THE
Negociator's Magazine:
OR, THE
EXCHANGES ANATOMIZ'D.
In Two Parts.

Part I. Shewing the different Species and Denominations of the Moneys, and the meaning of the Agio's practised in Foreign States, together with the current Prices of the Exchanges, and the Method to calculate them for most Places of Traffick in Europe.

Part II. Containing plain Instructions concerning Bills of Exchange, wherein is shewn what Method to take in most Cases that can happen in the usual Transactions and Occurrences of Trade.

THE SECOND EDITION.

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The Sun goes down, the Bill is due and payable by B.

The Accompt of Time, with respect to the Old and New Stile.

The Places underneath mention'd reckon by New Stile.

Amsterdam, Rotterdam, Antwerp, Harlem, Middleburgh, Ghent, Brussels, Brabant, and most of the Netherlands; Paris, Lion, Marseille, Bourdeaux, and all France; Lisbon, Oporto, and all Portugal; Madrid, Cadiz, Bilboa, and all Spain; Venice, and all Italy; also in Germany; all the Popish Electorates and Principalities; Augsburgh, Dantzick, and all Poland.

The Places underneath reckon by Old Stile, which is ten Days after the New.

Great-Britain, Ireland, all the Protestant Electorates and Principalities in Germany; all Denmark, Embden, the Protestant Cantons of Switzerland, Hamburg, East-Friesland, Geneva; all Sweden, Holstein, Lubeck, Strasburgh; all Saxony, Riga, and Leipsick.

Some Instructions and Observations upon Letters of Credit.

The chiefest Means of Correspondency and Trade between Merchant and Merchant, from one Place or Country to another, doth consist, and is supported by Letters Missive, from one to another, which Letters, if not countermanded, are binding, and may serve for sufficient Proof, according to
The Negotiator's Magazine: Or, to the Law of Merchants, in case of Dispute; and it is for this Reason Merchants commonly keep Copies of the Letters that they write to their Correspondents, whereby they know at any time what Orders they have given, and to whom; and these Letters have several Appellations, tho' they all serve for Advice and Orders, yet some are more particularly call'd Letters of Commission, others, Letters of Advice, others are call'd Freight-Letters, and others Letters of Credit. Letters of Commission are for buying or selling of Goods, freighting of Ships, taking up Money or remitting of Money, and the like. Letters of Advice are such as I write to my Friend, Correspondent, or Principal, advising them of Money drawn or remitted by Exchange. Freight-Letters are such as are written upon the freighting, or taking to Freight, any Ship or Vessel, or any Tonnage thereof, informing what Tonnage is taken to Freight, and what Freight is to be paid for the same. Letters of Credit are properly such as are written to furnish Money by Exchange upon the Credit of the Person that writes the Letter. These Letters of Credit (in regard they do more immediately concern the Honour and Credit of the Party that writes the same) must needs be look'd upon to be of the greatest Importance, and most binding to the Party or Parties that underwrite the same, and is good Security to the Party it is directed to, or concern'd therein.

Letters of Credit, for furnishing of Money by Exchange are of two sorts, the one General, and the other Special. A General Letter of Credit is, when I write my open Letter, directed to all Merchants and others that shall furnish Money unto such
such and such Persons upon this my Letter of Credit, wherein, and whereby I do bind myself, that what Money shall be by them deliver'd unto the Party or Parties therein mention'd, within such a Time, and at such and such Rates (or in general Terms, at the Price Current) I do thereby bind myself for to be accountable and answerable for the same to be repaid according to the Bill or Bills of Exchange, which upon the Receipt of the Money so furnish'd, shall be given or deliver'd for the same; and if any Money should be so furnish'd upon this my General Letter of Credit, and Bills of Exchange, given and charged, drawn or directed to me, although when the Bills come to Hand, and are presented to me, I should refuse Acceptance, yet according to the Custom of Merchants, I am bound, and am liable to pay those Bills of Exchange, by virtue of my General Letter of Credit, because those Persons that furnish the Money, have not so much regard to the Abilities of the Parties that take up the Money, as to me who has given my Letter of Credit for the same, and upon whose Credit meinerly, it might properly be said, the Money was deliver'd.

A Special Letter of Credit is, when a Merchant, at the Request of another Person, writes his open Letter of Credit, directed to his Correspondent, or Factor, giving him Orders to furnish such a Person (naming his Name) with such a Sum of Money, at one or more times, and to charge it to the Account of the Merchant that writes the Letter of Credit; and to take Bills of Exchange, or Receipts, for the Money he shall so furnish the Person withal. It is very convenient the Mer-
chant that grants a Special Letter of Credit, should write it himself, and should recite something or other particularly in some former Affairs or Dealings, or which is yet depending between them, or at least the Date of his last Letter, for a certainty of its being genuine, and that the Person the Letter is directed to may not be kept in suspense.

Now in General Letters of Credit, he that writes it makes use of his Credit for his own Account and Conveniency in his way of Trade; and therefore there needs nothing more than his Letter of Credit to make him liable to repay what shall be so furnished; but in a Special Letter of Credit, he that writes the Letter, does not take up Money for his own Use, but for the Use and Conveniency of any Person; and therefore it is very expedient and common for the Person (at whose Request the Letter of Credit is written, to give good Security by Bond, or otherwise, to the Merchant that gives the Letter of Credit, for Re-payment to him, his Executors or Assigns, of such Money as shall be receiv'd by Virtue of the said Letter of Credit; for the Merchant, by his Letter of Credit, stands sufficiently bound to his Correspondent; and therefore it is but reasonable, the Person the Letter of Credit is granted to, should give, as it were, his Counterbond for Re-payment.

Bills of Exchange that are made for Money taken up by Letters of Credit, run commonly in the ordinary Form, whereof there are several in the foregoing Pages.
As for the Form of a General Letter of Credit, every Man knowing best the Occasions that induces him to it, which is the main Substance of the Letter, I shall decline giving any Examples, and only set down the Form of a Special or Particular Letter of Credit, for which the following may serve:


SIR,

The last of yours was dated the 15th ultimo, wherein you noted mine of the 7th ditto. I hope, by this Time, you have effected what you advised: The last Parcel hangs on hand, we having a drooping Market; you may expect more of this per the next. The Import of this being chiefly to desire you to furnish and pay unto Mr. Simon Goodfellow, the Sum of One hundred Pounds Sterling, at one or more times, as he shall have Occasion, taking his Receipts for the Money you shall furnish him with, and this my Letter of Credit shall be your Warrant, giving, upon Payment, a Line of Advice to

Your real Friend and Servant,

To Mr. Robert Harle, Merchant in Exon.

Walter Freeman.

This
This Letter of Credit is given open to the Party that is to be furnish'd with the Money; but then it is usual for the Merchants to give Advice there-of to his Friend in the next Letter that he writes; and it is customary, when the Contents of this Letter is fulfilled, to send the Receipts to the Merchant that gives this Letter of Credit, that he may demand Re-payment of the Parties engag'd.

FINIS.