let on hire, the hirer to pay a rent by monthly instalments, and to have the right to terminate the hiring by delivering up the piano to the owner, the hirer remaining liable for all arrears of hire; also that on punctual payment of all the instalments of hire the piano was to become his property, and that until such payment it was to continue the sole property of the owner. The hirer received the piano, and after paying some of the instalments pledged the piano to a pawnbroker. The House of Lords (Lords Herschell, L.C., and Watson, Macnaghten, Morris, and Shand) determined that the legal effect of the instrument was merely to give the hirer an option to purchase the piano, and that he was under no obligation to pay, and that even by putting it out of his power to return the piano he had not become bound to buy it, and that the owner was entitled to recover it from the pawnbroker.

MORTGAGEE—SALE BY MORTGAGEE UNDER POWER—SURPLUS PROCEEDS, LIABILITY OF MORTGAGEE FOR—CONSTRUCTIVE NOTICE—AGENT—FRAUD—TRUSTEE—TRUST PROPERTY OR PROCEEDS "STILL RETAINED"—STATUTE OF LIMITATIONS—(21 JAC. I, C. 16)—TRUSTEE ACT, 1888 (51 & 52 VICT., C. 59, S. 8)—(54 VICT., C. 19, S. 13, ONT.).

In *Thorne* v. *Heard*, (1895) A.C. 495; 11 R. Aug. 23, the House of Lords (Lords Herschell, L.C., and Ashbourne, Macnaghten, and Davey) has affirmed the judgment of the Court of Appeal, (1894) 1 Ch. 599; and of Romer, J., (1893) 3 Ch. 530 (noted *ante* vol. 30, pp. 90, 452). It may be remembered the action was brought by a subsequent mortgagee against a prior mortgagee to recover the surplus proceeds of the sale of the mortgaged property which remained after satisfying the prior mortgagee's claim. These surplus proceeds the prior mortgagee had suffered to remain in the hands of their solicitor, who conducted the sale in the belief that he would pay them to the parties entitled. He was also the mortgagor's solicitor, and, instead of properly applying the surplus, he, without the knowledge of the prior mortgagees, misappropriated the fund, but continued to lull all suspicion and inquiry by continuing, as the mortgagor's solicitor, to pay interest to the second mortgagee on his mortgage as if it were still subsisting. The sale took place in 1878, but it was not until 1892 that the fraud was discovered. The principal question was whether the Trustee Limitation Act (51 & 52 Vict., c. 59) (see 54 Vict., c. 19, s. 13, Ont.) afforded a defence; this depended