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Negotiable Instruments

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something equivalent thereto" to exclude the accreted portion of the vacated street from the owner's grant of the principal subplot. The inference of law is that the accreted portion passes with the land to which it has accreted, despite a description which by words excludes it.

There can be little doubt as to the justice, if not the very necessity of such a rule.

SAMUEL SONENFIELD

NEGOTIABLE INSTRUMENTS

Important Ohio decisions appearing in 1954 in the field of Negotiable Instruments are almost non-existent. In fact, only two merit inclusion in this survey.

In *First Discount Corporation v. Sutton*,¹ the defendant indorsed a note without recourse, and since the maker turned out to be incompetent, the defendant was liable for the breach of his warranty that all prior parties had capacity to contract.² The question before the court was whether the defendant was liable for the balance due on the note or only for the amount of the plaintiff's actual loss. In buying the note, the plaintiff had paid considerably less than the amount due on it. The court held that a qualified indorser does not guarantee payment of the amount of the note, but is merely liable for damages resulting from the breach of warranty.

*Chaney v. Hamm*³ deals with presentment for payment and notice of dishonor. The Ohio Revised Code Section 1301.72⁴ requires presentment for payment in order to charge indorsers.⁵ Ohio Revised Code Section 1303.04⁶ requires that notice of dishonor be given to each indorser and that any indorser to whom such notice is not given is discharged.⁷ In the *Chaney* case the note was payable in installments. When the first installment became due, the holder of the note failed to comply with the above-mentioned requirements relating to presentment for payment and notice of dishonor. The court held that in view of that failure on the part of the holder, the indorser was not liable for that installment. The court pointed out that the promise to pay each installment is like a separate note. Conse-

¹ 96 Ohio App. 256, 121 N.E.2d 657 (1954).

² OHIO REV. CODE § 1301.67 (C), NEGOTIABLE INSTRUMENTS LAW § 65 (3).

³ 67 Ohio L. Abs. 102, 119 N.E.2d 95 (Ohio App. 1952).

⁴ NEGOTIABLE INSTRUMENTS LAW § 70.

⁵ There are exceptions, but they are not involved in the present case.

⁶ NEGOTIABLE INSTRUMENTS LAW § 89.

⁷ The exceptions are inapplicable to the present case.