

**BILL OF EXCHANGE—TRANSFER BY DELIVERY—
HOLDER.**

A distinguished correspondent dissents from our criticism of the judgment in *The Nova Scotia Carriage Company v. Lockhart*. (See post, p. 752). He, however, admits that ours is an "apparently literal construction of the statute," though to him it appears to be a "narrow and illiberal one"; and he says that "it would be unwise to hold that the statute intended to take away the obvious right of action of the drawer for a breach of contract made directly to himself." This, we respectfully submit, is arguing in a circle, for it is of the very essence of our argument that the drawer of a bill payable to the order of a third party has not and never had, as drawer, a right of action on the bill unless and until he has paid the bill, upon default by the acceptor. The statute was intended to remove doubts, and to establish a uniform practice, and it is essential that its provisions should be strictly construed.

Lord Chief Baron Eyre, in *Gibson v. Minet*, 1 H.Bl. 605, has thus expressed the peculiar character attached to a bill: "The title (of an endorsee) is by assignment, a title which the common law does not acknowledge, but which exists only by the custom of merchants. . . . Of necessity the custom must direct how it shall be assigned, and in respect of bills payable to order, the custom has directed that the assignment should be made by a writing on the bill called an endorsement. . . . The title of an indorsee appears by the indorsement itself. Everything which is necessary to be known . . . appears at once by bare inspection of the writing. . . . The party to whom such bill is tendered has only to read it, need look no further, and has nothing to do with any private history that may belong to it. The policy which introduced this simple interest demands that the simplicity of it should be protected, and that it never should be entangled in the infinitely complicated transactions of particular individuals into whose hands it may come."

Our learned correspondent says, "If this had been a contract in the ordinary form instead of a bill, etc." But it was not such