



Cheques Act 1957

1957 CHAPTER 36 5 and 6 Eliz 2

4 Protection of bankers collecting payment of cheques, &c.

- (1) Where a banker, in good faith and without negligence,—
- (a) receives payment for a customer of an instrument to which this section applies; or
 - (b) having credited a customer's account with the amount of such an instrument, receives payment thereof for himself;
- and the customer has no title, or a defective title, to the instrument, the banker does not incur any liability to the true owner of the instrument by reason only of having received payment thereof.
- (2) This section applies to the following instruments, namely,—
- (a) cheques [^{F1}(including cheques which under section 81A(1) of the Bills of Exchange Act 1882 or otherwise are not transferable)];
 - (b) any document issued by a customer of a banker which, though not a bill of exchange, is intended to enable a person to obtain payment from that banker of the sum mentioned in the document;
 - (c) any document issued by a public officer which is intended to enable a person to obtain payment from the Paymaster General or the Queen's and Lord Treasurer's Remembrancer of the sum mentioned in the document but is not a bill of exchange;
 - (d) any draft payable on demand drawn by a banker upon himself, whether payable at the head office or some other office of his bank.
- (3) A banker is not to be treated for the purposes of this section as having been negligent by reason only of his failure to concern himself with absence of, or irregularity in, indorsement of an instrument.

Textual Amendments

F1 Words in s. 4(2)(a) inserted (16.6.1992) by [Cheques Act 1992 \(c. 32\)](#), ss.3, 4(2)

Changes to legislation: There are currently no known outstanding effects for the Cheques Act 1957, Section 4. (See end of Document for details)

Modifications etc. (not altering text)

- C1** S. 4 extended by [S.I. 1972/641](#), **reg. 7(2)**, [1972/764](#), reg. 21(5), [1972/765](#), reg. 8(2) and [1976/2012](#), reg. 22(2)
- C2** S. 4 amended by [Banking Act 1979](#) (c. 37, SIF 10), **s. 47**
- C3** S. 4 extended by [S.I. 1984/779](#), **reg. 7(2)**
- C4** S. 4 applied (6.4.2015) by [The National Savings \(No. 2\) Regulations 2015](#) (S.I. 2015/624), regs. 1(1), **96**
- C5** S. 4 applied (with modifications) (6.4.2015) by [The National Savings Regulations 2015](#) (S.I. 2015/623), regs. 1(1), **58**

Changes to legislation:

There are currently no known outstanding effects for the Cheques Act 1957, Section 4.