



Bills of Exchange Act 1882

1882 CHAPTER 61 45 and 46 Vict

PART IV

PROMISSORY NOTES

83 Promissory note defined.

- (1) A promissory note is an unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money, to, or to the order of, a specified person or to bearer.
- (2) An instrument in the form of a note payable to maker's order is not a note within the meaning of this section unless and until it is indorsed by the maker.
- (3) A note is not invalid by reason only that it contains also a pledge of collateral security with authority to sell or dispose thereof.
- (4) A note which is, or on the face of it purports to be, both made and payable within the British Islands is an inland note. Any other note is a foreign note.

84 Delivery necessary.

A promissory note is inchoate and incomplete until delivery thereof to the payee or bearer.

85 Joint and several notes.

- (1) A promissory note may be made by two or more makers, and they may be liable thereon jointly, or jointly and severally according to its tenour.
- (2) Where a note runs "I promise to pay" and is signed by two or more persons it is deemed to be their joint and several note.

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Bills of Exchange Act 1882, Part IV. (See end of Document for details)

86 Note payable on demand.

- (1) Where a note payable on demand has been indorsed, it must be presented for payment within a reasonable time of the indorsement. If it be not so presented the indorser is discharged.
- (2) In determining what is reasonable time, regard shall be had to the nature of the instrument, the usage of trade, and the facts of the particular case.
- (3) Where a note payable on demand is negotiated, it is not deemed to be overdue, for the purpose of affecting the holder with defects of title of which he had no notice, by reason that it appears that a reasonable time for presenting it for payment has elapsed since its issue.

87 Presentment of note for payment.

- (1) Where a promissory note is in the body of it made payable at a particular place, it must be presented for payment at that place in order to render the maker liable. In any other case, presentment for payment is not necessary in order to render the maker liable.
- (2) Presentment for payment is necessary in order to render the indorser of a note liable.
- (3) Where a note is in the body of it made payable at a particular place, presentment at that place is necessary in order to render an indorser liable; but when a place of payment is indicated by way of memorandum only, presentment at that place is sufficient to render the indorser liable, but a presentment to the maker elsewhere, if sufficient in other respects, shall also suffice.

88 Liability of maker.

The maker of a promissory note by making it—

- (1) Engages that he will pay it according to its tenor;
- (2) Is precluded from denying to a holder in due course the existence of the payee and his then capacity to indorse.

89 Application of Part II to notes.

- (1) Subject to the provisions in this part, and except as by this section provided, the provisions of this Act relating to bills of exchange apply, with the necessary modifications, to promissory notes.
- (2) In applying those provisions the maker of a note shall be deemed to correspond with the acceptor of a bill, and the first indorser of a note shall be deemed to correspond with the drawer of an accepted bill payable to drawer's order.
- (3) The following provisions as to bills do not apply to notes; namely, provisions relating to—
 - (a) Presentment for acceptance;
 - (b) Acceptance;
 - (c) Acceptance supra protest;
 - (d) Bills in a set.
- (4) Where a foreign note is dishonoured, protest thereof is unnecessary.

Status:

Point in time view as at 01/02/1991.

Changes to legislation:

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