



able instruments. They are made payable to a certain person, firm or corporation without using either of the words *bearer* or *order*, and furthermore by writing the word *only* after the name of the payee.

Simply marking out the word *order* or *bearer* from the printed blanks is not sufficient to make the bill non-negotiable. Before 1890 such a note was absolutely non-negotiable, but not since that date. A bill or note now made payable to a particular person, but which does not contain additional word *prohibiting* transfer is still negotiable, notwithstanding the words *bearer* or *order* are omitted. It is regarded by the Statute as simply an omission, the same as forgetting to date the bill, which any holder could subsequently insert. Hence to make the bill non-negotiable it is absolutely necessary to put the word "*only*" after the name of the payee.

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|---|----------------------------|
|  | Halifax, September 4, 1910 |
| Three months after date I promise to pay to W. A. Sanderson | |
| only, at The Bank of Nova Scotia, here, the sum of | |
|  | Dollars |
| Value received. | R. A. Anderson. |

A non-negotiable note or bill may be transferred by assignment the same as a book account or due bill. The party who purchases such a note takes it subject to all the defects and equities that may burden it, and in no respect obtains any better title than the original owner possessed. If not payable on demand, they have three days of grace.

The material distinctions between a negotiable instrument and a non-negotiable instrument are:

1. The maker of a non-negotiable instrument who has agreed to pay *money* or *property* under it has a right when the money or property is demanded, either by the original payee or a purchaser of the instrument, to a *set-off* against it for any claims that he has against the *original owner*. But in a negotiable instrument the *bona fide* purchaser for value before maturity can enforce payment for the full amount against the maker without regard to any counter-claims or defence that the maker might have against the original owner.

2. An indorser of a non-negotiable instrument is not liable for payment.

181 Patent Right Notes.

Any note or acceptance given for a patent right, or for any interest in a patent right, must have legibly written or printed across the face of it, before the instrument is issued, the words: "Given for a Patent Right." And without such words thereon, the instrument, or any renewal of it, is void, unless in the hands of a holder in due course. (Sec. 14 B. of Ex. Act.)

Any person who intentionally transfers a note or acceptance which he