

circumstance that acceptance of the draft first sent was refused. This the manager says, vaguely, was explained in some way. They had, however, notice from the form of the acceptance itself. It was accepted "Payable at Morrison Brothers' office, Toronto." Now that was *prima facie* evidence that the draft was one which had to be attended to by the drawer, or in other words, was an accommodation acceptance,

*Sharp v. Bailey*, 9 B. & C. 44, was an action by indorsee against drawer. The bill was in the drawer's handwriting, and was payable at his house. No evidence was given of any notice to the drawer that the bill had been dishonored, and thereupon it was objected that the plaintiff could not recover. Littledale, J., thought the circumstance of the defendant's having drawn the bill payable at his own house, was evidence of its being accommodation, in which case notice of dishonor was unnecessary, and he left the question to the jury, who found for the plaintiff. A rule to show cause why there should not be a new trial was moved for on the ground that the circumstance relied on was not evidence that the bill was accepted for the accommodation of the drawer, and consequently he was discharged by the neglect to give him notice of dishonor. The rule was refused, Lord Tenterden saying he could not understand why the drawer should have made the bill payable at his house, unless he was to provide for payment of it at maturity. It seemed to him that the point was correctly presented to the jury, and there was no reason to find fault with their verdict.

The bill in this case was not paid by the defendants at maturity. Even if the acceptance had been binding upon them, they were under no obligation to meet it. All that they could be called on to do was to accept a renewal or renewals to keep it afloat until the term of credit provided for in the contract had expired.

The bank who had notice of the terms upon which the bill was accepted stood in the place of Morrison Brothers, and should have procured the latter to draw a renewal bill, and sent that to the defendants for acceptance. Morrison Brothers could not, nor could the bank, have sued the defendants on the bill. Now what was done? The draft fell due on the 23rd of March, and on the 31st of March a note of Morrison Brothers for \$817.60 was passed through the books of the bank or discounted