

husband under said agreement, was released from her suretyship by reason of the dealings of plaintiff John Harvey with John McKay, and with the said mortgage, and therefore that the policy given by her as security is also released and she is entitled to the proceeds paid into Court.

I have already dealt in part with this finding in dealing with findings 3 and 4. I will only add that I can find no evidence whatever of any dealings between Harvey and John McKay which would release defendant as surety. There was no variance in the terms of the contract, either between the principal debtor and the creditor or between the creditor and the surety, nor has there been any contract or dealing between the creditor and principal debtor by which the principal debtor is released, nor was there any act or omission of the creditor, the legal consequence of which is the discharge of the principal debtor. Nor do I find that the creditor has done any act which is inconsistent with the right of his surety, or has omitted to do any act which his duty to the surety required him to do, or by which the rights of the surety against the principal debtor were in any way impaired.

The agreement under which the security was put up, provided for renewals of notes from time to time until the said amount (meaning the \$1,000) is paid off, and other than the repeated renewals of the accommodation paper given by Harvey to McKay there were no binding extensions of time.

The dealings with the mill property, the discharge of the mortgage, and the acceptance of the release of the equity of redemption, had no bearing whatever upon the rights or liabilities of either of the parties in respect of the security in question here, and I find that there was no evidence whatever to lead to the conclusion that the \$1,000 obligation of John McKay or of defendant ever became merged in the \$12,000 mortgage.

The appeal will be allowed and judgment entered declaring that plaintiff Wilhelmina Harvey, who is the purchaser from the assignee of John Harvey of the security in question, is entitled to the moneys in Court, together with costs of the appeal to be paid by defendant.