debt upon a property sells shares in the property to other persons, who agree to pay the debt, he can, when demand is made upon him for payment and before payment of the debt, or any part of it, claim to be indemnified by the purchasers for their shares of the amount of indebtedness, and it makes no difference to this right if the person primarily liable has become bankrupt, and has died before the suit, and his assets have proved deficient. The amount of the indemnity in such a case will be the full amount of the claim, and not the amount of the dividend which the bankrupt estate could pay." . . . "Where several persons are partners or co-ownors in a property indivisible, and one incurs liability for the common benefit, he is entitled to be indemnified by the others, and the shares of those who are unable to pay must be paid by those who are." And that goes a good deal further in holding that the assistance of an assignee in bankruptcy may be invoked by a creditor claiming that he shall be completely indemnified, and not merely to the extent of the dividend obtainable, but that the assignee shall sue and obtain a complete indemnity from him, and so relieve the other creditors of any claim upon the estate. When I speak of this liability for indemnity arising out of the very nature of the transactions I can refer to numerous other classes of transactions in which the same thing occurs. For instance, there is your Honour's decision or dictum in *In re* Guthrie *Ex parte* the Bank of Australasia, which is reported in 2 New Zealand Law Reports, 425. There was some discussions there as to whether the purchaser of an equity of redemption had entered into a covenant to indemnify the mortgagor against the mortgage debt, and your Honour expressed the opinion there that no covenant was necessary—that a person who purchased an estate subject to a mortgage is liable without covenant to indemnify the mortgagor against the mortgage debt. In the same way the recent case of Edmunds against Wallingford, in Law Reports, 14 Queen Bench Division, page 811. This illustrates, though it is a different class of case, very completely the general doctrine that the right of indemnity arises out of the very transaction, without special agreement. "As a general rule, where one person's goods are lawfully seized for another's debt, the owner of the goods is entitled to redeem them, and to be reimbursed by the debtor against the money paid to redeem them; and, in the event of the goods being sold to satisfy the debt, the owner is entitled to recover the value of them from the debtor; and the right to indemnity exists, although there may be no agreement to indemnify, and although there may be in that sense no privity between the owner of the goods and the debtor (England *v.* Marsden, L.R. 1 C.P., 529) questioned. The defendant bought the business of an ironmonger in his own name for his two sons; he paid the greater part of the purchase-money. The banking account of the business was kept by him, and he drew the cheques on that account. A society having obtained judgment in an action against the defendant, certain goods of his sons were seized by the Sheriff. The sons claimed the goods; but, upon an interpleader summons taken out by the Sheriff, the claim of the sons was barred, and the goods were sold. They realised £1,300, and this sum was paid into Court, in the action by the society against the defendant, as a security for what might be found due to the society from the defendant upon taking certain accounts. The defendant's sons were afterwards adjudicated bankrupts, and the plaintiff was appointed their trustee. The defendant agreed with the plaintiff that, in consideration of his sons' goods having been seized and sold on behalf of the society in respect of an alleged claim against him, he would pay £300 per annum to the plaintiff until he should have paid a sufficient sum to pay the trade creditors of his sons in full. The plaintiff having brought the present action to recover £1,200 due by virtue of the above agreement, or in the alternative £1,300, the value of the goods seized, Held, That even if the defendant's express promise to pay £1,200 was not legally binding upon him, nevertheless the action was maintainable, for, although the decision on the interpleader summons did not estop the defendant from showing that the seizure by the Sheriff was unlawful, nevertheless he had by his conduct led to the seizure, and the goods of his sons had been legally taken for the debt. The defendant, therefore, was bound to indemnify his sons, and the plaintiff, as their trustee in bankruptcy, was entitled to have judgment entered for him for the sum of £1,200, which he was willing to accept instead of £1,300, the value of the goods seized." Now, your Honour, in that case the sons placed their goods in the father's hands, and their assignee in bankruptcy—there was no sentiment about it—their assignee in bankruptcy came forward and claimed indemnity from the father; and the Court held him entitled, merely because he had exposed his sons' goods to seizure and sale, and consequently the liability was held to arise out of the very situation; and I venture to say, your Honour, contrasting this case with that in the case of the assignee of the sons against the father, the Court would have taken exactly the same view of it even if the father had came forward and had told a long story about indicating to the sons, "You know what an awful risk you are running; you know your goods are liable to be seized; you know you are liable to lose these goods." If the father had said all that to the sons, just as Mr. Ritchie and Mr. Henderson say they said to Scott here, it would have had no effect on the ultimate question of liability to reimbursement, though the sons were warned that they took the risk of losing their goods. I shall presently, when I come to deal with this case, ask the Court to say that, accepting every word of these alleged warnings, only discounting them by excluding an express contract by Scott to give up his ordinary rights—a right of indemnity as a trustee—that, only discounting the evidence to that extent, then all these warnings amounted to nothing more than this, to put it in vulgar language: "You bear the brunt, and we'll stand the racket." My friend Mr. Solomon asks me, *sotto voce*, what is the difference.

Mr. Solomon: We do not understand you.

Mr. Chapman: My friend may not understand the difference; but I am not addressing my friend just now. [Mr. Solomon: Put it again.] I shall not put it again now, but I shall put it again very plainly. There are two other cases, your Honour. They are cited in Hobbes *v.* Wyatt, 36 Ch. Div. 256. They state in general terms the rights of trustees, and I shall submit presently that Mr. Scott was a trustee. Jervis *v.* Wolferstan, Law Reports, 18 Equity, page 18, in which Sir George Jessel says, "I take it to be a general rule that where persons accept a trust at the request of another, and that