

drawer (Chartered Bank) for the sum paid: in other words, when the drawee is a banker, he needs to acquire rights under the bill, so that he may debit the drawer under it. But section 24 says the drawee, having acquired the bill under a forged signature, has no rights. Then section 60, in order to protect the banker, comes and says that, when the drawee is a Bank, this Bank shall be deemed to have paid in due course, so that it can debit the account of the drawer (the corresponding Bank).

Section 60, as says Chalmer, is an exception to section 24 in order to protect bankers. It can be taken also as a complement of our section 1053 (which payments are made in due course) and in the English law it lies in the part of "discharges" which is corresponding to our part of "payments".

The exception being useful, it seems that the system of section 1120 (modified) ought to be completed by a second paragraph embodying the rule of section 60 English law, as follows:

"Provided that if a bill payable to order on demand is drawn on a banker and such banker pays the bill in good faith, he is deemed to have paid it in due course although the indorsement of the payee or any other subsequent indorsement has been forged."

31st. October 1922.

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