

Bill of exchange

Distribution of roles:

Merchant of Genoa (buyer): _____

Merchant of Marseilles (seller): _____

Banker of Genoa (drawer): _____

Banker of Marseilles (drawee) _____

A merchant of Genoa visits his banker who will guarantee his money with a bill of exchange. The merchant thus avoids carrying cash with him on the roads, which are not always safe. Once he arrives in Marseilles, he goes to the banker there to exchange his bill of exchange for cash. He then buys his merchandise from a merchant (seller) at the market fair in Marseilles. Finally, the banker of Marseilles will have to recover his money somehow, usually by taking a loan himself from the banker of Genoa.

