is nothing to shew that such a stamp was ever prescribed by the plaintiffs or by any one having authority on their behalf. . . .

Upon the whole, I am of the opinion that there was reasonable evidence to justify the learned Chancellor's finding that Harbottle's authority was general; and that, in so far as the defendants the banks are concerned, we have not been shewn on this appeal any sufficient reason for arriving at a contrary conclusion.

But, even granting Harbottle's authority to indorse and receive the proceeds, the situation of the defendants the Imperial Trusts Company is, I think, substantially different. To begin with, they are not a bank, but a trust company, organised, I assume, in the absence of evidence to the contrary, under the provisions of the Ontario statutes in that behalf: see R.S.O. 1897 ch. 206, the schedule to which indicates the general powers which may be exercised by such a company. The agreement . . . upon the terms of which, it is said, the account was opened, provides for an investment by the company of the moneys to be deposited repayable, with any additions thereto, upon demand, or upon thirty days' notice, at the option of the company, with interest thereon at 4 per cent. half-yearly. The company were to take all interest and profits over the 4 per cent. as their remuneration for the guarantee and management. The transaction was, therefore, one in which both were interested, and from which, presumably, both expected to derive a profit.

The account began in December, 1906, the year in which Harbottle became secretary, but the first deposit of the club's cheques, so far as appears, was made . . . in September, 1907. In that month he deposited the club's cheques to the amount of $274.45; in October, to the amount of $1,117.60; and in November, to the amount of $1,327.40: or, in all, to the amount of $2,719.45 in these three months.

That in doing as he did Harbottle was committing a palpable fraud and breach of trust, no one can doubt. And it seems to me impossible to escape from the conclusion that the trust company were, in the circumstances, negligent in receiving such cheques, plainly the property of the club, and in placing the proceeds, either before or after collection, for I see no difference, to the credit of Harbottle in his own personal account. . . .

[Reference to Gray v. Johnston, L.R. 3 H.L. 1, 11; Bailey v. Jellett, 9 A.R. 187; Clench v. Consolidated Bank of Canada, 31 C.P. 169, 173; Coleman v. Bucks, etc., Bank, [1897] 2 Ch. 243.]

The circumstances are not at all like those in the recent case of Ross v. Chandler, 19 O.L.R. 584, affirmed in the Supreme Court of Canada, which was regarded as very near the line. . .