

impression among bankers that the principal creditor is entitled to the benefit of the security which an endorser or surety holds, but the judgment in this case shows that this general view of the law needs to be very much qualified. The point involved was the right of a creditor to the benefit of certain securities held by the surety by way of indemnity, which he received in part from one of the principal debtors, and in part from a third person. In deciding the case, the Court expressed the view that the principal creditor has no claim on collateral security given by the principal debtor to the surety, and that a surety is not in any sense a trustee for the creditor.

There is no doubt, as we have said, that this view runs counter to the general opinion on this point, but it does not follow that the general opinion is incorrect in respect to the ordinary transactions with which we have to deal. It has been pointed out that this was not a case of security given for a debt, but of an indemnity against liability on the part of a surety, which distinguishes it from the ordinary form such transactions take. The usual way in which the question comes up among us is in connection with notes discounted for, or accepted as security from an endorser who holds security from the makers. This security is not against his liability as surety, but for the payment of the debt, and the endorser in transferring the debt, would, it is thought, transfer also a claim on the security appertaining thereto. His relation to the bank is in fact not that of an ordinary surety at all.

If, however, money was advanced to the maker of a note, the endorser on which had received security to protect him from his liability, no doubt in the absence of any special agreement the principle laid down in *Sheffield Banking Company v. Clayton* would apply.

The case of *La Banque Nationale vs. Ricard et vir*, which is briefly reported for us by Mr. Frederic Hague, touches a point of law as to married women, peculiar to Quebec. If the judgment stands, as we presume it will, it is established that no married woman in that province can in any way become responsible for her husband's debts. There are cases on record where a debtor to whom the wife has paid money in satis-