

Now we are told in this late case of *Parr's Banking Co. v. Yates* that under a guarantee like this, the moment an overdraft is allowed or an advance made, a right of action accrues to the bank against both customer and guarantor ; that is to say, that the bank could within an hour issue a writ against both parties for the amount of such advance or overdraft, and that neither of these parties would have any defence to such action. I must say that is startling. It absolutely ignores the idea of an effective credit. The customer might want the money for some pressing temporary purpose, either to tide over some difficulty or to take advantage of some exceptional opportunity ; and the whole object of the transaction would be defeated, if the money could be thus at once called in, the whole business efficacy of the arrangement nullified. No doubt it would be said that the customer and the guarantor might and ought to have stipulated for a definite period within which the credit should not be called in ; no doubt reliance would be placed on the undoubted fact that in ordinary cases a debt is recoverable at any time, that if, for instance, a tailor sends you home clothes, he can follow it up with a writ for the price the next morning.

But is not the case of a purely business transaction like this somewhat different ? May we not invoke that doctrine of implied contract in this instance ? Considering the terms of the contract in a reasonable and business manner, does not an implication necessarily arise that some substantial credit was to be given ? Must not the parties have intended some such stipulation ? Is not such implication necessary to give such business efficacy to the transaction as must have been intended at all events by both parties, who are business men ? These are the various tests which have been laid down, and does this case not fall within them ?

Of course, I see the objections that can be raised. The first would probably be that the term of credit would be uncertain ; is it to be for a month, six months, or what ? No doubt that is a difficulty. I can only suggest that the credit should be a reasonable one, a real effective business credit, or that it should involve its not being called in except on reasonable notice, so as to give the parties time to look round for another loan. Then it might be said that such implied contract contradicts the