thereof, retained $1,000 as compensation.

Held, that the bank was liable to plaintiff for the sum so retained. N. Y. City Court, *Noonan* v. *Mechanics' & Traders' Bank*, 17 N. Y. Supp. 845.

6. COLLECTIONS—PROOF OF HANDWRITING.

To relieve a bank from liability to refund money paid to it for the account of its principal through fraud or mistake, it must have actually paid over the same to the principal, and the giving the principal credit for the amount on the bank's books is not sufficient.

A draft for $12.50, drawn on plaintiff by a correspondent, was raised to $5,000, and, as so raised, cashed by plaintiff upon defendant's presenting it indorsed for collection.

Held, that upon discovery of the fraud, plaintiff could recover from defendant the amount paid to it less $12.50, unless the signature of the drawer was also a forgery; and that the fact that the genuine signature of the drawer had been touched up a little with a brush or quill, but not essentially altered, did not constitute it a forgery.

The testimony upon the part of defendant to show that the signature of the drawer of a draft was a forgery was that of experts, who were unfamiliar with the signature, and who only testified from scientific tests and a comparison of the signature with those acknowledged to be genuine, and from the appearance of the signature of the draft in question. On the other hand, the drawer himself and various persons who had seen him write, and were familiar with his signature, all swore that in their opinion the signature was genuine.

Held, that a finding in favor of the genuineness of the signature would not be disturbed, and that the fact that the drawer had written a letter in reference to his signature, in which he did not express himself in as positive terms as he did as a witness, in no way discredited his testimony. 13 N. Y. Supp. 411, affirmed, without opinion. *United States National Bank* v. *National Park Bank*, 29 N. E. Rep. 1028, N. Y. Court of Appeal.

7. CERTIFICATE OF DEPOSIT—BONA FIDE PURCHASERS—TRANSFER "WITHOUT RECOURSE"—SET-OFF.

A *bona fide* purchaser of a negotiable certificate of deposit for value, before maturity, without notice of equities, is protected to the same extent as an innocent holder of other negotiable paper. But if such certificate is transferred when overdue the purchaser takes it subject to all defences which could have been made, had it remained in the hands of the payee.

The indorsement of such paper by the payee before due, "without recourse," is not of itself sufficient to charge the purchaser with notice of defences of the maker.

Across the face of a certificate of deposit in the usual form, payable to the order of the payee on the return of the certificate properly indorsed, were stamped the words: "This certificate payable three months after date, with 6 per cent. interest per annum for the time specified." The instrument was transferred by the payee more than three months after its date. *Held* to be a time certificate, and dishonored when sold.

In an action on a negotiable certificate of deposit transferred after due, the maker may set off any cross-demand which existed in his favor against the original payee at the time of the transfer. *First Nat. Bank of Rapid City* v. *Security Nat. Bank of Sioux City*, 51 N.W. Rep., 305. Neb. Supreme Ct.

8. DEPOSIT IN NAME OF WIFE—CHECKS BY HUSBAND — ASSIGNMENT BY BANK—RIGHTS OF ASSIGNEE.

Defendant deposited money in a bank to the credit of himself as "trustee for G. children." He testified that he deposited the money from time to time for the last ten or fifteen years as a gift to those children. *Held*, that the trust was irrevocable, nothing remaining in defendant but the naked legal title.

Defendant owed the bankers on his note, and directed them to apply such trust fund towards the payment of his