the time of the verdict. In the Bank of the U. S. v. the United States, 2 How. 711, a draft, in the form of a bill of exchange, had been drawn by the government of the U. S. on the government of France for monies due by the latter under a treaty stipulation. The bank purchased the bill and was the payee and original holder, and indorsed it to the Barings, who indorsed it to the Rothschilds, who protested it for non-payment, whereupon Hottinguer & Co. took up the bill for the honor of the bank. The bank then refunded to Hottinguer & Co. the amount advanced with interest and charges and one-half *per cent* commissions, and became possessed again of the bill. Notice of non-payment had been given to the drawer, and also that the bank claimed of the government interest, costs and fifteen *per cent* damages on the bill. The government paid the principal and costs, but refused to pay the damages. Afterwards the bank declared a dividend on its stock held by the U. S., and retained part of the dividend to cover the damages; and the government having sued for the dividend thus withheld, the bank set up as an off-set the damages claimed on the bill. The Supreme Court held that the damages were allowed under the Act as a compensation for not obtaining the money at the place stipulated, and not by way of penalty, (indeed, McLean J. observed that the damages are as much a part of the contract as the interest), that the United States, as drawer of a protested bill, was liable to pay damages, and that the bank, on taking up the draft from Hottinguer & Co., had the same right, as holder, to demand damages under the Act that the holder had at the time of protest. But when the case came up again in 5 How. 382, the Court said that the last mentioned was the only point before them in the case in 2 How., and then determined, that the Act did not, in terms, embrace a bill drawn on a foreign government, and that a bill drawn by one government upon another is not governed by the law merchant, and, therefore, is not subject to protest and consequential damages; see also Kalkman v. Causten, 2 G. & J. 357.

The Supreme Court, also, in Buckner v. Finley, 2 Peters, 590, were "clearly of opinion that bills drawn in one of the States upon persons living in any other of them partake of the character of foreign bills, and ought to be so treated." Such is declared to be the established doctrine of the Court in Dickens v. Beal, 10 Peters, 572. And in Bank of the U. S. v. Daniel, 12 Peters, 32, it was further held, that * a bill drawn, **638** indorsed and accepted in one State, but made payable in another State, is to be treated as a foreign bill. It is presumed that the effect of these adjudications is not impaired by sec. 3 of Art. 14[11] of the Code *supra*, following in this respect the Act of 1785, ch. 38, sec. 2. Elsewhere than in this State, a bill drawn in another State on a person residing in this State would be regarded as a foreign bill.

The Act of 1837, ch. 253, Art. 14, secs. 6 and 7,[12] of the Code, was intended to extend the credit given to the certificate of a notary public, by commercial courtesy, to inland bills, as evidence of the facts of presentment and protest, and as evidence of notice delivered in the manner stated

---

[11] Code 1911, Art. 13, sec. 3. But see now sec. 148.

[12] Code 1911, Art. 13, secs. 6, 7.