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**NOTICE OF DISHONOUR IF YOU REFUSE THIS NEGOTIABLE INSTRUMENT**

SIDE 2

**Section 42 Violation of The Bills of Exchange Act 1882 – Dishonour of a bill or note through Non acceptance**

Should you fail to accept it or refuse to honour it you will be in breach Sections 42 & 43 for Non Acceptance and Dishonour and the DRAWER walks free and clear  
**Section 42 Non-acceptance.**

When a bill [note] is duly presented for acceptance and is not accepted within the customary time, the person presenting it must treat it as dishonoured by non-acceptance. If he does not, the holder shall lose his right of recourse against the drawer and endorsers.

**Section 43 Dishonour by Non-acceptance and its consequences.**

(1) A bill is dishonoured by non-acceptance—

(a) when it is duly presented for acceptance, and such an acceptance as is prescribed by this Act is refused or cannot be obtained; or

(b) when presentment for acceptance is excused and the bill is not accepted.

(2) Subject to the provisions of this Act when a bill is dishonoured by non-acceptance, an immediate right of recourse against the drawer and endorsers accrues to the holder, and no presentment for payment is necessary.

**AS ACCOUNT PAYEE - HOLDER**

**Article 15 of The Convention states:**

1. A person is a holder if he is: The payee in possession of the instrument and

3. A person is not prevented from being a holder by the fact that the instrument was obtained by him or any previous holder under circumstances, *including incapacity or fraud, duress or mistake of any kind that* would give rise to a claim to, or a defence against liability on, the instrument.

**WeRe Bank** confirms that this cheque IS DRAWN ON A BANK ACCOUNT –THE BANK HAS FUNDS ON DEPOSIT in the name of the DRAWER TO CLEAR THE ISSUED NOTE TO YOU THE PAYEE – THE “MONEY” IS BANK LEDGER MONEY OR MONETARY UNIT OF ACCOUNT and can be transferred to you either electronically within the CLEARING PERIOD

**WeRe Bank** 83 Ducie Street, Manchester M1 2JQ

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SIDE 1

**NOTICE TO PAYEE - LEGAL DEPARTMENTS AND ACCOUNTING/BOOK-KEEPING DEPARTMENTS**

SIDE 1

**Allonge - RECEIPT OF NEGOTIABLE INSTRUMENT - Allonge**

A negotiable instrument is a check, promissory note, bill of exchange, security or any document representing money payable which can be transferred to another by handing it over (delivery) and/or endorsing it (signing one's name on the back either with no instructions or directing it to another). A negotiable instrument is a contract and subject to the rules governing contract law. However, a negotiable instrument may be distinguished from an ordinary contract by the fact that a negotiable instrument may be written in a way that makes it transferable. This quality of negotiation generally allows the instrument to be used as a substitute for money by holders in due course, despite the defensive claims between the original parties who drafted the negotiable instrument. In order to be negotiable, the bill or note must be payable to order, or to bearer. Some promissory notes contain a clause making them non-negotiable

The Presentment of this cheque is to be treated as cash on your accounting ledger: See:-

**Lord Denning M.R. in Fielding & Platt Ltd v Selim Najjar [1969] 1 W.L.R. 357 at 361; [1969] 2 All E.R. 150 at 152, CA):**

**“We have repeatedly said in this court that a bill of exchange or a promissory note is to be treated as cash. It is to be honoured unless there is “some good reason to the contrary.”**

Therefore, it is reasonable to deduce that, notwithstanding the confusing and convoluted terms of the 1882 Act and the corruption of the courts, “all fully negotiable instruments in the form of bills of exchange and promissory notes are to be treated as if they are cash, unless that is contrary “to the terms of an enforceable contract between the parties. Since the rules of equity dictate that no party can lawfully prevent another from “using any remedy that it utilises for its own benefit under such terms [otherwise known as placing a Clog on the Equity], there is no recourse for the payee to refuse lawful payment made in good faith”.

**THIS CHEQUE IS TENDERED UNDER THE TERMS OF THE BILLS OF EXCHANGE ACT 1882 & UN Convention on Bills of Exchange and Promissory Notes 1988**

AS SUCH THE DRAWER OF THE CHEQUE HAS CERTAIN PROTECTIONS AND **YOU AS PAYEE** HAVE CERTAIN OBLIGATIONS THE MOST IMPORTANT OF WHICH IS TO ACCEPT THIS NOTE AND PRESENT IT FOR CLEARING.