

quested, without notice of the dishonest attorney's fraud, and the certified cheque was duly paid.

Held, in an action in the United States by the bank to re-instate the cancelled mortgage as an existing security on the mortgagor's lands, prior to the new mortgage made to the woman, and to subrogate the bank to the rights of the old mortgagee; that the surrender and discharge of the mortgage on the receipt of the certified cheque, not only constituted the prior mortgagee a holder for value of the certified cheque and entitled him to payment thereof, but was also a payment of money by the dishonest attorney in discharge of an existing debt owing by him to his two clients and made the mortgagor holder for a valuable consideration of the lands released from the prior mortgage as against the bank.

The fact, that the attorney of the mortgagee under the cancelled mortgage, and the husband of the new mortgagee, soon after the receipt of the certified cheque, and before payment, learned of the dishonest attorney's conversion of the money received from the wife, was not sufficient to charge her with actual notice of the fraud in procuring the cheque.

The new mortgagee's employment of the dishonest solicitor for the purpose of procuring satisfaction of the prior mortgage, with the funds furnished him, did not charge her with construction notice, that the attorney having misappropriated the money thus furnished him afterwards perpetrated a fraud on the bank to procure money with which to pay his debt to her.

The negligence of a bank in crediting an account of a depositor with the amount of a forged cheque for a large sum, without enquiry as to the truth of the statements of the depositor when presenting the same, will not prevent the bank from following its money into the hands of one who received it with notice of the fraud.

The fact that both the mortgagor and mortgagee employed the same attorney to attend to the discharge of a prior mortgage, and their failure to see that such mortgage was paid by the funds furnished by the new mortgagee and cancelled on the record; was not such negligence as precluded them from retaining the benefit of a payment made on their account by the dishonest attorney, with the funds obtained by fraud. *Fidelity Trust Co.'y v. Baker*, 47 Atl. Rep. 6.

STOCK EXCHANGE NOTES.

Wednesday p.m., October 10th, 1900.

The market was strong last week with an upward tendency, but, with one or two exceptions, values have again receded somewhat. Money is in greater demand in New York, and the fears of a squeeze in London and Berlin are responsible for the ease in prices. The decline in the rate of sterling exchange has now made it profitable to ship gold from London, and the financial situation is a decidedly interesting one. That the Bank of England will make an effort to prevent the flow of gold to New York is shown by the advance in its selling price for American coin yesterday. The surplus reserve held by the banks in New York has been heavily depleted during the past few weeks, and it is quite possible it may disappear altogether before the end of the month, and, if this takes place, loans will

have to be reduced, which will in turn likely cause a depression in the price of stocks.

Call money has advanced in New York to 4 per cent., and the rate in London for short loans is 1 1-2 per cent.

The quotations for money at continental points are as follows:—

	Market.	Bank.
Paris...	3 -	3 -
Berlin...	4	5
Hamburg...	4 1-4	5 -
Frankfort...	4 1-8	5 -
Amsterdam...	3 1-2	3 1-2
Vienna...	4 3-8	4 1-2
Brussels...	3 3-4	4 -
St. Petersburg...	7 1-2	5 1-2

Canadian Pacific closed to-day at 86 1-4, a decline of about 1-4 point as compared with a week ago. The stock during the week sold as high as 88, but pressure from Berlin is again responsible for the fall. The earnings for the first week of October show a decrease of \$44,000. This was anticipated, as the same week last year was an unusually heavy one. The number of shares which changed hands was 2,292.

The Grand Trunk Railway Company's earnings for the first week of October show a decrease of \$6,561.

The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day.
First Preference...	87	85 7-8
Second Preference...	57	55 1-4
Third Preference...	21 5-8	21 1-8

Montreal Street Railway shows an advance of 4 points, closing at 274 1-4. The rise is due to the Company having secured the right to cross Victoria Bridge from the Grand Trunk Railway. The number of shares which changed hands was 3,018. The increase in earnings for the week ending 7th was \$4,004.62, as follows:—

		Increase.
Sunday...	\$4,204.44	\$397.84
Monday...	5,651.76	831.00
Tuesday...	5,444.92	650.77
Wednesday...	5,265.69	628.13
Thursday...	5,468.59	699.75
Friday...	5,123.60	428.26
Saturday...	5,564.89	368.87

Toronto Street Railway is 1 point lower than last week, at 103, after having sold as high as 104. The number of shares which changed hands amounted to 1,422. The increase in earnings for the week ending 7th inst. was \$4,966.50 as follows:—

		Increase.
Sunday...	\$2,320.11	\$767.82
Monday...	4,101.11	619.07
Tuesday...	4,097.56	653.45
Wednesday...	4,128.88	606.93
Thursday...	4,172.41	569.06
Friday...	4,138.28	649.66
Saturday...	5,455.06	1,099.61