142 N.Y.S. 387 (1913) where the clerk who prepared the checks, was in effect held to be the "maker."

In the absence of negligence or estoppel the paying bank may charge the maker's account only according to his orders and direction. *Phoenix Bank v. Risley*, 111 U.S. 125, 4 Sup. Ct. 322, 28 L. Ed. 374 (1884); *Shipman v. Bank of N.Y.*, 126 N.Y. 318, 27 N.E. 371, 12 L.R.A. 711 (1891). The depositor's duty to use care in dealings with the bank extends to the examination of the returned vouchers. *Jordan Marsh Co. v. Nat. Shawmut Bank*, 201 Mass. 397, 87 N.E. 740, 22 L.R.A. (N.S.) 250 (1909); contra *Walker v. Manchester Co.*, 108 L.T. (N.S.) 728 (1903); *Rex v. Bank of Montreal*, 11 Ont. L.R. 595 (1906). The duty does not extend to the examination of the indorsements. *Corn Exch. Bank v. Nassau Bank*, 91 N.Y. 74 (1883); *Nat. Surety Co. v. Manhattan Co.*, 252 N.Y. 247 (1929). Hence plaintiff was not negligent in failing to discover the forgeries sooner. Justices Lehman and Kellog dissenting were of the opinion that the "self-identifying" feature was enough to work an estoppel. The majority, on the facts of the case, came to the conclusion that no reliance in fact had been placed on the identifying device.

Even though the city had accepted the monthly statements as stated accounts such could be opened by a showing of fraud or mistake. *Nat. Surety Co. v. Manhattan Co.*, *supra*.

KARL HUBER

Bulk Sales—"Other Goods and Chattels of the Vendor's Business"—[Illinois].—The "old" bank sold real estate bonds to complainant and agreed to repurchase at par if requested. Later the old bank transferred all its assets to the "new" bank, which assumed only specified liabilities. Complainant sought to recover the purchase price of the bonds from both institutions, alleging among other things, that the transfer to the "new" bank was void under the Bulk Sales Law. *Held*, the Bulk Sales Law does not apply to the transfer of the assets of a bank since, being in derogation of the common law it should be strictly construed. *Knass v. Madison & Kedzie State Bank and Madison-Kedzie Trust & Savings Bank*, 269 Ill. App. 588 (1933).

The Illinois Bulk Sales Law of 1905, Ill. Laws of 1905, 284, was held unconstitutional because it singled out a class—vendors and purchasers of stocks of merchandise—on which it imposed exceptional burdens. *Off & Co. v. Morehead*, 235 Ill. 40, 85 N.E. 264 (1908). To avoid this objection the statute of 1913 was worded " . . . . the sale, transfer, or assignment . . . . of a stock of merchandise, or merchandise and fixtures or other goods and chattels of the vendor's business. . . . ." Ill. Cahill's Rev. Stats. (1931), c. 121a, § 1. This statute was held constitutional. *Johnson Co. v. Beloosky*, 263 Ill. 363, 105 N.E. 287, Ann. Cas. 1915C, 411 (1914).

There followed a period of uncertainty in interpretation. In *Larson v. Judd*, 200 Ill. App. 420 (1916) the court said that the act covered the sale of the cattle, horses, and equipment of a dairyman. The sale of office furniture, horses, wagons, trucks, harness, farm machinery, hogs, growing corn, etc., by a man engaged in the dray business and farming was within the statute. *Athon v. McAllister*, 205 Ill. App. 41 (1917). On the other hand was a holding that the act related only to businesses where in the ordinary course goods were not sold in bulk, and that the sale of a team of horses and a wagon was exempt from the act's requirements. *Richardson Coal Co. v. Cermak*, 190 Ill. App. 106 (1914). Similarly in *Ettelson v. Sonkopp*, 210 Ill. App. 348 (1918) it was held that

the Bulk Sales Law did not apply to a transaction not involving merchandise, but concerned fixtures, utensils, and a horse and wagon used by the vendor in his butcher shop. Although the decisions of other courts mean little since the Illinois statute is worded more broadly than those of other states, Montgomery, Bulk Sales (2d ed. 1926), 26–27, the last two decisions accord with the weight of authority. *McPartlin v. Clarkson*, 240 Mich. 390, 215 N.W. 338, 54 A.L.R. 1535 (1927); *Swift & Co. v. Tempelos*, 178 N.C. 487, 101 S.E. 8, 7 A.L.R. 1581 (1919). But it has been definitely settled that the Illinois Bulk Sales Law has broader application than that given the statute in other states. *Weskalnies v. Hesterman*, 288 Ill. 199, 123 N.E. 314, 4 A.L.R. 128 (1919) (sale by dairy farmer of his livestock, agricultural, and other implements); *La Salle Opera House Co. v. La Salle Amusement Co.*, 289 Ill. 194, 124 N.E. 454 (1919) (sale by opera house company of lease, furniture, fixtures, etc., together with good will, trade mark, and trade names).

In the *La Salle* case the court did not discuss the question whether or not intangible property was covered by the statute. But the Illinois act has been applied where a debtor assigned accounts, bills receivable, and other evidences of indebtedness for the benefit of creditors. *Danville Auburn Auto Co. v. National Trust & Credit Co.*, 212 Ill. App. 116 (1918). See Hershberger, Illinois Bulk Sales Law and Assignments for Benefit of Creditors, 21 Ill. L. Rev. 153 (1926). The transfer of the assets of one doing business as a partner has also been held to be within the act. *National Trust & Credit Co. v. Kimingham*, 201 Ill. App. 78 (1915); *Marlow v. Ringer*, 79 W.Va. 568, 91 S.E. 386, L.R.A. 1917D 623 (1917); contra *Schoeppel v. Pfannensteil*, 122 Kan. 630, 253 Pac. 567, 51 A.L.R. 398 (1927). However, in a well reasoned opinion the transfer of assets to a successor bank has been held outside the scope of the Illinois Bulk Sales Law: first, because under the rule of *ejusdem generis* the words "other goods and chattels of the vendor's business" refer to tangible personal property; second, because the opinion in *Off & Co. v. Morehead, supra*, in holding the act of 1905 discriminatory, referred only to other kinds of tangible personalty; and third, because other jurisdictions do not apply the act to transfers of intangible personalty. *People ex rel. Nelson v. Sherrard State Bank*, 258 Ill. App. 168 (1930). Decisions of other courts exempt intangible personalty, except in the transfer of a partner's interest. *Starr Piano Co. v. Sammak*, 235 N.Y. 566, 139 N.E. 737 (1923); *Rio Tire Co. v. Spectralite*, 48 S.W. (2d) 367 (Tex. Civ. App. 1932). It would seem that the principal case is rightly decided on this point.

HUBERT C. MERRICK

Conflict of Laws—Law Governing Performance of a Covenant to Pay Rent—[Federal].—L, in Chicago, signed and mailed to T, a Maryland corporation, a lease to a store located in Chicago. T signed the lease in Maryland. In a subsequent bankruptcy proceeding in Maryland it was *held* that the question of apportionability of rent is to be determined by the law of Maryland, the *lex loci contractus*. *In re Newark Shoe Stores*, 2 F. Supp. 384 (D.C.D.Md. 1933).

The court relied upon a recent Circuit Court of Appeals case, *In re Barnett*, 12 F. (2d) 73, (C.C.A. 2d 1926) in which the court said that the obligation to pay rent is an independent covenant and the law of the place of contract will govern what is sufficient performance.

In the Barnett case the court recognized that a lease is in some respects a convey-