

feror, but he retains his recourse against the transferor.

Now, as to the second question. A check implies, what is essential to every transfer, that there are funds belonging to the drawer, consequently a debt due by the Bank to the latter.

In the present case the drawer had no funds; the Bank owed him nothing; on the contrary, the drawer was indebted to the Bank in a considerable sum.

Parker, who is the drawer, having a quantity of Indian corn for sale, obtained a discount for \$2,000 on the security of this produce by transferring it according to law and custom to the Bank. The Bank authorized him as their agent to sell the produce on their account. At the same time Parker gave his note for \$2,600, payable on demand, to show the debt contracted by him to the Bank. And it is proved that Parker was previously largely indebted to the Bank. Parker sold part of the grain, and remitted \$1,278 to the Bank. When the check was presented, the Bank refused to pay, on the ground that Parker had no funds. The \$1,278 remitted were not the full value of the grain which he was commissioned to sell for the Bank. The Bank was justly alarmed, because Parker had not been seen at its counter, and it was suspected that he had fled. The note payable on demand and at the Bank's counter was exigible without presentation elsewhere than at the Bank. The Bank was not obliged to make other advances or payments to Parker in the matter, he being their debtor in a considerable sum. Parker ceded only his own rights to the bearers, who are the plaintiffs. The Bank owed Parker nothing; the latter had no funds in the Bank. The entries made in the Bank books of the discount were only to explain the transaction and put it in the ordinary form.

The Bank, not being indebted to the drawer, was justified in refusing payment, and the action is therefore dismissed.

*Hutchinson & Walker* for the plaintiffs.

*Abbott, Tait, Wotherspoon & Abbott* for the defendants.

The Court of Queen's Bench, Appeal Side, sat in Montreal on the 15th inst., for the purpose of giving judgments. Ten cases were disposed of, in all of which the judgment of the lower court was unanimously affirmed. Twenty-eight cases remain under consideration.

## CURRENT EVENTS.

### CANADA.

**THE INSOLVENT ACT.**—The evils which developed themselves under the Insolvent Act having reached intolerable proportions, a very general demand was made for the repeal of the Act. A Committee endeavored during the recent session to consolidate and amend the existing legislation so as to obviate the evils complained of. The result was a bill making important changes in the system of administering estates, and depriving the insolvent of the power of getting back his estate. But so strong was the feeling of the House of Commons in favor of unconditional repeal, that on the 27th of April, the bill was thrown out on the second reading by 99 to 75. Mr. Bechard's bill to repeal the insolvency laws was then carried by 117 to 60. The bill went up to the Senate and on the 9th May, the six months' hoist was carried by 31 to 27.

The following memorandum accompanied the bill submitted to Parliament:—

In most commercial countries the opinion prevails, that in the interest of commerce, remedies, beyond those of the common law, should be provided in favor of the creditors of a trader:—

1. To place the assets of the debtor in the hands of a trustworthy custodian *at the earliest possible moment* after his insolvency appears.
2. To discover and set aside all payments or settlements giving any creditor a preference over other creditors, and for this purpose to give power to examine the debtor and others.
3. To discover the debtors of the insolvent and to recover the amounts they owe him, and for that and other purposes to obtain possession of his books.
4. To provide a convenient mode of realizing the assets of the estate for the common benefit of the creditors.
5. To obtain the appointment of a proper person to carry out the liquidation of the estate.

And, on the other hand, that a trader debtor should have some mode of relief from his indebtedness, if he has been honest in the conduct of his business and in surrendering his assets.

All Insolvency and Bankruptcy Acts rest on these principles, and their efficiency depends upon the success with which the results sought for, and others incidental to them, are attained.