charge on the shares, its effect was permanently to fetter mortgagor in the free enjoyment and disposition of the sh . The true ground of the decision was that the covenant was repugnant to the contractual as well as to the equitable right of the mortgagor on redemption to get his property back intact (*i*).

In *Samuel* v. *Jarrah Timber and Wood Paving Corporation* (*j*), certain debenture stock was transferred as security for an advance. The loan was repayable on thirty days' notice on either part, and the mortgagor agreed that the mortgagee at any time within twelve months of the date of the advance should have the privilege of purchasing the stock at 40% of the face value. The option being inconsistent with both the co tractual and equitable right of redemption was held to be invalid (*k*).

The decision in *De Beers Consolidated Mines* v. *British South Africa Co.* (*l*) really turned on the facts. It was held that the stipulation for the mining license there in question was not part of the mortgage transaction and therefore was not a clog on the equity of redemption. The further question was raised, but not decided, whether the general principles of equity with regard to the right to redeem apply in their integrity to mortgages by way of floating charge. A similar question was raised, but not decided, in the important case of *Kreglinger* v. *New Patagonia Meat and Cold Storage Co.* (*m*). In this case the paramount doctrine that a mortgagor cannot at the time of the mortgage and as part of the mortgage transaction contract away his right to redeem and the subsidiary rules in which that doctrine has been

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(*i*) There was room for difference of opinion on the question whether the repugnancy existed in fact, but the dicta expressed by Lord Macnaghten and Lord Davey, that a stipulation for a collateral advantage to endure after redemption is necessarily invalid, are dissented from in *Kreglinger* v. *New Patagonia, etc., Co.*, [1914] A.C. 25, at pp. 43, 60.

(*j*) [1904] A.C. 323.

(*k*) See *Kreglinger* v. *New Patagonia, etc., Co.*, [1914] A.C. 25, at p. 60. Although the case was a clearer one than either *Noakes & Co.* v. *Rice* or *Bradley* v. *Carritt*, it was an extreme one in that a company with a board of directors composed of experienced men of business, advised by a competent solicitor, after it had invited a loan and settled considered terms, was permitted to repudiate its own bargain deliberately entered into in its own interests. See Pollock in 19 L.Q.R. 359 (Oct., 1903).

(*l*) [1912] A.C. 52.

(*m*) [1914] A.C. 25.