ANGUILLA

REVISED STATUTES OF ANGUILLA

CHAPTER B30

BILLS OF EXCHANGE ACT

Showing the Law as at 31 December 2022

This Edition was prepared under the authority of the Revised Statutes and Regulations Act, R.S.A. c. R55 by the Attorney General as Law Revision Commissioner.

This Edition consolidates—
Act 2/2012, in force 15 March 2012

Published by the
Attorney General's Chambers
Printed under Authority by
The Regional Law Revision Centre Inc.
ANGUILLA

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

ANGUILLA

REVISED STATUTES OF ANGUILLA

CHAPTER B30

BILLS OF EXCHANGE ACT

Showing the Law as at 31 December 2022

This Edition was prepared under the authority of the Revised Statutes and Regulations Act, R.S.A. c. R55 by the Attorney General as Law Revision Commissioner.

This Edition consolidates—
Act 2/2012, in force 15 March 2012

Published by the
Attorney General's Chambers
Printed under Authority by
The Regional Law Revision Centre Inc.
ANGUILLA

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

© Government of Anguilla

All rights reserved. No part of this publication may be reproduced in any form or by any means (including photocopying) without the written permission of the Government of Anguilla except as permitted by the Copyright Act or under the terms of a licence from the Government of Anguilla.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

BILLS OF EXCHANGE ACT

TABLE OF CONTENTS

SECTION

1. Interpretation
2. Application

PART 1

BILLS OF EXCHANGE

Form and Interpretation

3. Bill of exchange defined
4. Inland and foreign bills
5. Effect where different parties to bill are the same person
6. Bill to be addressed to drawee
7. Certainty required as to payee
8. What bills are negotiable
9. Sum payable
10. Bill payable on demand
11. Bill payable at a future time
12. Omission of date in bill payable after date
13. Ante-dating and post-dating
14. Computation of time of payment
15. Case of need
16. Optional stipulations by drawer or endorser
17. Definition and requisites of acceptance
18. Time for acceptance
19. General and qualified acceptance
20. Inchoate instruments
21. Delivery

Capacity and Authority of Parties

22. Capacity of parties
23. Signature essential to liability
24. Forged or unauthorised signature
25. Procuration signatures
26. Person signing as agent or in representative capacity

Consideration for a Bill

27. Value and holder for value

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

28. Accommodation bill or party
29. Holder in due course
30. Presumption of value and good faith

Negotiation of Bills

31. Negotiation of bill
32. Requisites of a valid endorsement
33. Conditional endorsement
34. Endorsement in blank and special endorsement
35. Restrictive endorsement
36. Negotiation of overdue or dishonoured bill
37. Negotiation of bill to party already liable thereon
38. Rights of the holder

General Duties of the Holder

39. When presentment for acceptance is necessary
40. Time for presenting bill payable after sight
41. Rules as to presentment for acceptance and excuses for non-presentment
42. Non-acceptance
43. Dishonour by non-acceptance and its consequences
44. Duties as to qualified acceptances
45. Rules as to presentment for payment
46. Presentment of cheque for payment; alternative place of presentment
47. Presentment of cheque for payment; alternative means of presentment by banker
48. Excuses for delay or non-presentment for payment
49. Dishonour by non-payment
50. Notice of dishonour and effect of non-notice
51. Rules as to notice of dishonour
52. Excuses for non-notice and delay
53. Noting or protest of bill
54. Duties of holder as regards drawee or acceptor
55. Holder not obliged to exhibit bill to secure payment

Liabilities of Parties

56. Funds in hands of drawee
57. Liability of acceptor
58. Liability of drawer or endorser
59. Stranger signing bill liable as endorser
60. Measure of damages against parties to dishonoured bill
61. Transferor by delivery and transferee
62. Payment in due course
63. Banker paying demand draft whereon endorsement is forged
64. Acceptor the holder at maturity
65. Express waiver

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

66. Cancellation
67. Alteration of bill

Acceptance and Payment for Honour

68. Acceptance for honour *supra* protest
69. Liability of acceptor for honour
70. Presentment to acceptor for honour
71. Payment for honour *supra* protest

Lost Instruments

72. Holder's right to duplicate of lost bill
73. Action on lost bill

Bill in a Set

74. Rules as to sets

Conflict of Laws

75. Rules where laws conflict

PART 2

CHEQUES

Cheques on a Banker

76. Cheque defined
77. Cheque certification
78. Presentment of cheque for payment
79. Revocation of banker's authority

Crossed Cheque

80. General and special crossings defined
81. Crossing by drawer or after issue
82. Crossing a material part of cheque
83. Duties of banker as to crossed cheques
84. Protection to banker and drawer where cheque is crossed
85. Effect of words "not negotiable"
86. Non-transferable cheques
87. Protection of banker
88. Cheques drawn on a bank by itself

