

the employee Findlay, the moneys to be intrusted to him, and the checks to be kept upon his accounts, and has consented that such declaration and each and every statement therein referred to or contained shall form the basis of the contract, this stipulation to be limited to such statements as are material to the contract.

Among other statements in the plaintiff's declaration above recited are those contained in the following questions and answers:—

“11. If applicant is required to deposit in bank, state name of bank and in what names account will be kept? A. Yes, Dominion Bank, Toronto Junction. D. McDonald.

“Will he be empowered to draw cheques on these accounts? A. No.

“Will these cheques be invariably countersigned after they are drawn? A. No.

“Who will so countersign? A. Mr. McDonald and Ethel, his daughter, who has power of attorney, are the only two who can sign cheques or indorse.

“Will you require cheques drawn by applicant to be accompanied by vouchers or warrants authorising payment before they can be honoured at bank? A. Cannot sign my name.”

In their statement of defence the defendants plead the above and other statements, and allege that they were material to the making and to the renewal of the said agreement, and that they were untrue, inasmuch as cheques signed in blank by the plaintiff were frequently left with the said Findlay, whereby the said agreement became void and is not binding upon the defendants.

I find, upon the evidence, that it was the practice of the plaintiff, in the conduct of his business, both before and after the making of the agreement, to sign cheques in blank and frequently to leave as many as four or five of such blank cheques in the hands of Findlay, with authority to fill in such amounts as he might deem necessary, and to obtain the cash therefor from the bank for the purposes of the plaintiff's business.

In his evidence, the plaintiff swore that, before the agreement sued on was completed, he told Mr. Alexander, the defendant's manager, that it would be necessary for him to leave blank cheques with Findlay from time to time, and that Mr. Alexander consented to this being done or made no objection to it.

This conversation is denied by Mr. Alexander, and I unreservedly accept his evidence upon this matter rather than that of the plaintiff.