

claims. In addition, the alleged indebtedness of the Hamburg branch was only the ordinary method of bookkeeping, that the branch was charged with all the goods that were shipped to it, and the amount was in no sense a debt, and the matter was wholly irrelevant.

Another point raised is, that the respondent did not exact from Mumme the monthly cash account and balance sheets and the weekly account sales promised in the answers. The evidence shews that sales were not made every week, but it also shews that the respondent did all that he reasonably could to obtain such statements from Mumme. Sometimes they were furnished regularly; at other times he was dilatory in forwarding them. The respondent appears, however, to have done his full duty in urging Mumme to send them regularly. His only promise was that he would require Mumme to render his accounts monthly or oftener, and this he did. It was not through any fault or delinquency of his that they were not always forthcoming. Besides, there was no promise in his answers nor any condition in the policy that the defendant company should be notified of any dilatoriness of Mumme in this regard. This ground also should be disallowed. See *Mactaggart v. Watson* (1835), 3 Cl. & F. 525, and *Creighton v. Rankin* (1840), 7 Cl. & F. 325.

Another ground urged is, that the respondent reduced the salary of Mumme and altered his position without notifying the appellant corporation. The partnership was formed for three years from the 1st February, 1907. The complaint is made respecting an agreement of the 23rd September, 1909, whereby the parties agreed to wind up the Hamburg branch of the business, which was found to be unprofitable; Mumme to draw his regular salary during the three months allowed for the winding-up. His salary was not reduced, and he continued to draw it until the beginning of March, as the winding-up was not completed as expected, although the term fixed for the partnership ended on the 1st February, 1910. All the information given to the appellant corporation in the answers was that Mumme was to be paid a salary, commission on sales, and a share of the profits. No amounts were mentioned either as to salary or commission, and the appellant corporation did not inquire further; so that its complaints on this score are quite unfounded.

Its chief ground of complaint, however, is that it was not advised promptly of the embezzlement and dishonesty of Mumme. The evidence shews that, when returns were not coming in as rapidly as expected, the respondent sent his agent