

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.

An. Code, sec 85. 1904, 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. 61.

An. Code, sec. 86. 1904, sec. 86. 1898, ch. 119.

86. Where a person places his indorsement on an instrument negotiable by delivery, he incurs all the liabilities of an indorser.

An. Code, sec 87. 1904, sec. 87. 1898, ch. 119.

87. As respects one another, indorsers are liable *prima facie* in the order in which they indorse; but evidence is admissible to show that as between or among themselves they have agreed otherwise. Joint payees or joint indorsees who indorse are deemed to indorse jointly and severally.

The last sentence of this section is not applicable where the parties are not joint payees or joint indorsees, there being no evidence that they endorsed jointly and severally. In the absence of evidence of a special agreement, the presumption is that indorsers agree to be severally liable; relationship between accommodation parties. *Leonard v. Union Trust Co.*, 140 Md. 201.

See notes to art. 13, sec. 82, and art. 50, sec. 2.

An. Code, sec 88. 1904, sec. 88. 1898, ch. 119.

88. When a broker or other agent negotiates an instrument without indorsement, he incurs all the liabilities prescribed by section eighty-four of this article, unless he discloses the name of his principal, and the fact that he is acting only as agent.

CHAPTER VII.—Presentment for Payment.

An. Code, sec 89. 1904, sec. 89. 1898, ch. 119.

89. Presentment for payment is not necessary in order to charge the person primarily liable on the instrument; but if the instrument is, by its terms, payable at a special place, and he is able and willing to pay it there at maturity, such ability and willingness are equivalent to a tender of pay-