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

PART 3

PROMISSORY NOTES

89. Promissory note defined
90. Delivery necessary
91. Joint and several notes
92. Note payable on demand
93. Presentment of note for payment
94. Liability of maker
95. Application of Part 1 to notes

PART 4

SUPPLEMENTARY

96. Good faith
97. Signature
98. Computation of time
99. When noting equivalent to protest
100. Protest when notary not accessible
101. Dividend warrants may be crossed
102. Regulations
103. Citation
SCHEDULE: Form of Protest which may be Used when the Services of a Notary Cannot be Obtained

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

BILLS OF EXCHANGE ACT

Interpretation

1. In this Act—

"acceptance" means an acceptance completed by delivery or notification;

"action" includes counter claim and set off;

"banker" includes a body of persons, whether incorporated or not, who carry on the business of banking;

"bankrupt" includes any person whose estate is vested in a trustee or assignee under the law for the time being in force relating to bankruptcy;

"bearer" means the person in possession of a bill or note that is payable to bearer;

"bill" means bill of exchange;

"delivery" means transfer of possession, actual or constructive, from one person to another;

"endorsement" means an endorsement completed by delivery;

"holder" means the payee or endorsee of a bill or note who is in possession of it, or the bearer thereof;

"issue" means the first delivery of a bill or note, complete in form, to a person who takes it as a holder;

"Minister" means the Minister responsible for Finance;
(Act 2/2012, s. 2)

"note" means promissory note;

"person" includes a body of persons, whether incorporated or not;

"value" means valuable consideration;

"writing" includes print;

"written" includes printed.

Application

2. (1) The rules in bankruptcy relating to bills of exchange, promissory notes and cheques apply thereto notwithstanding anything contained in this Act.

(2) The rules of common law including the law merchant, except in so far as they are incon sistent with the express provisions of this Act, apply to bills of exchange, promissory notes and cheques.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(3) Nothing in this Act shall affect—

(a) the provisions of any Stamp Act or any law or enactment relating to the revenue;

(b) the provisions of the Companies Act*; or

(c) the validity of any usage relating to dividend warrants, or the endorsements thereof.

PART 1

BILLS OF EXCHANGE

Form and Interpretation

Bill of exchange defined

3. (1) A bill of exchange is an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed 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 that does not comply with these conditions or that orders any act to be done in addition to the payment of money, is not a bill of exchange.

(3) An order to pay out of a particular fund is not unconditional within the meaning of this section, but an unqualified order to pay, coupled with an indication of a particular fund out of which the drawee is to reimburse himself, or a particular account to be debited with the amount or a statement of the transaction that gives rise to the bill, is unconditional.

(4) A bill is not invalid by reason—

(a) that it is not dated;

(b) that it does not specify the value given or that any value has been given therefor; or

(c) that it does not specify the place where it is drawn or the place where it is payable.

Inland and foreign bills

4. (1) An inland bill is a bill that is, or on the face of it purports to be—

(a) both drawn and payable within Anguilla; or

(b) drawn within Anguilla upon some person resident therein.

Any other bill is a foreign bill.

* Business Companies Act, 2022 (Act 2/2022) *repealed* the Companies Act, R.S.A. c. C65.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) Unless the contrary appears on the face of the bill, the holder may treat it as an inland bill.

Effect where different parties to bill are the same person

5. (1) A bill may be drawn payable to, or to the order of, the drawer, or it may be drawn payable to, or to the order of, the drawee.

(2) Where in a bill drawer and drawee are the same person, or where the drawee is a fictitious person, or a person not having capacity to contract, the holder may treat the instrument, at his option, either as a bill of exchange or as a promissory note.

Bill to be addressed to drawee

6. (1) The drawee must be named or otherwise indicated in a bill with reasonable certainty.

(2) A bill may be addressed to 2 or more drawees whether they are partners or not, but an order addressed to 2 drawees in the alternative, or to 2 or more drawees in succession, is not a bill of exchange.

Certainty required as to payee

7. (1) Where a bill is not payable to bearer, the payee must be named or otherwise indicated therein with reasonable certainty.

(2) A bill may be made payable to 2 or more payees jointly, or it may be made payable in the alternative to 1 of 2, or 1 or some of several, payees. A bill may also be made payable to the holder of an office for the time being.

(3) Where the payee is a fictitious or non-existing person, the bill may be treated as payable to bearer.

What bills are negotiable

8. (1) When a bill contains words prohibiting transfer, or indicating an intention that it should not be transferable, it is valid as between the parties thereto, but is not negotiable.

(2) A negotiable bill may be payable either to order or to bearer.

(3) A bill is payable to bearer that is expressed to be so payable, or on which the only or last endorsement is an endorsement in blank.

(4) A bill is payable to order that is expressed to be so payable, or that is expressed to be pay able to a particular person, and does not contain words prohibiting transfer or indicating an intention that it shall not be transferable.

