

C. M. Garvey, for the appellant.

G. H. Sedgewick, for the defendant bank, respondent.

MEREDITH, C.J.O., read a judgment, in which he said that the appellant's allegations were: that in 1911 he opened an account with the Sarnia branch of the respondent bank, and deposited, as security for an advance, "in the vicinity of \$1,700 worth of notes or customers' paper;" that he was asked by the manager of the branch to sign a printed document; that he never read it, nor was it read to him, but he signed it on the representation that it was only an agreement that the respondent bank should hold "the collateral notes so deposited until the advances made to him from time to time were duly paid off and discharged; "that the agreement was obtained by fraud and misrepresentation; that by it, as appeared to be the case, the respondent bank was "at liberty to purchase other paper on which" he (the appellant) "might be liable and use it to his detriment and disadvantage;" that in November, 1915, he paid off in full his indebtedness to the bank and demanded the return of his notes and securities and the money that the bank had collected on them, but the bank refused to return and pay as asked; and that he had been greatly damaged by the wrongful detention of these securities and moneys. His claim was for the rectification of the instrument signed, the return of the moneys and securities, and damages.

The learned Chief Justice said that the appellant's attack upon the agreement as having been obtained by misrepresentation and fraud entirely failed; and the only substantial question in dispute was as to the right of the bank to hold the securities, not only for indebtedness incurred by him directly, but also for his indebtedness upon promissory notes made by him to other persons, of which the bank had in the course of business become the holder; and, if that was the right of the bank, whether it was entitled to hold the securities for the indebtedness of the appellant on a promissory note which he had made to one Cook on the 1st May, 1915, for \$968.99, payable 6 months after date, and which was in the possession of the bank when it refused to hand over the securities to the appellant.

According to the terms of two agreements between the appellant and the respondent bank, the latter was to be entitled to hold the securities "as security for the payment of all my present and all my future liability to your bank, whether direct or indirect, and all costs, charges, and expenses in connection therewith, and for all bills of exchange, promissory notes, or other instruments now or hereafter representing same or any part or parts thereof."

