1904, art. 13, sec. 82. 1898, ch. 119.

82. A person placing his signature upon an instrument otherwise than as maker, drawer, or acceptor is deemed to be an indorser, unless he clearly indicates by appropriate words his intention to be bound in some other capacity.

Ibid. sec. 83. 1898, ch. 119.

83. Where a person not otherwise a party to an instrument, places thereon his signature in blank before the delivery, he is liable as endorser in accordance with the following rules:

1. If the instrument is payable to the order of a third person, he is liable to the payee and to all subsequent parties.

2. If the instrument is payable to the order of the maker or drawer, or is payable to bearer, he is liable to all parties subsequent to the maker or drawer.

3. If he signs for the accommodation of the payee, he is liable to all parties subsequent to the payee.

Ibid. sec. 84. 1898, ch. 119.

84. Every person negotiating an instrument by delivery or by a qualified indorsement, warrants:

1. That the instrument is genuine and in all respects what it purports to be;

2. That he has a good title to it;

3. That all prior parties had capacity to contract;

4. That he has no knowledge of any fact which would impair the validity of the instrument or render it valueless.

But when the negotiation is by delivery only, the warranty extends in favor of no holder other than the immediate transferee.

The provisions of sub-division three of this section do not apply to persons negotiating public or corporate securities, other than bills and notes.

Ibid. sec. 85. 1898, ch. 119.

85. Every indorser who indorses without qualification warrants to all subsequent holders in due course:

1. The matters and things mentioned in sub-divisions one, two and three of the next preceding section; and

2. That the instrument is at the time of his indorsement valid and subsisting.

And, in addition, he engages that, on due presentment, it shall be accepted or paid, or both, as the case may be, according to its tenor, and that if it be dishonored, and the necessary proceedings on dishonor be duly taken, he will pay the amount thereof to the holder, or to any subsequent indorser who may be compelled to pay it.

The application of this section denied where a corporation buys its own stock for the purpose of reducing its capital stock—the same being prohibited by law—and in part payment, gives a note which was endorsed by some of its officers. Burke *v.* Smith, 111 Md. 627.

As to the warranties of a transferor of corporate stock, see art. 23, sec. 48.