

On the whole we think that Smith could not be made liable on his guarantee ; but, if the note were held by the Federal Bank when it matured, and if the contract of guarantee were really made with the bank, and if the bank brought the action upon it, it might possibly be held that, as the name of the bank appeared in the writing, the provisions of the statute had been sufficiently complied with.

*Guarantee written on a note*

QUESTION 330.—A sends B in settlement of an account a promissory note payable to B and endorsed by C. Would the difficulty about C's liability be removed if he should add to his endorsement the words "for value received I hereby guarantee payment of the within note" ?

ANSWER.—The answer to question 330 will explain the position here.

*Cheque marked "Good for two days only"*

QUESTION 331.—A correspondent writes :

In your issue of July, 1899, you have answered to question No. 228, which is: Can a bank refuse payment of a cheque which it has marked "Good for two days only," if presented after the expiration of the two days? "We think that after the two days have expired, the cheque must be regarded as though it had not been marked by the bank, and if there are then no funds, its refusal would seem to be in order."

Will you allow me to express the opinion that this answer does not appear clear to me, as in accepting the cheque and stamping it "Good for two days only," the account of the maker of the cheque has been debited and the amount deducted from the balance. Should I understand that you mean that the debit entry be cancelled and the amount of the debit recredited if the cheque is not presented for payment within two days of its acceptance by the bank?

Besides, on general principle, I am of opinion that the acceptance of a cheque by a bank renders it liable to the same extent as its acceptance of a bill of exchange drawn upon it by a foreign customer, and its responsibility cannot be affected by limitation.

I have always been under the impression that the stamping of cheques "Good for two days only" was only to prevent accepted cheques from remaining outstanding.

What protection would there be to payees of cheques residing in a different place than where the cheques are payable, if the acceptance of a bank can be declared void on account of unavoidable delay in presentation?