

From Q.B.D.]

[April 4.]

SEGSWORTH ET AL. v. ANDERSON ET AL.

*Assignments and preferences—Sale of insolvent's estate—Secret profit by creditor—Inspector—Trusts.*

The assets of an insolvent estate were sold by the assignee, at a price that was not complained of, to the insolvent's wife, with the approval of the sole inspector of the estate, the inspector and another creditor becoming responsible for the payment of the purchase money, and, pursuant to a pre-existing undisclosed agreement, taking from the purchaser a chattel mortgage upon these assets as security, not only for the amount of the purchase money, but also for the amount of their claims against the debtor.

*Held, per BURTON and MACLENNAN, JJ.A.,* that the inspector and the creditor could not be ordered to account for the profit, if any, made by them, that profit not having been made at the expense of the estate or by virtue of the office of trust filled by the inspector.

*Per HAGARTY, C.J.O.:* That the transaction was, legally speaking, an improper one; but that, there being no evidence that any loss had been caused to the estate, no reference should be directed.

*Per OSLER, J.A.:* That any profit must be accounted for, and that a reference to ascertain the amount thereof should be directed.

In the result, the judgment of the Queen's Bench Division, 23 O.R. 573, was reversed.

*S. H. Blake, Q.C., and E. F. Gunther* for the appellants.

*James Parkes and L. F. Heyd* for the respondents.

From Co. Ct., Wellington.]

[April 4.]

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REGINA v. MARTIN.

*Intoxicating liquors—Powers of license commissioners—License regulations—Liquor License Act, R.S.O., c. 194.*

A regulation by license commissioners requiring the lower half of bar-room windows to be left uncovered during prohibited hours is valid and reasonable.

*Regina v. Belmont*, 35 U.C.R. 298, questioned.

Judgment of the County Judge of Wellington reversed.

*J. R. Cartwright, Q.C.,* for the appeal.

*James Haverson* for the respondent.

From Q.B.D.]

[April 4.]

KERR ENGINE CO. v. FRENCH RIVER TUG CO.

*Contract—Penalty—Damages—Time.*

Where a contract provides that an engine shall be built and placed in position by a certain date, with a penalty of \$20 for each day's delay, the time of commencement is of the essence of the contract; and if, owing to the purchaser's