubin*, M. L. R., 1 S. C. 140 et 397; 8 L. N., 60; 17 R. L., 97.

34. An indebtedness arising out of alleged joint transactions between the defendant and a deceased person, cannot be pleaded in compensation to an action by the universal legatee of the latter for a *prix de vente*. But monies paid out by defendant for deceased monies received by the deceased to the use of defendant and the amount of a bill for professional services rendered by the defendant as medical attendant to the deceased, may be pleaded in compensation to an action of the nature mentioned above:—*Torrance*, J., 1884, *Martin vs Dansereau*, 7 L. N., 109.

35. Compensation may be pleaded between a claim of the Crown for the price of land sold and a debt due by the Crown for salary:—*Mathieu*, J., 1884, *Hon. Sir A. Campbell vs Judah*, 7 L. N., 147.—*Andréus*, J., 1894, *Fortier vs Langlet*, R. J. Q., 5 C. S., 323, R. J. Q., 5; C. B. R., 107.

36. Compensation does not neither take place between a debt due to the government for a direct personal tax and a debt due by the government to the person owing such tax.