

Montreal," and it is signed by him as "H. C. Cotté," not as cashier or manager, but "H. C. Cotté" simply—but it is signed, on the other hand, by E. J. Barbeau, who describes himself as the manager for the defendants.

No alteration is made in the books of the defendants to indicate that the plaintiffs are in any way connected with this extension of the loan, and the documentary proof is consistent with an extended credit to Cotté personally and to him alone.

From September, 1873, to June, 1875, when the plaintiff's bank shut its doors, there is not to be found a shred of documentary proof that the plaintiff's bank were in any way interested in or liable for this loan of \$25,000, or that Cotté had any authority whatsoever to bind the plaintiffs' bank in respect of it, and it seems to their Lordships that under such circumstances it is unnecessary to investigate whether the statements alleged to have been made by Cotté to Judah on the 13th of September, 1873, or to Barbeau on the 13th of December, 1873, were so made as represented, for if made they could be of no avail.

It seems not improbable that some such statement may have been made on the 13th of December, and that Judah has confounded one date with the other. There is nothing in what their Lordships say that is meant as an impeachment of Judah, but their Lordships think he made a mistake.

The bank stopped payment in June, 1875, and up to that event there is nothing in the case to indicate that the defendants alleged that the loan of the 13th of September, 1873, or its extension was a loan to the plaintiffs, or on their credit, or that they knew in fact of its existence. The defendants and Cotté had knowledge of the transaction, but the Banque Jacques-Cartier seems to have been in entire darkness as to it. Barbeau in his evidence, alluding to the statement of Cotté, alleged to have been made on the 13th of December, makes use of this expression that it never entered into their minds to consider the liability of the Banque Jacques-Cartier in respect of it.

The Banque Jacques-Cartier having shut its doors, and Barbeau, the manager of the defendant bank, as its principal creditor,

having been somehow appointed as administrator of its affairs, then commences under his management and direction what has been called a manipulation of the books of both establishments, which their Lordships do not find it necessary to examine in detail or to assign to it its proper name and character.

If it had not been for these subsequent details, and if the case stood as it was when the Banque Jacques-Cartier shut its doors, it seems plain that the judgment of the Appellate Court in Canada would have been in accordance with the decision of the Primary Court.

Their Lordships do not find it necessary to refer at length to the transaction of February, 1875. Judge Ramsay in his judgment, after dealing with the case up to the point which their Lordships have now reached, and dealing with the acts of Barbeau, says: "I think that no unauthorized act of Mr. Barbeau could alter the relations of the two banks while he represented both. I think, therefore, that while Mr. Barbeau was managing the Jacques-Cartier Bank, nothing has been proved to have taken place which could alter the original condition of the transaction, which, on its face, was a loan to Mr. Cotté personally." In those observations of Judge Ramsay their Lordships concur. Then he goes on: "But the appellant has another line of defence which presents a question of greater delicacy, upon which the judgment of this court definitely turns. The account was transferred in the books of the Jacques Cartier Bank on the 23rd of June, 1875, at latest on the 29th of July it was altered in the pass-book. In September, 1875, Mr. Barbeau ceased to have any authority in the Banque Jacques-Cartier. Its affairs were, in December, transferred to a new, and it must be presumed, a vigorous administration, yet it was not till the 5th of August following that they repudiated the debt entered in their books on the 23rd of June of the previous year. Admitting to the fullest extent that Mr. Barbeau's position in the Banque Jacques-Cartier, so long as he remained there, was a disturbing element in estimating the presumption