Chancery Division.

BOYD, C.] [May 20.

BRETHOUR *v.* BROOKE ET AL.

Mortgage—Mortgagee's right to take possession and lease—Notice—Selling and accounting for timber.

There is nothing in covenant 7, page 968, R.S.O., c 107, repugnant to covenant 14, page 971, and a mortgagee, when his mortgage is in default, may enter under the former without giving the notice provided for by the latter, and make any lease which will not interfere with the mortgagor's right to redeem by payment of the arrears and to resume possession. The action intended by the latter is not the mere taking possession for the purpose of keeping down the interest, but the entering on the land to lease or sell in such wise that the right of redemption shall be postponed or destroyed.

When the security is scanty, it is competent for the mortgagee to make the best provision he can for his own safety, even to the cutting down of trees, which power he can confer upon others under him, subject to an account to the owner of the equity of redemption at the proper time.

Millett v. *Davey*, 31 Beav. 476, cited.

Quære: Whether a mortgagor would be entitled to pay up the arrears and resume possession even if the lease was made without the notice provided for by covenant 14 in a case where the security was scanty, and the mortgagee has been compelled to protect himself by making the most provident lease possible?

Lynch, *Staunton*, and *Livingston* for the plaintiff.

Hoyles, Q.C., and *V. MacKenzie*, Q.C., for the mortgagee.

Oles for the tenants.

FERGUSON, J.] [June 20.

IN RE CITY MUTUAL INSURANCE COMPANY.

STEIFELMEYER'S CASE.

Mutual insurance company—Policy—Winding up—Cancellation—Assessmen —R.S.O., c. 167, s. 114, s-s. 19.

Appeal from Master in London.

A resolution for the voluntary liquidation of a mutual insurance company was adopted at a general meeting on a report of directors, which contained a recommendation that policies be sent in to the liquidator, and that members seek insurance elsewhere. One of the policy-holders sent in his policy accordingly, but no notice of actual cancellation was given to him, nor was anything further done in reference to cancellation. Afterwards an assessment was made upon the policy.

Held, that the policy had not been cancelled, and the assessment was good.

W. H. P. Clement for the appellants.

Hoyles, Q.C., *contra*.