

infants to become members of building societies and "give all necessary acquittances." The lien declared in favour of the mortgagees by the Court of Appeal is not disturbed.

MONEY PAID UNDER MISTAKE OF FACT—CERTIFIED CHEQUE FRAUDULENTLY ALTERED—NEGLIGENCE—NOTICE OF DISHONOUR.

Imperial Bank v. Bank of Hamilton (1903) A.C. 49. This is the last of a much litigated case, and the Judicial Committee of the Privy Council (Lords Macnaghton, Robertson, Lindley and Sir Arthur Wilson) have affirmed the judgments of the Ontario Court of Appeal, 27 A.R. 590, and the Supreme Court of Canada, 31 S.C.R. 144. The facts of the case were simple. One Bauer was a customer of the Bank of Hamilton and drew a cheque on that Bank for \$5. The word "five" was written and a considerable space was left between that word and the "dollars" word printed on the cheque. He procured the cheque to be certified by the clerk of the Bank of Hamilton, and then fraudulently altered it by filling in the word "hundred," thereby making it to appear to be a cheque for \$500. He then took the cheque as altered and deposited it with the Imperial Bank and received credit for \$500. The cheque was passed through the clearing house next day and paid by the Bank of Hamilton, the fraud not having then been discovered. On its discovery the action was brought by the Bank of Hamilton to recover \$495 and for this sum judgment was awarded. The points relied on by the Imperial Bank were chiefly two: (1) That the Bank of Hamilton was negligent in not turning up Bauer's account before paying the cheque, and (2) That notice of the forgery ought to have been given on the day they paid the cheque, whereas it was not in fact given till the day after, but their Lordships held that on neither ground were the appellants entitled to succeed: as to the first point because, even if the Bank of Hamilton were negligent in not examining Bauer's account before paying the cheque, it did not thereby induce the Imperial Bank to treat the cheque as good; and as to the second point, notice of forgery was unnecessary, and the cheque for \$5 was not dishonoured and the rule as to the necessity of notice of the dishonour of a bill of exchange did not apply. The litigation has probably cost a good deal more than the amount at stake, but at all events it has settled the law.