

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.

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.

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.

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

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.

88. Where 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 dis-