a firm of accountants composed of himself and one Davenport, which had been discounted by the bank for Davenport and afterwards paid, on the ground that the bank, with knowledge that the partnership was a non-trading one, had allowed Davenport to apply the proceeds of the notes for his own purposes whereby the plaintiff was deprived of his proper share therein.

Held, that, in the absence of circumstances creating an estoppel against the plaintiff, he would have been entitled to recover: Lindley on Partnership, pp. 201, 202; *Leverson* v. *Lane*, 13 C.B. N.S. 278; *Fisher* v. *Linton*, 28 O.R. 322, and the law applicable to the issuing of negotiable paper by partnerships is applicable also to its transfer: *Garland* v. *Jacomb*, L.R. 8 Ex. 216.

The plaintiff, however, became aware in April three months after the formation of the partnership that Davenport was placing the firm's funds in his private account and took no steps then to notify the bank or dissolve the partnership. On 20th of August following, the plaintiff notified the bank by letter "that no cheques must be paid or notes drawn in the name of Davenport, Pickup & Co., and for which I may become personally liable without first obtaining my signature or written authority, also that all sums received by our firm must be deposited into a partnership account, and not in Mr. Davenport's personal account as at present." To this letter the bank replied the next day stating, "We might say that we have at present several notes made payable to the firm and held by us for account of Mr. Davenport on which you are personally liable."

The partnership was dissolved on Sept. 7, but no notice of the dissolution was given to the bank. Davenport absconded about 1st October, but no steps were taken by the plaintiff to hold the bank to account until he wrote to them on 5th December following, although he went to the bank about Oct. 15 and then ascertained that the bank held the notes in question.

Held, that Pickup's conduct effectually precluded him from asserting the right claimed in this action.

Ewing v. *Dominion Bank*, 35 S.C.R. 133, and *Lloyds' Bank* v. *Cooke* (1907) 1 K.B. 794 followed.

Two of the notes bore the following indorsement:—

"Pay to the order of the Home Bank of Canada, Davenport, Pickup & Co."

"Percy P. Davenport."

"Vernon Pickup," but the words "pay to the order, etc.," had been struck out after the plaintiff had indorsed his signature,