

but that the drawer in bad faith is liable to criminal punishment.

The Swiss Law (art. 837) provides only for civil compensation in the case where "a person draws a cheque without having sufficient funds in the drawee's office", without discrimination between good or bad faith or criminal liability specified in the Civil Code of Obligations.

It must be noted that the present drafting of section 1110 was made by the Code Commissioners after the French Law but before the recent law 2nd. August 1917 which has brought the above specified alterations especially for the prosecution and punishment of drawers in bad faith.

The question for the Committee is to know:

First, if it is desirable to punish the drawer in good faith as made by the present section 1110 and the French Law, - or to let him subject only to civil liability as made by the English and Swiss Laws;

Second, if it is advisable to specify the particular case of the drawer in bad faith ^{and} _A to provide imprisonment for him, as it is in the English and French Law.

This is really a question of practice and local experience. I note however that criminal prosecution of drawers in good faith is more understandable in countries where the cheque is of unfrequent and exceptional use as in France, but perhaps a hard policy in the countries where the cheque is a popular and frequent way of payment.

24th. August 1922.