

handed the balance, £4 5s. 6d., to his partner, Green, who kept the books of the firm, and who placed it to the firm's credit. Subsequently, on the fraud having been discovered, and Hales having been convicted of the fraud on his own confession, the persons really entitled to the money thus fraudulently obtained presented the petition praying that the money might be restored, and on the request of the Commissioners of the Treasury, the solicitors, Clear & Green, were cited to appear, and an order was asked to compel them to refund the whole amount fraudulently obtained, and Kekewich, J., being of opinion that if the solicitor had promptly inquired into the matter when the information was given to Clear of the proceedings having been taken in his firm's name, so much of the fund as was then on deposit in a bank, and which was afterwards withdrawn, would probably have been recovered, held that the solicitors were liable to make good that portion of the fund so withdrawn from the bank which, including the £15 above-mentioned, amounted in all to £85. From his order both the petitioners and respondents appealed, the petitioners claiming that the solicitors were liable for the whole amount improperly obtained out of Court, and the solicitor Clear contending he was not liable for anything except £15, and Green contending that he was only liable for the £4, 5s. 6d. The Court of Appeal (Lord Russell, C.J., and Lindley and Smith, L.JJ.) disagreed with Kekewich, J., and came to the conclusion that in order to constitute a binding adoption of unauthorized acts, the person alleged to have adopted them must have full knowledge of what those acts were, or there must be such an unqualified adoption that the inference may be drawn that he intended to take upon himself the responsibility for such acts, whatever they were; and it being established to the satisfaction of the Court in this case that Clear & Green knew nothing of the fraud, and had no reason to suspect its commission by Hales, they could not be said either to have had knowledge of the acts of Hales, or to have intended to adopt them, whatever they were, and could not, therefore, be said to have adopted or ratified them. The Court of Appeal also considered that prompt action in disowning the proceedings on