

made to him that we hoped in future to be able to take up our notes, and not let them go to protest. * * Before I went to Hamilton my partner and I had arranged that I was to assign the accounts to Mr. *Brown*, and to pay *Simpson, Stewart & Co.*, \$100."

1875.

Kenzie
v.
Brown.

The defendant was examined on his own behalf, and swore: "I dealt with *Kenzie & McIntyre* from the time they formed partnership. I supplied them with a considerable amount of goods. The arrangement at the opening of the account was that it should be limited to \$1,200. In August, 1873, the account was probably \$2,400. * * They had made me some payments from time to time. The account was a purely advance account. It was of the nature of what is called a supply account. * * *Kenzie* came down on the 30th of August, and I had an interview with him. Prior to this an order had been sent by *Kenzie & McIntyre* for goods; they had not been sent. I had given instructions that they were not to be sent until I had seen Mr. *Kenzie*. Prior to *Kenzie's* visit in August I had complained to Mr. *McIntyre* of the state of the account, and said it ought to be reduced. When *Kenzie* showed me the list of debts I suggested that more debts should be converted into notes. I asked *Kenzie* to assign these debts to me; there was paper in default on 30th August, when *Kenzie* came to me; I renewed that paper; at this time my impression as to the business prospects of *Kenzie & McIntyre* was favorable. I knew of nothing to lead me to believe they were likely to fail—nothing in the world. I sent them goods after I got the assignment. I sent them immediately. The goods had been ordered previously. If *Kenzie* had refused to assign the accounts I would not have sent the goods—not from any want of confidence, but because the account was too large. Subsequently to this, and about the middle of September, I supplied them with goods to the amount of \$160; up to this time there was nothing to shake my confidence in

Statement.