

never gave plaintiffs to understand that McGregor had any authority to use the firm name to obtain money to be placed to his own credit, or for his own purposes, and that such authority was never given; and (4) that there was nothing in the former dealing between the plaintiffs and McGregor to warrant them in believing he had such authority. This brings the case within *Creighton v. Halifax Banking Co.*, 18 S. C. R. 140, and plaintiffs cannot recover on the first bill. The case as to the second bill is in a different position. On the conflict of testimony between the partners, I have come to the conclusion that Lewis knew of the bill, assented to it, and received from McGregor its proceeds, and is liable. Judgment accordingly.

Christie & Green, Ottawa, solicitors for plaintiffs.

O'Gara, Wyld, & Osler, Ottawa, solicitors for defendants.

FERGUSON, J.

JANUARY 27TH, 1902.

CHAMBERS.

McCAULEY v. BUTLER.

Solicitor—Costs—Collusive Settlement of Action—Notice of Lien.

Sanvidge v. Ireland, 14 P. R. 29, followed.

Appeal, by solicitor for plaintiff, from order of local Judge at London dismissing application of the solicitor for payment of his costs out of the fund arising upon a settlement of the action, and paid over between the parties behind the back and against the notice of the solicitor.

G. C. Gibbons, K.C., and P. H. Bartlett, London, for solicitor.

A. B. Cox, London, for defendant.

FERGUSON, J.—Action for criminal conversation, being brought for trial at London. The parties resided at Lucan, 12 or 14 miles from London, Ontario, where their solicitors resided. On December 14th, 1901, defendant sent a messenger to his solicitor to inform him of the intended settlement. The messenger was at once referred by him (Mr. Meredith) to Mr. Toothe, the plaintiff's solicitor. Mr. Toothe thereupon telephoned to Mr. Meredith and said: "I understand there has been another settlement, and I will look to your client, and to every person who had a finger in this settlement for my costs, and to this man Butler, who, I always understood, was good. I gave him fair warning and notice that my costs had not been paid." The messenger returned the same day to Lucan, and the settlement was carried out on Monday 16th December. . . . The