

made by the lien-holders to have priority on the increased selling value, and with the priority or otherwise of the \$1,050 mortgage, and to pronounce the proper judgment. No costs of the appeal.

FIRST DIVISIONAL COURT.

FEBRUARY 7TH, 1916.

*ALDERSON v. WATSON.

Landlord and Tenant—Lease—Acceleration Clause — Chattel Mortgage—Assignment for Benefit of Creditors—Landlord and Tenant Act, R.S.O. 1914 ch. 155, sec. 38(1)—“During” —Landlord’s Preferential Claim for Arrears of Rent —Extent of—Assignments and Preferences Act, R.S.O. 1914 ch. 134.

Appeal by the defendant and cross-appeal by the plaintiff from the judgment of BRITTON, J., ante 90.

The appeal and cross-appeal were heard by MEREDITH, C.J.O., GARROW, MACLAREN, MAGEE, and HODGINS, J.J.A.

G. T. Walsh, for the defendant.

E. H. Cleaver, for the plaintiff.

GARROW, J.A., delivering judgment, said that the action was brought by the assignee for the benefit of creditors of James Goodbrand, under an assignment dated the 7th September, 1915, for an injunction to restrain the defendant from selling certain goods and chattels, the property of the assignor, under distress proceedings instituted by the defendant against the assignor two days after the date of the assignment.

The assignor was the tenant of the defendant under an indenture of lease dated the 16th January, 1915, for a term of 3 years from the 1st January, 1914, at a rent of \$500 for 1914, \$600 for 1915, and \$600 for 1916, payable \$250 on the 1st October, 1914, \$250 on the 31st December, 1914, \$300 on the 1st October, 1915 and 1916, and \$300 on the 31st December, 1915 and 1916.

The lease contained a covenant that if (among other things) the tenant made a chattel mortgage, the then current year’s, as well as the ensuing year’s, rent should immediately become due and payable, and the term thereby granted, at the option of the lessor, immediately become forfeited and void, and that such accelerated rent might be recovered in the same manner as the rent thereby reserved.