After Humphrys obtained the option on January 31st events moved rapidly. On February 1st Emory went up the river to inspect the properties. On his return, after stating that they were not worth more than $5,500 to $6,000, he offered Humphrys $11,000 on his option. That offer the latter communicated to the Plaintiff Company resulting in an offer of $11,200. With that offer Humphrys closed on February 13th, and on February 18th he notified Mrs. Hubbard of the exercise of his option making a profit of $5,700 on his $25 option. The correspondence exchanged about this time is illuminating. It is clear that the Plaintiff Company was not sure of Humphrys. Humphrys indeed foresaw this. "The first thing J. A. King will say is you (Emory) and I (Humphrys) put our heads together to make Bauxite Company pay so much for the property." The Chairman says: "I had seen Emory with Humphrys at the club frequently and I formed my own conclusions." On February 5th he wrote to him stating he understood that he (Humphrys) had obtained an option on the properties, and calling his attention to the fact that he was a proxy director of the Company, and concluding, "I feel sure that you will play the game with us." On February 12th the acting manager (A. G. King) of the Company remarked to Humphrys that as a proxy director of the Company any profit he made might have to be given up to the Company. His reply was: "Not a thing like that. I will resign." King continues: "I then said, 'I think it is the best thing you could do.'" And Emory writes (February 13th): "I think you will agree with me that I am largely responsible for the profit you have made out of the transaction." "I feel sure that you will give me liberal treatment in the matter." The same day Humphrys replied promising to pay him a sum up to $2,700 out of the profits, and acknowledging the receipt of a retainer for looking after Emory's interests during his absence from the Colony.

And what of Mrs. Hubbard? After all, the properties were hers Was no one to "play the game" with her? Rumours seem to have reached Humphrys' ears, and as a result, on April 7th, in reply to a message, she came to his chambers with Burrowes. He then told them that he had heard "nasty remarks" about the purchase and sale of the properties by him. It was not until then according to Burrowes that Humphrys told either him or Mrs. Hubbard that he had sold the properties to the Plaintiff Company for $11,200. Burrowes says: "I was surprised or staggered," whilst "Mrs. Hubbard said he could have the profits," after Humphrys had offered to give her the whole amount of $11,200. She said she was quite prepared to stand by her bargain or to carry out her agreement and take $5,500. Burrowes might well say "It seemed strange she should give up such a large sum. I never heard such a thing as a person giving up $5,700."

Then we come to the letter of July 29th. In May Emory had returned to the colony, but before that Burrowes had told Humphrys that another party (Wieting and Richter) had offered $12,000 for the property. In that letter from Mrs. Hubbard to Humphrys she asked to be released from her

bargain with Humphrys. "The fact is I have had a better offer than $11,200, and so would be making a larger profit." Whether that offer is the one Burrowes had referred to or to a suggested offer by Emory does not appear. Emory, however, was the ultimate purchaser. Humphrys communicated this letter to the Plaintiffs, but they refused to cancel the sale by Humphrys to them. Thereafter Mrs. Hubbard declined to carry out her agreement with Humphrys on the ground that it was not binding on her. In reply to Emory, he had expressed his unwillingness to sue her. "I hope never to be put in such a position. She is an old lady and my client." To the Plaintiffs he wrote: "I am in a very awkward position over this matter, Mrs. Hubbard being, as you are aware, a client of mine, and though she cannot say that I did not deal perfectly fairly with her and have since made her fully aware of her position in the matter I nevertheless cannot see what steps I can take against her if she refuses to transport to me." Thereafter it appears that Humphrys desired to adopt a neutral attitude in the matter, not siding either with Mrs. Hubbard or the Plaintiff Company. When subsequently the conveyances of the properties by Mrs. Hubbard to Emory were advertised he refused to take opposition proceedings against her for the reason above stated.

On these facts it is necessary to consider the position in law in which Mrs. Hubbard and Humphrys stood to one another. The relationship of counsel and client in respect of the two actions against the executors commenced some time before and continued after the date of the latter obtaining his option. From all the circumstances set out I agree with the learned trial judge that at the time he obtained that option the relationship of solicitor and client existed between the parties. There is not, in my opinion, any real contention by Humphrys that that was not so after he came to realise the position in which he had got himself. Mrs. Hubbard, who incidentally appears to have a distrust of lawyers, clearly had great confidence in him, as her conduct shows, since he had up to that time always been successful on her behalf. From that confidence necessarily came influence over her. From it also flowed a duty to her, which duty existed at the time the option was given to and the purchase made by him. Again, by virtue of his employment by her he obtained knowledge from the Plaintiff Company and from Emory as to their wishes to obtain the properties. That knowledge it was his duty to properly and fully disclose to her. I accordingly also agree with the learned trial judge that at the time he obtained the option for himself he was her solicitor *in hac re* within the meaning of the decisions. Numerous authorities were cited and it is not necessary to refer to all. I take exception, however, to the phrase "the niceties of the law of solicitor and client" used at the bar during the argument, as if to apologise for the existence (so far as they concern this particular relationship) of the rule to which I shall refer, or as if to treat it as exceptional. The principles of jurisprudence are founded in reason. The "reason why" in this case surely does not require any profound knowledge. The rule of equity which subjects transactions between solicitor and client to other and stricter tests than