cise of its discretionary power, can order a new trial on that ground.

2. (Per STRONG, TASCHEREAU and GWYNNE, J J.,) that no special damages having been alleged in the declaration, the evidence as to special damages, which had been objected to, was inadmissible, and therefore a new trial should be granted.

3. (Per GWYNNE and TASCHEREAU, J J..) that assuming the agreement between Snyder and publisher to be one within the scope of the purposes for which the defendants were incorporated, and that Snyder had sufficient authority to enter into it on behalf of the defendant Company, the evidence established that the defendants collected the news, &c., for the proprietor of the newspaper as his confidential agents and at his request, and that they were not responsible for the publication by the publisher of said news for which the damages were awarded.

McCarthy, Q. C., and *Rigby*, Q. C., for appellants.

Thompson, Q.C., for respondent.

Appeal allowed with costs.

COURT OF APPEAL.

From Chy.] [March 24.

PIERCE v. CANAVAN.

Mortgage—Equity of redemption—Indemnity.

B. owned lots D and E, and mortgaged them. The mortgagee (J.) assigned the security and afterwards bought up the equity of redemption. The plaintiff subsequently purchased from J. lot D, for which he paid the full value and obtained a conveyance containing statutory covenants for title and possession. J. subsequently sold lot E to a *bona fide* purchaser who conveyed to the defendant, he having notice of the mortgage :

Held, (affirming the judgment of the Court below, reported in 28 Gr. 325), that the plaintiff was entitled to be indemnified out of lot E to the full extent of the value thereof against the amount due on the mortgage.

Osler, Q.C., and *F. Hodgins*, for the appeal *Ewart* and *W. Roaf*, contra.

From Chy.] [March 24

NORRIS v. MEADOWS.

Mortgage—Purchase of part of mortgaged estate—Purchaser.

M., who was the owner of Whiteacre and Blackacre, subject respectively to incumbrances of $1,600 and $500, sold Whiteacre to C. subject to the $1,600 mortgage, with covenants for title, the mortgage debt in reality being the consideration or purchase money therefor. M. afterwards sold Blackacre to N., subject to the $500 mortgage; the conveyance, however, contained absolute covenants for title, the payment of the $500 being taken as part of the consideration. Default having been made in payment, the mortgagee proceeded to a sale under the power, and N. became the purchaser of both parcels with a view of protecting himself, and thereupon took proceedings to compel M. and the representatives of C. to pay the amount due on the $1,600 mortgage.

Held, affirming the judgment of the Court below (reported in 28 Gr. 334), that there was not any privity between the plaintiff and C.'s representatives, and that the demand remained with M., the original vendor, against C.'s estate.

Bethune, Q.C., and *McLean*, for appellant.

E. Blake, Q.C., contra.

From Q. B.] [March 24.

BARBER v. MORTON.

Principal and surety—Varying contract.

By agreement entered into between the plaintiff, the defendant, and one P., the defendant undertook to guarantee the payment of whatever goods P. should order of the plaintiff, and who in consequence sent to P. a quantity of goods ordered by P. in writing, and in addition consigned others not ordered, which were invoiced at prices higher than were quoted by the plaintiff and those at which P. had ordered some of the goods. Without disclosing these facts to the defendant, the plaintiff presented to the defendant for signature a bill of exchange upon P., which the defendant signed, thinking that it was to cover the price of the goods as ordered.

Held, reversing the judgment of the Court below, that, as all that had been done by the plaintiff had been done in the strictest good faith, the defendant was liable for the price of such of