

account of a judgment held by that bank against the Ontario company, and did pay the further sum of \$150 for that company. The Ontario company got and accepted the benefit of these payments, for which neither company paid or gave any consideration, and the plaintiff received no consideration directly or indirectly—the expected consideration having wholly failed by reason of the breach and repudiation by the Buffalo company of the agreement with the plaintiff. At the time of the payment by the plaintiff to the bank, the effects of the Ontario company were under seizure and about to be sold. This payment reduced the liability of that company to the bank, and the sale of that company's property did not take place at the time appointed, even if it ever did. There was the implied request of the Buffalo company to the plaintiff to make the payments to the bank, and the acceptance by the Ontario company, for which payments the plaintiff had received nothing. The plaintiff was entitled to judgment against both companies for the \$700 and \$150, with interest at 5 per cent. from the 1st March, 1913. The plaintiff was not entitled to recover, against either company, general damages for breach of the contract, because such damages had not been established; and the Ontario company was not a party to the contract. Judgment for the plaintiff for \$850, interest, and costs. It was not a case for a *lis pendens*, and the plaintiff should discharge the registry of the certificate. K. F. Henderson, for the plaintiff. R. H. Greer, for the defendants.

ROYAL BANK OF CANADA v. SMITH—MIDDLETON, J.—JUNE 16.

*Promissory Notes—Indebtedness of Makers to Payee—Finding of Trial Judge against Plea that Notes Made for Accommodation of Payee—Third Party Issues—Indemnity—Judgment—Enforcement.*—On the 11th November, 1912, Puddicombe and Smith, the defendants, made a promissory note for \$10,000 in favour of Reinke, the third party; and, on the same day, the defendant Smith made another promissory note, also in favour of Reinke, for \$5,000. Reinke endorsed the notes and delivered them to the plaintiff bank, and actions were brought by the bank upon the notes. The defendants set up that the notes were made by them for the accommodation of Reinke, and that there was no liability as between the original parties. It appearing that the notes were held by the bank as collateral security for advances