

a reference directed by the judgment of the Supreme Court of Canada, of the 17th February, 1919: *Diamond v. Western Realty Co.* (1919), 58 Can. S.C.R. 620.

The appeals were heard in the Weekly Court, Toronto.

A. C. McMaster, for the liquidator.

G. E. Newman, for the receiver.

A. Cohen, for the plaintiff.

MIDDLETON, J., in a written judgment, after stating the facts and the history of the case, proceeded to consider the questions argued upon the appeal:—

1. By para. 12 of the report, the Referee found that the date from which interest is payable by the plaintiff should be postponed for a period of 15 months and 18 days after the date on which the final report is confirmed. The Supreme Court of Canada having declared that this agreement in question in the action is, in its entirety, a valid and subsisting agreement, the Referee had no jurisdiction to make such a direction as he had made.

2. By para. 13 of the report, the Referee found that the date from which taxes are payable, as provided by the agreement, is to be postponed for a period of 17 months and 12 days after the date of confirmation of the final report. There was, for the same reason, no jurisdiction to make this direction.

3. By para. 8 of the report, the Referee found that the plaintiff is entitled to \$200 as a discount of 5 per cent. off principal payments, under clause 8 of the agreement. It had not been shewn that there was any right to discount under the agreement, properly interpreted.

4. By para. 9 of the report, it was found that the plaintiff was entitled to \$250, or, in the alternative, to a declaration that this sum should be credited to the plaintiff when final adjustment made. This finding was entirely beyond the scope of the inquiry.

5. By para. 10 of the report, the plaintiff was found entitled, as against the company, to \$550 damages in connection with the cancellation of the agreements. This finding could not be supported.

6. There was an appeal against the report on the ground that a sum of \$400 awarded by the trial Judge upon a counterclaim, which was not interfered with by the Supreme Court of Canada, should have been allowed upon this reference. The learned Judge agreed with the Referee that this was entirely outside the scope of the reference.

7. A question was raised as to the rights of the parties with respect to local improvement rates in connection with waterworks. The intention of the parties was that the local improvement rates