
 REPORTS AND NOTES OF CASES.

 Dominion of Canada.

 SUPREME COURT.

 Ont.] ONTARIO BANK *v.* McALLISTER. [June 15.

Banking—Security for debt—Transfer of business—Operation by bank—Assignment of lease—R.S.C. (1906) c. 29, s. 76, ss. 1(d) and 2(a), s. 81.

A bank entered into an agreement with a company heavily in its debt carrying on a milling business, which agreement provided that the company should pay the bank \$10,000 and surrender all its assets including an assignment of the lease of its business premises, and that the bank should assume payment of its debts and release it from all further liabilities. By a subsequent agreement it was provided that the business of the company should be carried on as before with a view to reducing the debt due to the bank and disposing of it as a going concern as soon as possible, the bank to indemnify against any liabilities incurred while it was so carried on. No assignment of the lease of the business premises to the bank was executed, and the lessors having brought action against the company for rent due thereunder, the bank was brought in as a third party by the company claiming indemnity against payment of such rent under said agreements.

Held, affirming the judgment of the Court of Appeal (17 O.A.R. 145), DUFF and ANGLIN, JJ., dissenting, that the bank should indemnify the company against such payment, the agreements to take an assignment of the lease and to carry on the business as a going concern not being illegal as a violation of provisions of the Bank Act. Appeal dismissed with costs.

Morine, K.C., and McKelcan, for appellants. Nesbitt, K.C., and O'Connell, for respondents.

 N.S.] CITY OF SYDNEY *v.* CHAPPELL BROS. [June 15.

Municipal council—Offer of money to build library—Special Act of Legislature—Power to procure site—Contract for building—Powers of municipality.

A sum of money was offered the city of Sydney for a public library on condition that the city procured the site and provided