

or which by virtue of any changes in the customers' account may be contracted by them from time to time.

The agreement also contains a covenant on the part of the customers that during its currency and before the execution of the mortgage or mortgages they would not sell, assign, transfer, charge, mortgage, or otherwise deal with any of their assets which then were or which should thereafter be in their possession or power and which are covered by this agreement otherwise than in the ordinary course of their business. It also contains this covenant:

"6. In so far as the customers can lawfully do so without impairing the validity of any existing agreement or contract between themselves and the city of St. Thomas this agreement shall, until the execution of a more formal mortgage or mortgages or other document, constitute a charge upon the lands and plant as hereinbefore defined or any such land and plant which may be subsequently acquired prior to the fulfilment of this agreement."

Apparently there was some agreement between the company and the city of St. Thomas which would expire about the 1st of September or the 1st of October, 1912.

On the 27th November, 1913, Thomas Brothers, Limited, executed a mortgage in favour of the bank, reciting that the mortgagor is indebted to the bank for advances made and credits given by way of loans, payments, advances, discounts and otherwise in the usual course of the mortgagee's banking business; that the bank has demanded security for the indebtedness, and the mortgagor consented to give the mortgage for that purpose and in consideration of the existing indebtedness and the sum of one dollar, the company mortgaged lot No. 20 in the city of St. Thomas in the county of Elgin, according to registered plan No. 188.

On the 22nd January, 1914, what is called a deed of collateral security was executed by Thomas Brothers, Limited, in favour of the bank, reciting that the customer is indebted to the bank in \$200,000, for balance of loans and advances made in the ordinary course of business, with interest accrued, that the bank has demanded additional security for payment of the indebtedness and interest and renewals and substitutions, and that the customer is willing to give such additional security by way of hypothec: on "that certain emplacement situated in the town of Outremont, fronting on Durocher Street and composed of:—