

## APPENDIX:

---

### STERLING EXCHANGE.

THE term *Bills of Exchange* is often abbreviated into "Exchange," as when we say, "to buy Exchange," "to sell Exchange," &c.

A Bill of Exchange is a written order or request from one person to another, desiring the latter to pay to some person designated in the bill, or to his order, a certain sum of money therein named.

Bills of Exchange are extremely useful in Commerce. They enable persons at a distance from each other to make payments from one to another without the transmission of money, and thus avoid the danger of its being lost.

Foreign Bills of Exchange are such as are drawn in one country and payable in another. Inland Bills are such as are drawn and payable in the same country.

Bills of Exchange payable in Great Britain are called Sterling Bills of Exchange, and are bought and sold by the merchants of this country to a very large extent, and it is therefore a matter of importance for every one to be able readily to convert any sum in Sterling to its equivalent in our currency at the rates at which these bills are generally negotiated.

The old par value of the Pound Sterling was \$4.44 $\frac{1}{2}$  or \$4 $\frac{10}{16}$ ; but, at the present time, and for many years past, it has been considerably greater, and is expressed by so much per cent. above that old par value. In the Dominion of Canada and in the United States, the present Commercial par is 109 $\frac{1}{2}$ , which