

4 Phil. 695

[ G.R. No. 1808. August 23, 1905 ]

**AMERICAN BANK, PLAINTIFF AND APPELLEE, VS. MACONDRAY & CO. AND V. S. WOLFF, DEFENDANTS AND APPELLANTS.**

**D E C I S I O N**

**JOHNSON, J.:**

This was an action by the plaintiff against the defendant Macondray & Co. as indorser and V. S. Wolff as drawer of a certain bill of exchange, which, as set out in the complaint of the plaintiff, is as follows:

“Manila, P. I., August 12, 1902.

“\$300.00

“At sight pay to my order three hundred dollars, value received, and charge to my account.

“V. S. Wolff.

“TOF. H. TAYLOR & CO.,

“*Louisville, Kentucky.*

“No..... ”

[Indorsements.

] “V. S. Wolff. The signature is O. K. Payment guaranteed. Protest, demand, and notice of nonpayment waived. Macondray & Company.

“Pay to First National Bank of San Francisco, or order. American Bank, Manila,

P. I. H. B. Mulford, cashier.

“Pay to 3rd National Bank or order. The First National Bank of San Francisco.  
James K. Lynch, cashier.”

This alleged bill of exchange, in the alleged form as it appears above was sent to the correspondent of the said American Bank in the United States for payment, which payment was not made for the reasons which appear in the protest made by a notary public in the United States, and which is as follows:

“STATE OF KENTUCKY,  
“City of Louisville,                    ss.  
Jefferson County

“On this 25th day of September, 1902, I, C. W. Dieruff, notary public, duly authorized and appointed as such, and residing in the city of Louisville, at the petition of the Third National Bank of Louisville, Kentucky, went with the original bill of exchange, a true copy of which is hereto annexed, and made a diligent search for said F. H. Taylor & Company, in order to demand payment of the same, but I was unable to find said F. H. Taylor & Company, nor a representative of said company with authority to pay the same. I went also to various banks and demanded payment, which was denied.

“Therefore, I, the said notary public, have protested and for these reasons do solemnly protest against the drawer, indorser, and against all other persons, for the exchange, reexchange, and all the expenses, damages, and interest sustained, or that will be sustained, by reason of the non-payment and dishonor of said bill of exchange.

“Protest and copy..	\$1.25
“For information.	1.00
“Postage stamps	02. [Notarial Seal.]

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\$2.27

“Made

and protested in said city and county, and my notarial seal affixed the said day and year, being written in my office, as required by the law.

”C. W. DIERUFF *Notary Public*.

“I hereby certify that on this 25th day of September, 1902, I have deposited in the post office at Louisville, Kentucky, duly sealed, information of the said protest, directed to V. S. Wolff; Macondray & Company; American Bank, Manila, P. I.; The First National Bank, San Francisco, Cal., inclosed to the First National Bank, San Francisco, Cal.

“C. W. DIERUFF, *Notary Public*.

“(My commission expires on the 22nd day of January, 1906).

“EXHIBIT.

MANILA, P. I., *August 12, 1902*.

“\$300.00

“At sight pay to my order three hundred dollars, value received, and charge to my account.

“V. S. Wolff.

“To. F. H. Taylor & Company, *“Louisville, Kentucky. “No.....*

“[Indorsements.]

“V. S. Wolff. The signature is O. K. Macondray & Company.

“Pay to the First National Bank of San Francisco, Cal. American Bank, Manila, P. I. H. B. Mulford, cashier.

“Pay to the Third National Bank or order. The First National Bank of San Francisco, Cal. James K. Lynch, cashier.”

The plaintiff claims the right to recover of the defendant the amount of said bill of exchange, together with the expenses incurred by the protest, upon the theory that the defendant guaranteed the payment of said bill of exchange in the following form, as appears upon the said bill of exchange, as the same is set out in the petition of the plaintiff:

“V. S. Wolff. The signature is O. K. Macondray & Co.”

The liability of an indorsee of a bill of exchange, after due protest and notice of nonpayment and dishonor, is the same as that of the original obligors on such a contract, and any material alteration in the terms of this contract by the holder of the same, Without the consent of the obligor, will relieve such obligor from all liability thereon.

Notwithstanding that the defendant is relieved from liability by reason of this material alteration in his indorsement, we hold that his original indorsement created no liability whatever. The original indorsement by the defendant was for the purpose only of assuring the plaintiff that the signature of V. S. Wolff, as attached to the original bill of exchange, was genuine—that is to say, that the person who signed the said bill of exchange was in fact V. S. Wolff, the person whom he represented himself to be. It was an indorsement for identification of the person only, and not for the purpose of incurring any liability as to the payment of such bill of exchange. There was no attempt to show that the drawer of said bill of exchange, V. S. Wolff, was not the person who actually drew and signed said bill of exchange.

The judgment of the lower court is reversed, with the costs of both instances to be charged against the plaintiff. After the expiration of twenty days judgment will be entered in conformity herewith and the cause will be returned to the lower court for execution. So ordered.

*Arellano, C. J., Torres, Mapa, and Carson, JJ.* concur.  
*Willard, J.*, did not sit in this case.

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