

circumstances, in paying them and debiting them to plaintiffs' account. The proceeds of all the cheques came into the hands of a man named Niblock, who was the plaintiffs' assistant-superintendent at Ottawa, and were appropriated by him to his own use by means of a system of fraud and forgery on his part. The cheques were issued for the purpose of paying supposed claims of the several persons in whose favour they were drawn, under policies of insurance made by plaintiffs, and in the belief by plaintiffs that the persons upon whose lives the policies had been granted had died; but in fact none of them had died, and there was no real claim by any of the beneficiaries against plaintiffs. In all of the cases but five the applications on which the policies were issued were entirely fictitious, the names of the supposed applicants and of the supposed signers of the documents which accompanied them being forged. In all of the cases the signatures to the proofs of loss were also forged, as were the indorsements purporting to be those of the payees of the cheques.

A. B. Aylesworth, K.C., and Edgar Jeffery, London, for defendants.

I. F. Hellmuth, K.C., and C. H. Ivey, London, for defendants.

MEREDITH, C.J., reviewed the evidence at length, and held that all the cheques were paid by defendants in good faith, and upon the representation of Niblock, acting for plaintiffs, that the persons to whom payment was made were the persons named in the cheques as payees; and, that being so, that the plaintiffs were affected by what was done by Niblock so as to preclude them from disputing the right of defendants to pay the cheques and charge the amount paid to plaintiffs' account. The other question, as to the payees of the cheques being fictitious persons, was not considered. Action dismissed with costs.

BRITTON, J.

JANUARY 17TH, 1903

CHAMBERS.

WOODRUFF v. ECLIPSE OFFICE FURNITURE CO.  
OF OTTAWA.

*Security for Costs—Application for Increased Security—Trial Practically concluded.*

Appeal (heard at Ottawa) by plaintiff from so much of an order of the local Master at Ottawa as directed that plain-