

GENERAL BUSINESS INFORMATION

EXAMINATION PAPER

NOTE.—The following questions are set as an indication of the sort of knowledge a student should possess who has carefully read the several papers of this course. The paper covers only about the first half of the course. The student is recommended to write out the answers carefully. Only such answers need be attempted as can be made from a study of the lessons.

1. What in a general sense is meant when we speak of the currency of a country?
2. Enumerate some of the advantages afforded to the community and to commerce in general by banking institutions.
3. A bank cheque is a demand order for money, drawn by one who has funds in the bank. How does a cheque differ from an order on John Smith to pay bearer a certain sum of money?
4. Why is it important that cheques should be very carefully drawn?
5. (a) A cheque has no date. Does this make it void? (b) How about a cheque dated months ago? (c) Is a cheque dated on Sunday good? (d) Why are cheques sometimes dated ahead? (e) Are you at liberty to print your own form of cheque? (f) Is it necessary that your cheque be written on the prescribed blank form? (g) How would you write a cheque for 75 cents?
6. How would you word a cheque to give to a person

who is unknown at your bank, but who wishes to draw the money over the counter?

7. You are sending a cheque through the mails to John Brown, Philadelphia. How will you prevent the cheque from falling into the hands of the wrong John Brown?

8. You identify A. B. at your bank. The cheque A. B. presented turns out to be a forgery. Are you responsible?

9. A. B. transfers a cheque to you by a blank indorsement. It is then payable to bearer. How can you legally make it payable to your own order?

10. What is meant by power-of-attorney? How should an attorney indorse cheques for any person for whom he is acting?

11. If a note were about to be transferred to you by indorsement and delivery in payment of a debt, would it make any difference to you whether or not it was overdue? Explain in full.

12. Tell how you would receipt for a payment of a note. Why is not an ordinary separate receipt sufficient?

13. Why are notes protested? Why is a formal protest sometimes desired even though the paper bears no indorsements?

14. If an indorser is compelled to pay a note, against whom has he a good claim?

NOTE TO THE FOREGOING EXAMINATION PAPER

It is a mistake to answer questions for a student if he is able of himself to find the answers. A question which sets a student thinking, even though he cannot immediately find a satisfactory answer, affords educational training of considerable value. A few of the answers to the foregoing questions are as follows:

(5) (a) Not necessarily so. (b) Such a cheque would under ordinary conditions be all right. Cheques should be presented as soon

after date as convenient. (c) Cheques dated on Sunday are very commonly paid. Cheques or notes delivered on Sunday are void. The delivery makes the contract, not the dating. (d) That the maker may have a few days in which to deposit sufficient money to meet them. (e) You are at liberty to print your own form of cheque or to write it out in full if you wish. (g) Write the words "*Seventy-five cents*" plainly along the money line.

8. Yes.

BUSINESS GEOGRAPHY

THE TRADE FEATURES OF THE GREAT COMMERCIAL NATIONS