

the sale of certain live stock. The defendant counterclaimed for a sum of \$86.49, and the trial Judge found in his favour. The judgment of the Court (MULOCK, C.J.Ex.D., CLUTE and SUTHERLAND, JJ.) was delivered by CLUTE, J., who reviewed the evidence, and said that the result was that there was due to the plaintiff \$152.12 on a horse deal, and there was due from the plaintiff to the defendant \$219, leaving a balance of \$66.88 due to the defendant. No interest should be allowed to either party. Judgment varied by reducing the amount allowed on the counterclaim to \$66.88; otherwise appeal dismissed with costs. I. F. Hellmuth, K.C., for the plaintiff. T. H. Lennox, K.C., for the defendant.

PATTERSON v. DART—DIVISIONAL COURT.—DEC. 20.

Mortgage — Redemption — Account — Interest — Insurance Moneys—Expenditure for Rebuilding—Improvements—Lien—Agreement.]—Appeal by the plaintiff from an order of LATCHFORD, J., dismissing an appeal by the plaintiff from the report of the Local Master at Chatham in an action for redemption. By the judgment in the action the plaintiff was declared entitled to redeem, and a reference was directed to the Local Master to take the accounts, making all just allowances to the plaintiff for insurance moneys received by the defendants and all just allowances to the defendant for moneys expended in improvements and rebuilding after fires. The appeal was heard by MULOCK, C.J. Ex. D., CLUTE and SUTHERLAND, JJ. The first ground of appeal was that the Master improperly allowed the defendant interest upon a sum of \$3,047.62 found due to the defendant. The Chief Justice, delivering the judgment of the Court, referred to sec. 113 of the Judicature Act and to *Smart v. Niagara and Detroit R.W. Co.*, 12 C.P. 404, and said that, as the amount was liquidated and overdue on the 1st July, 1895, the defendant became entitled to interest thereon; and upon this ground the appeal failed. The second ground was that the Master had charged the mortgagor with compound interest. The Chief Justice said that the Master had done this only in form. An examination of the accounts as passed by the Master shewed that each year the rents and profits received by the defendant exceeded the interest charged, and, as rents and profits are applicable, first, in or towards payment of interest, it follows that the whole of each year's interest was paid out of the year's rent, and