

# BILLS AND NOTES.

1. Where a bill of Exchange is indorsed after it is due, when is it payable as regards such indorser? *payable on demand*

2. A promises to pay B \$500 three months after B's marriage, he is subsequently married, is an action maintainable on such a note? *No cannot be made a contingency*

3. Can an indorser insert a stipulation negating his own liability to a holder? *Yes same reason*

4. What is meant by the acceptance of a bill?

*Signature by the drawer of his assent to the order of the drawer*

5. Can a bill be accepted before it is signed by the drawer? *Yes see 17 above*

6. When is a bill said to be negotiated in law?

*When cash is transferred from one person to another in such a manner as to constitute the transfer of the bill*

7. Is a bill negotiated that is payable to order by mere indorsement, if not what further is necessary to be done? *Delivery*

8. Is a bill negotiated by an indorsement which purports to transfer a part only of the amount payable? State reason for answer. *No because it is a partial endorsement*

9. If in a bill or note payable to order, the payee is wrongly designated, how can it be indorsed? *He can indorse it as therein directed adding his proper signature or he may endorse by his own proper signature*

10. Can a holder of a note indorsed in blank convert it into a special indorsement, if so, how? *Yes, by making it payable to some particular person*

11. If a drawee be dead how is a presentment for acceptance to be made? *to personal representatives, or may be treated as dishonored.*

12. If a bill payable to the order of a third party is only accepted, and subsequently paid by the drawer himself, can he enforce payment against the acceptor? *Yes*

13. What does an acceptor for honor engage to do by accepting a bill?

*That he will on due presentment pay the bill according to its tenor of his acceptance if not paid by drawer provided that it has been presented for payment & protest for non-payment*

14. What is the maker of a note precluded from denying to a holder in due course? *Existence of the payee and his then capacity to endorse*

15. If a foreign note is dishonored for what purpose is a protest necessary? *for preservation of liabilities of endorsers*

16. Does a bill of exchange operate as an assignment of funds in the hands of a drawee, if so, when? *No see 53 this however may be effected by an agreement outside of the bill*

17. What is the contract of an indorser of a bill? *Accepted and that on due presentment it shall be paid according to its tenor and if dishonored he will pay provided he gets notice*

18. Is a guarantor promising to pay the debt of a third party discharged by reason of the non-presentment of the note to the maker for payment, the payment of which note he guaranteed? *Yes where a person signs a Bill otherwise than as a drawer or acceptor he thereby incurs the liabilities of an endorser to a holder in due course and is subject to all the provisions of this Act respecting endorsers. See 56*