

MACLENNAN, J.A.:—The question in this appeal arose in the Master's office in Belleville, and is, which of the parties is entitled to prove in respect of 300 bonds issued by the railway company for the sum of \$1,000 each, with interest coupons attached, which had been pledged by Ritchie to the Bank of Ottawa, as security for a promissory note of \$50,000 made by him, bearing date 30th November, 1900, and payable 15 days after date, with interest at 6 per cent. per annum from 31st May preceding.

Blackstock and Weddell claim as purchasers of the bonds from the bank, after default in payment of the note, at the rate of 22½ cents on the dollar of the principal money of the bonds, and to have paid the purchase money, therefor, amounting to \$67,500. Ritchie, on the other hand, contends that the bank having held the bonds in pledge by way of security, the sale made by them was irregular and void, and that the purchasers, having bought with notice of the character in which the bank held the bonds, are affected by the invalidity of the sale.

The Master found for the appellant Ritchie, and his judgment was reversed on appeal by Mr. Justice Street, from whose judgment the present appeal is brought.

Having read carefully the whole of the lengthy evidence and documents, I think the Master came to the proper conclusion on the question of notice, that is, that the respondents had notice before completion that the bank held the bonds as pledgees and not as owners, and the only doubtful question is as to the regularity and validity of the sale.

That question depends on the proper construction of the contract of pledge, which is set out in the Master's judgment.

The contract authorizes the bank, in default of payment of the note at maturity, "from time to time" to sell the said securities or any part thereof . . . by giving 15 days' notice in one daily paper published in the city of Ottawa, as to the said bank shall seem proper, with power to the bank to buy in and resell without being liable for loss occasioned thereby."

The bank published a notice of a sale of the bonds by auction on 11th March, 1902, and it was published in the Ottawa "Evening Journal" daily for 15 days before the day of sale. There was no sale at the time appointed, and it