

HON. MR. JUSTICE MIDDLETON:—These cheques, it was said, were all for loans. None of them indicate this upon the face. No one, other than the plaintiff, has any knowledge of the relations between the parties or the circumstances under which these advances were made, and the case depends upon the credit to be given to the plaintiff's story and the sufficiency of corroboration under the statute.

At the time of the transaction, the plaintiff was in some way connected with the firm of Jenkins and Hardy, brokers. He was employed for them under a guarantee, bringing them as much business as he might obtain, and having the right if they rejected any of the business to retain it for himself.

The plaintiff employed Smith as a sub-agent for the purpose of purchasing volunteer scrip issued by the Ontario Government. Smith was at liberty to purchase this at any price he chose to give and turn it over to the plaintiff at a fixed price of \$75, retaining the difference for himself. This business was undertaken in 1907.

The plaintiff and Smith were also jointly interested in a much more important speculation. They thought they could obtain a grant of three hundred thousand acres of pulpwood land in Keewatin for a nominal consideration. It was proposed to turn this over to American financiers at a profit of at least \$1.50 an acre. In that event, the expenses were to be deducted and the balance divided between Bonnell and Smith.

Bonnell apparently found the purchasers; Smith was to secure the grant. This handsome profit, \$450,000, was not realised, because the result of the elections in September, 1911, was to remove Mr. Smith's friends from political power. In the meantime \$5,000 had been put up by the purchasers; and I think the proper inference of fact is that a certain \$2,000, which reached the Royal Trust Company in July, 1908, and which was transferred to Mr. Smith's account on the 16th July, constituted part of that \$5,000, and that it was a fund available for expenses.

At this time, Mr. Bonnell had paid considerable money to Mr. Smith, and the letter of "Tuesday, the 14th," referred to in the evidence, is no doubt a letter of Tuesday, the 14th July, 1908. This letter is significant. The plaintiff writes: "Dear Edgar: Russell here and gone away. Cannot find you, hear from you or see you. Everything looks