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APPELLATE DIVISION.

FIRST DIVISIONAL COURT.

NOVEMBER 11TH, 1918.

*MOLSONS BANK v. CRANSTON.

Guaranty—Liability of Trading Company to Bank—Bond Executed by Certain Directors on Condition that all Directors should Execute—Knowledge of Bank—Failure of one Director to Execute—Provision in Bond that Individual Signers Bound—Conditional Delivery of Bond—Notice—Delivery to Agent of Bank—Escrow—Evidence—Personal Liability of one Director—Estoppel—Knowledge of Condition.

Appeal by the plaintiffs from the judgment of BRITTON, J., 14 O.W.N. 345.

The appeal was heard by MEREDITH, C.J.O., MACLAREN, MAGEE, HODGINS, and FERGUSON, J.J.A.

I. F. Hellmuth, K.C., and A. Abbott, for the appellants.

M. H. Ludwig, K.C., F. E. O'Flynn, and B. W. Essery, for the several defendants, respondents.

The judgment of the Court was read by HODGINS, J.A., who said that the chief argument addressed to the Court was, that parol evidence of a condition that all those present at the first meeting in Trenton should sign before the bond sued on became operative, was inadmissible. This was founded upon a provision in the instrument that the individual signers should be bound notwithstanding the non-execution by any other proposed guarantor. But the clause relied on was not binding on any one unless and until the document itself became operative. The rule against

* This case and all others so marked to be reported in the Ontario Law Reports.