

to the company and correspondence ensued between him and the secretary in which he complained of having been deceived by the agent, but finally agreed to give a renewal at four months of his note. Before the renewal fell due the company became insolvent and he refused to pay. In an action on the renewal note he filed a counterclaim for damages based on the misrepresentation and deceit. Judgment was given against him on the note and for him on his counterclaim.

*Held*, that G. was liable for the consequences of the fraud practised on the purchaser of his shares by his agent the president of the company.

*Held*, also, GIROUARD and DAVIES, JJ., dissenting, that the renewal of the note given for the price of the shares and extension of time for payment thereby secured did not operate as a release of J.A.G.'s action for deceit, though it might have been a defence in an action for rescission. Appeal dismissed with costs.

*Matthew Wilson*, K.C., and *W. B. A. Ritchie*, K.C., for appellant. *W. F. O'Connor*, for respondent.

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Ont.]

IREDALE v. LOUDON.

[June 16.]

*Title to land—Upper room in building—Adverse possession—Statute of Limitations—Incidental rights—Implied grant—License or easement.*

Possession of an upper room in a building supported entirely by portions of the story beneath may ripen into title there to under the provisions of the Statute of Limitations. I., one of several owners of land with a building thereon sold his interest to a co-owner and afterwards occupied a room therein as tenant for carrying on his business. Inside the door by which he entered from the street was a landing leading to a staircase by which his room could be reached. He had the only key provided for this door and always locked it when leaving for his home at night. It remained open during the day. His payment of rent ceased after a time and he continued to occupy the room for twelve years thereafter, the owners of the premises paying all the taxes thereon, he sending them the tax bills left in his room. In an action to enjoin the owners from disturbing him in possession of said room,

*Held*, reversing the judgment of the Court of Appeal (15 Ont. A.R. 286) by which the judgment for I. at the trial (14 Ont.