

only revives the right as against the person waiving. It cannot affect the discharge to which other parties are entitled by lack of notice.

RETURN OF BILL AS NOTICE OF DISHONOUR

There are one or two other very catchy little points about notice of dishonour. Section 49, sub.-sec. 6, says: "The return of a dishonoured bill to the drawer or endorser is, in point of form, deemed a sufficient notice of dishonour." This section was, I believe, enacted in order to validate a custom of collecting bankers, previously of doubtful validity; namely, the custom when cheques or bills paid in for collection are dishonoured, of merely returning them to the customer without comment. As collecting bankers you stand in the position of agent, and your customer in that of principal. Therefore, by the section to which I have previously referred, you can either give notice to the parties liable on the bill, or to your principal, that is, the customer.

You may be cognizant of the addresses of the parties liable on the bill or cheque, and may elect to take the course of giving notice direct to them.

It is clearly the duty of an agent, when more than one person is liable on the instrument, either to give notice to his principal, or else to all the parties liable on the bill, so as to safeguard the principal's rights to the uttermost, and the agent would unquestionably be liable for negligence if he failed to do so.

I do not believe the sub-section as to returning the bill was intended to apply to anything except the collecting banker returning it to his own customer. I think that is what was aimed at and intended by this section for several reasons. First, because it was the custom of collecting bankers to return the bill or cheque to their customer, which this section was intended to validate. Second, because the word "return" is most, if not only, appropriate to the operation of the agent's handing it back to the principal from whom he received it. Third, because of the impossibility of sending the document to more than one person, and the immense risk that would be run if the bill was sent to the last endorser (say), and the chance taken of his