

which imported a Discharge, had after his Father's Decease corroborated the Debt for recovering which Banker out of the Deceased's Hand the son was allowed a Form 23 June 1710 Grant contra D. Gordon.

A Bond of Corroboration granted by one of two Coprincipal Debtors in the Bond was held for the whole sum in the Bond was sustained to make the Corroborator liable only for the half of the said sum. In respect the Creditor did not produce the original Bond, that he who did corroborate might work his Relief of the other Half against the Coprincipal thereon bound 22 July 1708 Creditors of Nicol's contra p. Balcarras. A Signation to Bonds was found to reach a Bond of Corroboration therof the anterior to the Assignation not mentioned, it being in the Assignation found so presumed to have been delivered by the Creditor; albeit the Assignation bore not the Clause with all that hath followed or may follow thereupon; because that is out of exogothic Style, and all unnecessary Securities follow therein for in such cases they be expressly accepted or referred 3 February 1676 Cuthbert and Hunter contra G. Kirkly.

Tit. 5. Of Letters of Credit.

Persons going to a strange Country, where probably they may have use for Money, and not thinking fit to take Bills with them, ordinarily provide themselves with Letters of Credit. A Letter of Credit is a Bill from one Merchant or Banker to another his Correspondent, desiring him to credit the Bearer with Money. A Letter of Credit is either Special or general.

A Special Letter of Credit, is an open Letter bearing orders to furnish such a certain sum of Money at one or several times, upon his Bills of Exchange or Receipts, and to charge to his Account who gives the Letter of Credit.

A General Letter of Credit, is an ample Letter directed to some particular Correspondent, or to any person who shall advance Money thereon to such a use, without a Restriction as to time or place, or sum, or other Circumstances; obliging the Writer for repayment, and for Annual Rent to the possessors of the Bills. Men write general Letters of Credit commonly for their own Account or concernment in the Course of Trade; but issuing general Letters of Credit upon to any other person may be abused to bad purposes, or by the Receivers drawing Bills upon the Furnisher for greater sums than he is able to answer. When the Bearer of a Letter of unrestrict'd Credit is not a person of very good Discretion, and in whom the Furnisher has an exorbitant Trust and confidence, the Correspondent will be ordered by a Letter of Advice, that without regard to the said Letter of Credit, he only advance to the Value of such a sum.

He to whom a Letter of Credit is address'd, takes either Bills from the Bearer, upon the Grantor of the Letter, or some other; or Receipts offering to the same advanced him, mentioning his receiving thereof in consequence of such a Letter of Credit, dated such a Day. Sam. Ricard Trade General du Commerce, pay 126. one would think that in the last of the writers of the Letter, ~~only against the Bearer, who is to pay it to the Bearer~~ ~~to the Bearer~~ ~~to the Bearer~~

But that both are liable and bound for Annual Rent in the Terms of the Act of Parliament 1681 (Act 20 par. 3 Ch. 2) which the Receiver of the Money draws Bills for it in Favour of the Advancer of the Money, or his order; yet a Father having by his Letter desired a Merchant to accommodate his son thereon with a sum which he oblig'd himself to repay when advised that his son had received it, and the son having drawn a Bill for the Money upon his Father, which was protested for non-acceptance against his eldest son and Heir, the Father being dead. The drawer was absolved from payment resorting Action to the possessor against the eldest son who was both Heir & present to his Father. March 1683 Hall contra Waichop. Because the Father's Fault was followed in advancing the Money; and the granting a Bill for it, was but of the Nature of a Discharge, and to satisfy the Money was paid.

As in Bills of Exchange the Possessor must send punctual timely advice to the Drawer of the acceptance or non-acceptance, and payment or non-payment, and of all the other Steps of his negotiation: so among Merchants he who furnishes money or accepts of Bills upon the Faith of a Letter of Credit, must duly and timely advise the Writer of the Letter. For if this be omitted, and the Receiver of the money prove Absent or Insolvent, the furnisher will miss and come short of his Relief from the Grantor of the Letter; tho' at the same time, his Oath will be a sufficient Instruction of Advancement given 7 January 1681 Ewing contra Burnet. If a Factor having advanced considerable Sums to some third Person, by Virtue of an absolute Letter of Credit writ to his Correspondent, to know his will about the continuance of the Credit, without giving notice what money the Possessor of the Letter of Credit was indebted to him upon the Faith thereof, and an order came by way of answer to continue the Credit, but with a limitation to a certain sum: He cannot claim Satisfaction from him whose Letter of Credit he obeyed (the other Party proving Insolvent) for any Sums advanced before the second restricted Letter, which cuts off the former Sums. For had the Grantor of the Letter been duly acquainted with what money was furnished upon the Faith of it, he might have cleared with, and got Satisfaction from the Receiver, See Mercatoria Part 1. Chap. 16. But there was found no necessity of making present Intimation to the Writer of a Letter of Credit, not being in re Mercatoria 10 Feb. 1682 Falconer contra Grant. Because a Letter of Credit is not conceived in positive Terms to pay such a sum; but only to advance, in case the party to whom the Letter is granted shall call for it: And no man useth to give a Letter of Credit, unless either he intend to complement the person with the money that is to be advanced or has Security for his Relief, in case it be furnished. A man having given Credit to his Brother by a Letter for 30 Pound Sterl. which he desired him to take up by Bill from one or other of two persons, and it should be punctually honoured; and he having received the whole 30 Pound from the one; and after 13 Pound from the other, the Writer of the Letter was found liable to satisfy both. 26 July 1705 Elliot contra Hume. because after he had payed the 30 pound, he should have got up his Letter, and that being omitted, the other Gentleman was in Bona fide to pay the Money upon Sight of the Letter.