

bills could have obtained exchange. I have no reason to believe that he wished to conceal his goods in the month of June. I do not think that at this time he was engaged in any other business than to look for exchange. I myself thought that he was looking for a store. Blanchard was not, to my knowledge, possessed of any visible property. I heard that he had obtained credit from the Defendants. I knew that he had sold out entirely to Bridge, but I did not know any of the particulars connected with the sale. The last time I conversed with Blanchard previous to his arrest, I know that he had not succeeded in obtaining exchange. He stated to me that the object of his wish to obtain exchange was to remit it to England, to be enabled to set up a wholesale concern. I am not aware that the Plaintiff had any other means of obtaining exchange than by converting into money the goods he obtained from Defendants. I did not know that Blanchard had purchased hats from the Defendants until he was arrested by them. I am aware of the transaction now.

Mr. STANLEY BAGG was then called and examined by Mr. DAY,

I have known the Plaintiff for many years. He was in my brother's employment. He commenced business on his own account in 1823. I advanced him goods to the amount of £370, which was to be paid by instalments, and for which he gave me his own notes, payable at three, six, nine, twelve and fifteen months. Witness had a running account with the Plaintiff independent of this debt, which was kept open till 1829. A balance of £78 was due to us when we settled up with the Plaintiff. Half the hats purchased by the Plaintiff from the Defendants were obtained from him by Abner Bagg, for Le Roy & Co., whom we had set up in business. I was interested in this transaction. The value of the moiety was about £170. The terms upon which we acquired the moiety were—that our amount against the Plaintiff should be deducted, and the balance paid by us by notes at three and six months. I cannot state exactly the date of the sale from Plaintiff to us. I was consulted by my brother before he effected the purchase from Plaintiff. I cannot say whether the object of my brother's purchasing the hats from Blanchard was to obtain payment of the debt due by Blanchard. I have a knowledge of the arrest of Blanchard, and of all the circumstances connected therewith. I became bail for Plaintiff at the instance of my brother, or of Mr. T. S. Brown; I am not sure which. No funds were placed in my hands by the Plaintiff. With regard to the means which Plaintiff possessed of paying the demands against him, I think they depended upon whether Bridge paid him. If Bridge had paid the Plaintiff, I think the latter would have paid the Defendants. I thought Daniel Bridge was in a fair way in 1829. Bridge became bankrupt eight or ten months afterwards. I was appointed Trustee of Bridge's estate, which paid 2s. 6d. in the pound. No rumour ever reached me, nor did any circumstances connected with the sale to Bridge, induce me to think that Plaintiff intended to leave the Province, or to conceal his goods. I always thought his intentions honorable. I considered the sale of Defendants' hats to my brother by the Plaintiff, as an ordinary transaction. I think that the sale would have been advantageous to the Plaintiff, had Bridge fulfilled the conditions agreed upon between them.

Cross examined by Mr. WALKER,

The Plaintiff Blanchard was brought up in my brother's store. When he left my brother's employ he embarked in business on his own account. In March, 1823, I sold him hats to the amount of £370, at three, six, nine, twelve and fifteen months. Bagg and Wait, (the firm I am connected with,) bought the hats from my brother Abner Bagg, the first witness in this cause—and then sold them again to the Plaintiff Blanchard. This sale to Plaintiff was a matter of mutual accommodation to him and us; both parties, I suppose, were benefited thereby. In 1830 I know that Bridge had much difficulty in fulfilling his obligations. Before I would become bail for Blanchard, I stipulated that funds should be placed by him in the hands of a third person to indemnify me against any risk to be incurred thereby. Under the circumstances I would not have become bail without surety. I insisted that security should be given by the Plaintiff before I bailed him, as I knew he possessed it.