

DECISIONS IN COMMERCIAL LAW.

Power of Attorney.—Liability of Principal.

THE UNION BANK *vs.* BRYANT, POWIS & BRYANT.—This was an action brought to recover the amount of a bill of exchange drawn by C. G. Davies, of Quebec, in the name of Bryant, Powis & Bryant, for £5,300, on Bryant, Powis & Bryant, London, acceptance of which was refused. The bill was drawn to the order of the Union Bank, and given to them by Davies to settle their claim on his firm, C. G. Davies & Co. C. G. Davies & Co. had incurred the liabilities to the bank on a bill of exchange, drawn on Simpson & Mason, by one Wilson, to the order of C. G. Davies & Co., and discounted by the bank, the proceeds being placed to the credit of C. G. Davies & Co. Simpson & Mason refused acceptance, and the bill sued on was given by Davies to the bank to retire same. Bryant, Powis & Bryant are a company carrying on the trade and business of wood and timber importers, brokers, dealers and merchants at London, Quebec, Montreal, and elsewhere, and had appointed Davies their agent and attorney to act for them in Canada, with power, amongst other things, "to draw and sign cheques on the bankers for the time being of the said company, and to draw, accept and endorse bills of exchange, promissory notes, bills of lading, delivery orders, dock warrants, etc., which shall in the opinion of the said attorney, require the signature of endorsement of the said company." Mr. Justice Andrews, in giving judgment at Quebec, remarked as follows:—"Davies gave to the plaintiffs the bill of exchange sued on, without receiving in return for it anything whatever. The plaintiffs did not even give him in return the Wilson bill on Simpson & Mason. In other words, the plaintiffs gave and the defendants received no value, either personally or through Davies, for the bill sued on. The transaction was an endeavor, on the part of the plaintiffs, to obtain from the agent of the defendants, without consideration to them, their funds in payment of a debt for which they were not liable, and for which their agent was bound personally. While, therefore, granting the power in Davies to bind the defendants by affixing their signature to bills of exchange, I am of opinion that, in this case, the transaction was one illegal in itself and on its face, and which the power of attorney from the defendants to Davies