

the time that the winding-up petition was filed covered goods so purchased, they were invalid; and the goods so held, or the proceeds of any since sold, by the defendants, belonged to the liquidator, to be utilised by him for the purpose of the liquidation of the company.

These securities were also attacked on the ground that the descriptions therein, at all events prior to the 29th January, 1914, were not definite or specific enough. It seemed to the learned Judge, however, that where particular warehouses were mentioned in which the goods were said to be, and the description covered all the goods, this was sufficient under the authorities.

As to the real estate securities, the learned Judge was of opinion that there was nothing improper or illegal in the defendants, at a subsequent date and pursuant to a previous arrangement, insisting upon and obtaining them; the attack upon these securities failed; they were valid securities in the hands of the bank as against the plaintiffs.

There was some slight evidence that certain goods of the company in Toronto had been sold by the defendants since the liquidation proceedings began. It was not made clear whether these were or were not covered or asserted to be covered by the defendants' securities. It did not appear that any question as to these goods was specifically raised in this action.

A reference as to the jobbing goods might be a difficult and intricate one. It seemed possible that the plaintiffs and defendants might be able to agree upon a sum which the defendants could pay to the liquidator to represent these goods; otherwise there should be a reference to ascertain the value of the goods or the disposition made by the defendants of such portion as had been sold by them.

Further directions and costs should be reserved.

Reference to Falconbridge on Banking, 2nd ed. (1913), pp. 251, 261; Ontario Bank v. O'Reilly (1906), 12 O.L.R. 420; Toronto Cream and Butter Co. Limited v. Crown Bank of Canada (1908), 16 O.L.R. 400; Townsend v. Northern Crown Bank (1912-13), 27 O.L.R. 479, 28 O.L.R. 521.