tive of the fact that it had been paid to him and that the functions of the paper had ceased and become entirely extinct.'

"The gist of this discourse, we see, is this: That a bank is under obligation to make payment without any receipt or indorsement, but it is common for the payee to indorse as a voucher; and while under no obligation, the payee should, nevertheless, be accommodating and give a receipt as a matter of satisfaction. He should, however, be careful and qualify his indorsement by some word or sign to show that it was not intended as an indorsement, but merely as a receipt. It would not be prudent for a payee to indorse in blank, for the bank might, instead of jabbing the cheque on the cancelling fork, deliver it over to somebody else with the payee's blank indorsement, and possibly subject him to liability to a *bonâ fide* holder, who from the absence of any indorsement by the bank or other indication on the paper might not know that it had ever been in the bank's possession.

"So far as the argument of *prudence* is concerned, if it is imprudent and risky for a payee to indorse before receiving the money, a large majority of the business world are open to that charge. But waiving that objection—for if it, in fact, had any merit, it could be obviated by a qualified indorsement—bankers are met with the truth that while the needs of business, in the case of order cheques at all events, require indorsement by the payee, the law, as so far announced, does not compel indorsement, but, on the contrary, holds it not obligatory and only to be done as a matter of accommodation, if at all. When the vast amounts of payments of cheques are taken into consideration, and the bother and annoyance to the bank which would result if every holder stood on his legal rights and refused to indorse, the reasonableness of the requirement is apparent. It is reasonable enough for a debtor to ask a receipt from his creditor as evidence of his single payment. But where instead of a single payment a multitude of daily payments are made to all sorts and conditions of men, it becomes absolutely necessary to the proper conduct of the banker's business that he have written evidence of the fact from the party to whom payment has been made; and instead of being a matter of accommodation, it should be a legal right. The view as announced in our previous number would seem proper for any court to adopt, namely, that as indorsement of a cheque before payment was a reasonable requirement, it should be held 'contemplated in the contract of the bank with the depositor to honor his cheques, and that the holder by accepting the cheque in lieu of money took it subject to this requirement and was necessarily bound thereby.' It remains to be seen what view other courts may take of the subject."

A QUESTION OF PRIORITY.

Where a point of law has to be determined, not upon the authority of any decided case, but by the application of general principles, it is surprising to see how judges differ and at what diverse conclusions they arrive.

The case of *Maclennan* v. *Gray*, or *Gray* v. *Coughlin* (as it is called in the