
Reports and Notes of Cases.

Dominion of Canada.

SUPREME COURT.

Ont.]

[24 June, 1916.

PICNEER BANK V. CANADIAN BANK OF COMMERCE.

Guarantee-Sale of Goods—Payment of Draft—Guarantee by Bank—Bill of Lading—Goods at Personal Risk of Consignor.

M., of Toronto, ordered two cases of oranges from a purchasing agent in California and the Pioneer Bank cashed a draft on M. for the cost on receipt of the following telegram from the Bank of Commerce: "We guarantee payment of drafts on J. J. M. with bills of lading attached covering two cases oranges, etc." The goods were shipped and consigned by the bill of lading to "Mutual Orange Distributors (shippers), notify J. J. M." A note was printed on it to deliver without B/L on written order of shippers. When the goods arrived M. refused to accept them and an action was brought on the bank's guarantee.

Held, affirming the judgment of the Appellate Division, (34 Ont. L.R. 531) Idington, J., dissenting, that the Bs/L were not in a form to protect the defendant bank; that they left the goods under the entire control of the shippers and the guarantors were deprived of its security on the responsibility of its customer or of the carrier; and that, though an action against M. for the price of the goods might have succeeded, that on the guarantee must fail.

Appeal dismissed with costs.

Saunders, K.C., for appellant; *R. C. H. Cassels*, for respondent.

N.B.]

[June 24, 1916.

DONOVAN V. EXCELSIOR LIFE INSURANCE CO.

Life Insurance—Delivery of Policy—Condition—Instructions to Agent.

D. applied to an insurance agent in St. John, N.B., for \$1,000 insurance on her life. The application was accepted,