

an absolute absurdity, that when a man says "I will pay this bill at the Bank of Montreal" the holder of the bill is bound to take that, and he does not discharge the drawer or endorsers, but if he adds the word "only" the endorsers are not held. By these two clauses, if you say a bill is payable at the Bank of Montreal you need not present it there, but the acceptor remains liable without any presentation; but if it is payable at the Bank of Montreal only and not elsewhere, then you can present it there, not necessarily on the day it matures, but when you like. I propose to amend the Bill to provide that if the acceptor names a place of payment in the bill it must be presented there for payment. Under this system, if a man in his acceptance says where he will pay the bill it has got to be presented there, but the non-presentation does not relieve him, nor does it relieve anybody else as endorsers; but if the holder chooses to sue him without presenting it where he promised to present it, then he runs the risk of paying the costs. That seems to me to be absolutely just, simple, and convenient in all respects. If the holder puts the acceptor to undue cost by suing him at one place when provision is made for payment at another place, he sues at his own risk, and the costs are in the discretion of the court.

HON. MR. SCOTT—Section 52 only relates to the person that is ultimately liable on the bill.

HON. MR. KAULBACH—In Nova Scotia the endorser of a bill is not relieved from his responsibility by the acceptor saying that he will pay it at his own office. It does not relieve either the drawer or endorser; but if he says "payable at my office and not elsewhere," then it is taken at the party's risk that the endorser may be relieved. I know of no case in our Province in which the acceptor could be sued unless the Bill is presented to him for payment.

The clause was agreed to as amended.

On clause 60,—

HON. MR. DRUMMOND—Clause 60 in the Bill as originally drawn is entirely different from clause 60 now before us, and it created a great deal of excitement amongst bankers. That clause was struck out in the Commons, though it existed in

the English law, upon which this Bill has been modelled. It provided:

"When a bill payable to order on demand is drawn on a bank, and the bank on which it is drawn pays the bill in good faith, and in the ordinary course of business, it is not incumbent on the bank to show that the indorsement of the payee or any subsequent indorsement was made by or under the authority of the person whose indorsement it purports to be, and the bank is deemed to have paid the bill in due course, although such indorsement has been forged or made without authority.

As far as the mercantile community is concerned, the Montreal Board of Trade objected to this clause, but I have received a great many communications from bankers expressing strongly their objection to this clause being struck out, and claiming that as the Bill is a copy, to a large extent, of the English law, there is no valid reason for departing from English practice and striking out this clause. They principally dwelt on the inconvenience to which it subjects a large portion of the public, because if the bank is liable for any indorsement, whether they are familiar with it or not, of course the identity of the party to whom the bill is payable is a necessity for the bank to ascertain. I hold here an immense number of opinions given by agents of banks and others throughout the country, that if this clause is struck out and the bank is held responsible for signatures and indorsements for which it has no sufficient means of information or identification, that they will be compelled, in self-defence, to put a great many people to inconvenience in respect to it. Under these circumstances, I think I ought to move that clause 60, as it appeared in the original bill, should be reinstated in this bill.

HON. MR. KAULBACH—I really do not see why the bank should not be responsible. If a bill is forged, I think it is the duty of the bank to take care that they do not pay it. They generally require a person who presents a cheque at a bank to find some one to identify him. The banks are well paid for all this trouble, and should be careful of what they are about. If you relieve the banks of responsibility they will take any paper that may be presented. It would open up a multiplicity of means of defrauding the public. The bank must take care of itself and know the person to whom it pays money.

HON. MR. ABBOTT—There are two illustrations in the English Act quoted