

object to the charge which the bank has made against him when it has paid the cheque, the question of forgery, or of authority, if endorsement be by procuration, at once comes up; and if the bank does not at once assent to the claim of the drawer, that the cheque was paid on a forged or unauthorized endorsement, there is a law suit on his hands which he has to fight out with the bank before he can establish that they have not any rights. But if he crosses his cheque and it gets into the hands of the payee—which is by all odds the most frequent event—then the payment by the bank discharges the drawer from the obligation which he was under and in respect to which he gave the payee the cheque; it discharges the bank, because it makes no difference whether there was a forgery or not on the cheque; and the result is that the bank and its customer are out of the transaction, both of them discharged, and no trouble or law suit between them. The payee, the man who had possession of the cheque and who lost it or had it stolen from him, the only one of the three whom you could blame for doing something or for not doing something, is the one who has to stand the consequences of the loss. If the payee, however, wants to protect himself against the consequences of having that cheque stolen from him, or of losing it and having it found by another and his name forged and so on, he can put on the words "not negotiable;" a cheque bearing a crossing with the words "not negotiable" on it may be safely left anywhere so far as the ultimate right to it is concerned. In almost every case the payee who receives a cheque wants to put it in his own bank, that is, he does not negotiate it and circulate it, but deposits it in his bank for collection or to his credit; and if it is crossed, and he adds "not negotiable," he cannot suffer loss, no one can get a title to the cheque unless he (the payee) gives it to him; and anyone who finds that cheque could not make use of it; no one in his senses would take a cheque from a man that he did not know all about if it was marked "not negotiable."

MR. GAMBLE—But the drawer of the cheque might lose if the cheque does not get into the hands of the payee, so that crossing it is rather a disadvantage as far as he is concerned.

MR. LASH—In all matters of commerce it is the great bulk of transactions that should govern; what is best for the bulk of the transactions you are engaged in. If your chances of loss are reduced to a minimum, as they are in the one case in which there is some risk, which is the case that you put, and if they are reduced to nothing in the rest of your transactions, you are bound to come out ahead.

In the case of a cheque not reaching the payee's hands, after having been crossed by the drawer, the chances of anyone