

## INFORMAL BILLS AND NOTES.

The case of *Robinson v. Mann*, recently decided in the Supreme Court of Canada, vol. 31, page 484, has elicited more than usual interest in view of the conflicting decisions in several of the Courts of the Dominion, and from the fact that it is not in accord with the views of the judges in the likewise recently decided case of *Jenkins v. Coomber* (1898) 2 Q.B. 168. The question in each case was as to the proper construction of sec. 56 of the Bills of Exchange Act, 1890, of Canada, and of the like section of the English Bills of Exchange Act, 1882. In the Canadian case, one of the questions to be decided was: Did the party incur any liability by indorsing a note not made payable to him but to Molsons Bank and not indorsed by the payee.

The note in question was in form as follows:

\$1,200.00.

London, Sept. 25th, 1899.

Three months after date I promise to pay to the order of the Molsons Bank at the Molson Bank here twelve hundred dollars for value received.

W. Mann & Co.

Indorsed on the back was the name "George T. Mann."

Chief Justice Strong, in delivering the judgment of the Court, said: "Next, what was the legal effect of this indorsement? Sec. 56 of the Bills of Exchange Act, 1890, provides that, 'where a person signs a bill otherwise than as a drawer or acceptor he thereby incurs the liability of an indorser to a holder in due course and is subject to all the provisions of this Act respecting indorsers.' Then when the bank took the note was it not entitled to the benefit of the respondent's liability as an indorser? Certainly it was, for by force of the statute the indorsement operated as what has long been known in the French Commercial Law as an 'aval,' a form of liability which is now by the statute adopted in English law."

The Chief Justice adhered to the law as laid down by him in the case of *The Ayr American Plough Company v. Wallace*, decided in 1892, 21 S.C.R. 256. The last named case was on all fours with that of *Robinson v. Mann*. Wallace, who indorsed the note, which was made by one Clark to the plaintiff company, was sued in the Court below as maker. On the trial the plaintiff company was nonsuited. The Supreme Court of New Brunswick on appeal