were not liable, since by a condition of their policy they were not liable except for losses occurring within a year before notice of claim made to them.

Held, that the case was similar to a payment made by a debtor to a creditor without express appropriation, in which case the creditor could appropriate it, and the defendants had no right to complain of the appropriation made in this case.

Held, also, that the defendants should pay interest on the amount due from them, from three months after the proofs of loss were delivered.

Meredith, Q.C., for plaintiffs.

Rae, for defendants.

Creelman, for the guarantee company, which had been added as parties.

Proudfoot, J.] [February 2.

COMSTOCK v. HARRIS.

British ship—Alien mortgagee—Imp. Stat. 17 & 18 Vict. c. 104.

The mortgagee of a British ship is not an owner within the meaning of Imp. Stat. 17 & 18 Vict. c. 104, and there is no provision in that Statute to prevent an alien being a mortgagee.

James Maclennan, Q.C., for the mortgagee plaintiff.

Lash, Q.C., for the mortgagor defendant.

Proudfoot, J.] [February 23.

RE CANNON, OATES v. CANNON.

Administration order—Effect in saving claims from being barred—Champertous agreement.

After the decision in this case, noted *supra* p. 55, and in November, 1886, the notes in question were handed back to H. & Co. On November 30th, 1886, H. & Co. obtained leave from the Master to come in and prove their claim. From this order M. E. C., the administratrix, now appealed, on the ground that at the time of the order of administration being made, H. & Co. were not the holders of the notes, and that before they came back into their hands they were barred by the Statute of Limitations, and that H. & Co. were bound by the above decision against the notes in O.'s hands.

Held, that the order of administration, which was made before the period allowed by the Statute of Limitations had expired, prevented the remedy on the notes being barred.

Held, also, that H. & Co. might assert their title to the notes, and prove upon them notwithstanding the champertous agreement with O.

McMichael, Q.C., and *A. Hoskin*, Q.C., for the appeal.

Arnoldi, contra.

Proudfoot, J.] [February 23.

WOODWARD v. MCDONALD.

Reference to arbitration—Scope of reference—Construction of agreement.

By a consent judgment in an action between members of a certain association for the sale of lubricating oil, it was provided that "all matters which may hereafter come into dispute between the association or board of directors thereof, or any member or members . . relative to the said agreement" (sc., the original agreement of association), "or any alleged breach of non-observance thereof, or of any of the rules or regulations made or to be made by the said board thereunder, and all matters of complaint by any member or members against any other member or members in respect of the premises," should be referred to arbitration as therein specified.

Acting under the agreement, the board had fixed a certain sum to be paid per gallon to the association by the parties thereto, on the sale of any lubricating oil.

A dispute now arose on the motion of one of the members as to whether the three cents per gallon were payable on sales made by one member of the association to another, and whether the rate was payable upon the proportion of distilled petroleum used in making axle grease.

Held, that these matters were properly within the scope of the arbitrator under the above clause in the judgment, though they amounted to a dispute upon the construction of the agreement, and the rules made under it.

Street, Q.C., for the defendant, McDonald.

Magee, for the plaintiffs.