Another Way Out. Considerable attention has been given of late to the question of municipal insurance and, only last week, we commented upon the attempt of the finance committee of the city council of Melbourne, Australia, to introduce a scheme for making the city undertake the insurance of its own property. English corporations are now reported to be wrestling with the municipal property insurance problem, and to be seeking for some way of reducing the cost thereof. The Brighton council are said to have communicated with every municipality in the United Kingdom, hoping to form a Municipal Fire Insurance Union. The Nottingham corporation, not favouring the proposed plan, are applying to Parliament for power to establish a Fire Insurance Fund. Whenever fire occurs, whereby property belonging, or on lease to, or under the control of the corporation is destroyed, the cost of the rebuilding and restoring will be charged to said Fire Fund. A sum of $2,500,000, will be accumulated for such insurance purposes, and, when the fund is reduced by payment of losses, the reserve will be made up to the original sum.

After Many Years. One of the many law suits in connection with incidents arising from the collapse of the banks in Newfoundland in 1894, was that between Tryphena Gaden and the Newfoundland Savings Bank.

The first trial of this interesting case resulted in judgment being given for the defendant bank. The plaintiff obtained a re-hearing before the full bench of judges presided over by the Chief Justice, and their decision, recently given, sustains the previous judgment and dismisses the appeal with costs. But Mrs. Gaden is still unwilling to submit to the great hardship of having her industrial savings swept away by the disaster to the Commercial Bank, and the judges having stated that the amount of her claim warranted her, if any dissatisfaction with their opinion existed, in appealing to Her Majesty in Council for reversal of the decree of the Newfoundland judges, Mrs. Gaden has decided to continue the fight, and her misfortunes, with which the judges expressed full sympathy, make us hope that the prayer of her final petition may be favorably answered, even if the unanimous decree of the full bench of Newfoundland be declared incorrect.

The question of liability of the defendant bank concerned in this suit has been much discussed, and the decision of the judges is interesting to savings banks and depositors therein.

The defendant Savings' Bank is an institution, established by Newfoundland statute, for the purpose of receiving deposits of industrial savings. It is not in any sense a bank of discount, and the interest paid to depositors is limited to three per cent. It seems that the plaintiff, on Saturday the 8th day of December, 1894, was desirous of transferring money, then lying to her credit in the Commercial Bank of Newfoundland, to the defendant Savings' Bank, and for that purpose drew a cheque on the Commercial Bank in favour of herself, which cheque was initialled by the Ledger-keeper of the Commercial Bank, and taken by plaintiff to the defendant Savings' Bank. The amount was regularly credited to her in the books of the Bank, and she received a "Depositors' Book" with a credit therein for the amount of the cheque, $3,850.07.

The Savings' Bank did not present the plaintiff's cheque for payment at the Commercial Bank until the following Monday, the 10th of December, when the Commercial Bank refused to honour the cheque, on the grounds that it had that day suspended payment. The Commercial Bank did not resume payment.

The defendant Savings' Bank did not, for several days subsequent to the said 10th day of December, inform the plaintiff that the cheque had been dishonoured on presentation, and it is admitted that if the cheque had been presented on the day on which it was drawn (Saturday the 8th of December, the day of its delivery to the defendant Savings Bank), it would have been duly honoured. The plaintiff made demand on the defendant for payment of the amount of the cheque, $3,850.07 and interest, which the defendants refused to pay.

The Judges held that the action was for money had and received by the defendant bank; but no debt from the defendant to plaintiff existed until the cheque had been duly honoured by the bank on which it was drawn. The only relation which the Court found to exist between the parties was that of Principal and Agent—that is that the cheque was deposited with the defendant bank simply for collection. The defendant bank had not negotiated the cheque or allowed the plaintiff to draw against it; they owed the plaintiff nothing; and no damage could arise to her from the absence of notice of the cheque being dishonoured. There had been no unreasonable delay in presenting the cheque at the Commercial Bank.

The Appeal of the plaintiff was therefore dismissed with costs.

The interest of the banks in this case was centred in the decision of the judges that the initialling of the cheque by the ledger keeper of the Commercial Bank was not a transfer of the amount to the defendant bank. It proved no more than the legal inference to be drawn from the custom of initialling cheques by bankers, namely, that the bankers thereby notify a holder that the amount of a cheque is to the credit of the drawer at the time of the drawing of the cheque, and that they are ready to pay cheque on due presentation. But the bankruptcy of the Commercial Bank intervened, and the initialled cheque is apparently as worthless, save for any dividends the bank may pay, as one marked "no funds." But Mrs. Tryphenia Gaden and her lawyers think otherwise.