

The process is the same in all the provinces. The agreement should be in writing, giving the names of the arbitrators and signed by the parties to the dispute, or their authorized agents. It may also be filed with the clerk of the proper court.

97 Legal Tender of Payment.—A legal tender is the attempted performance of a contract, whether it is to do something or to pay something. If payable in goods, then goods of that kind and quality must be offered at the exact place and time called for in the contract. If payment in money, it must be in the lawful money of the country, if that is demanded. A creditor cannot be forced to accept a cheque as payment.

The refusal to accept part payment on a note or debt does not affect the debt in any way. The refusal to accept payment tendered in full does not cancel the debt, but is usually a bar to all interest and expense thereafter.

A tender of payment if coupled with a condition, as for a receipt in full, or for the cancellation of a certain document is not good.

98 Merging Securities.—The higher security merges the lower. Where one person would be owing another on a book account or note, and then gives a mortgage for the same debt, the mortgage, being under seal, is a higher security, and thus the book account or note is merged into the mortgage, hence would be no longer binding. If there were an indorser on the note he would be relieved. If it is desired that the mortgage should not merge the note, it must be stated in the mortgage that it is given as *collateral security*; then the note would still be binding, and the payment of either one discharges both.

If a note contains a statement on its face that it was given as collateral security it is not a promissory note, but merely a written promise, and is not negotiable, except by assignment.

Where collateral security is given with a note the right to such security goes with the note, and may still be held, even after the note may be outlawed.

99 Legal Tender Money.—In Canada our Canadian copper coins are legal tender for the payment of a debt up to twenty-five cents; Canadian silver for \$10; Dominion of Canada notes, British gold sovereigns, half-sovereigns and any multiples of the sovereign (at \$4.86 $\frac{2}{3}$ each), and United States eagles and half-eagles and any multiples of the eagle, for any amount.

Mutilated coin is not legal tender, even when the mutilation does not lessen the weight of the coin, as a stamped name or word on it.

There is no provision in Canada for the redemption of mutilated silver coin, but coin worn smooth or thin by use are redeemable at office of Receiver-General.

The uttering of mutilated coin is a criminal offence.

100 Without Prejudice.—The two words, "without prejudice," have great importance when used in a legal sense. This use can be best shown by an illustration, *e.g.*: Two persons are at variance and likely to be drawn into court, but the one desires amicable settlement, and is willing to make any reasonable concession to affect it. He, therefore, takes these two words, *without prejudice*, and writes them across the upper left-hand corner of his letter, or in the body of the letter, and then makes his proposition, whatever it might be. The effect of those words is, that if the other party should not accept the proposition and terms thus offered, but the case goes to suit, this letter cannot be used in court as evidence against the writer. Hence, by