

Mr. Waddell, the manager of the Union Bank at Smith's Falls, said that for some time prior to 2nd June, 1908, Feldman had not been making deposits in the bank, and, as they found his stock of iron had almost entirely disappeared, they had asked for a statement shewing his (Feldman's) exact financial position, which he promised to give; but no statement was furnished. So, on 2nd June, Mr. Waddell insisted on Feldman giving a mortgage on his stock for the amount of his indebtedness, which was then about \$17,000. Feldman refused to give a mortgage, assigning as a reason that he knew of a case where a chattel mortgage had been given by a debtor, and the mortgagee immediately sold the property covered by the mortgage.

Feldman stated, while in the witness box, that he made the offer to give the bank warehouse receipts on the stock he held at his different places of business in Smith's Falls; but wanted the manager of the bank to undertake that the stock would be held over until after the elections, by which time he considered the market would improve, and that prices would be realized much in excess of those current at that time. On his refusal to give the required security, the bank brought suit, on 5th June, on an overdue note for \$3,625.80. A motion was made before the Judge of the County Court at Perth for speedy judgment, and, on an objection as to the Judge's authority to make the order, it was refused. Speedy judgment, however, was recovered on that note, about 17th June, and on the same day execution was issued and placed in the sheriff's hands. On the 20th July two judgments were recovered against Feldman by the plaintiffs, one for \$4,013.30 and another for \$8,599.22, and *fi. fas* were placed in the sheriff's hands on that day.

It is alleged that Schechter (who is a second cousin of Feldman's, and is also related to Feldman's wife) came over to Smith's Falls on 10th December, 1907, bringing with him \$3,000 which Feldman had asked Schechter by letter to lend, and which Feldman says he received, and gave his note for, payable on demand.

Feldman said the money was in bills, but was unable to say of what denomination the bills were, or whether they were issued by banks in the United States or by Canadian banks; but, on reflection, thought there were some of each.

Had he received \$3,000, he would have known what kind of money he received; and I place no credence on Feldman's statement. To me it is incredible that a man doing business