(5) Where a bill, either originally or by endorsement, is expressed to be payable to the order of a specified person, and not to him or his order, it is nevertheless payable to him or his order at his option.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Sum payable

9. (1) The sum payable by a bill is a sum certain within the meaning of this Act although it is required to be paid—

(a) with interest;

(b) by stated instalments;

(c) by stated instalments, with a provision that, upon default in payment of any instalment, the whole shall become due; or

(d) according to an indicated rate of exchange or a rate of exchange to be ascertained as directed by the bill.

(2) Where the sum payable is expressed in words and also in figures, and there is a discrepancy between the two, the sum denoted by the words is the amount payable.

(3) Where a bill is expressed to be payable with interest, unless the instrument otherwise pro vides, interest runs from the date of the bill, and if the bill is undated, from the issue thereof.

Bill payable on demand

10. (1) A bill is payable on demand—

(a) that is expressed to be payable on demand, or at sight, or on presentation; or

(b) in which no time for payment is expressed.

(2) Where a bill is accepted or endorsed when it is overdue, it is, as regards the acceptor who so accepts, or any endorser who so endorses it, deemed a bill payable on demand.

Bill payable at a future time

11. A bill is payable at a determinable future time within the meaning of this Act that is expressed to be payable—

(a) at a fixed period after date or sight; or

(b) on or at a fixed period after the occurrence of a specified event that is certain to happen, though the time of happening may be uncertain.

An instrument expressed to be payable on a contingency is not a bill, and the happening of the event does not cure the defect.

Omission of date in bill payable after date

12. Where a bill expressed to be payable at a fixed period after date is issued undated, or where the acceptance of a bill payable at a fixed period after sight is undated, any holder may insert therein the true date of issue or acceptance, and the bill shall be payable accordingly, but—

(a) where the holder in good faith and by mistake inserts a wrong date; and

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(b) in every case where a wrong date is inserted, if the bill subsequently comes into the hands of a holder in due course,

the bill shall not be avoided thereby, but shall operate and be payable as if the date so inserted had been the true date.

Ante-dating and post-dating

13. (1) Where a bill, an acceptance or any endorsement on a bill is dated, the date is, unless the contrary is proved, deemed to be the true date of the drawing, acceptance, or endorsement, as the case may be.

(2) A bill is not invalid by reason only that it is ante-dated or post-dated, or that it bears date on a Sunday.

Computation of time of payment

14. Where a bill is not payable on demand, the day on which it falls due is determined as follows—

(a) three days, called days of grace, are, in every case where the bill itself does not otherwise provide, added to the time of payment as fixed by the bill, and the bill is due and payable on the last day of grace but—

(i) when the last day of grace falls on Sunday, Christmas Day, or Good Friday, the bill is, except in the case hereinafter provided for, due and payable on the preceding business day, and

(ii) when the last day of grace is a public holiday (other than Christmas Day or Good Friday) under the Public Holidays Act, or when the last day of grace is a Sunday, and the second day of grace is a public holiday, the bill is due and payable on the succeeding business day;

(b) where a bill is payable at a fixed period after date, after sight, or after the happening of a specified event, the time of payment is determined by excluding the day from which the time is to begin to run, and by including the day of payment;

(c) where a bill is payable at a fixed period after sight, the time begins to run from the date of the acceptance, if the bill is accepted, and from the date of noting or protest, if the bill is noted or protested for non-acceptance or for non-delivery;

(d) the term "month" in a bill means calendar month.

Case of need

15. The drawer of a bill, and any endorser, may insert therein the name of a person to whom the holder may resort in case of need, that is to say, in case the bill is dishonoured by non-acceptance or non-payment. Such person is called the referee in case of need. It is in the option of the holder to resort to the referee in case of need or not, as he may think fit.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Optional stipulations by drawer or endorser

16. The drawer of a bill, and any endorser, may insert therein an express stipulation—

(a) negativing or limiting his own liability to the holder; or

(b) waiving, as regards himself, some or all of the holder's duties.

Definition and requisites of acceptance

17. (1) The acceptance of a bill is the signification by the drawee of his assent to the order of the drawer.

(2) An acceptance is invalid unless it complies with the following conditions—

(a) it must be written on the bill and be signed by the drawee, and the mere signature of the drawee, without additional words, is sufficient;

(b) it must not express that the drawee will perform his promise by any other means than the payment of money.

Time for acceptance

18. A bill may be accepted—

(a) before it has been signed by the drawer, or while otherwise incomplete; or

(b) when it is overdue or after it has been dishonoured by a previous refusal to accept or by non-payment.

When a bill payable after sight is dishonoured by non-acceptance and the drawee subsequently accepts it, the holder, in the absence of any different agreement, is entitled to have the bill accepted as of the date of first presentment to the drawee for acceptance.

General and qualified acceptance

19. (1) An acceptance is either general or qualified.

(2) A general acceptance assents without qualification to the order of the drawer. A qualified acceptance in express terms varies the effect of the bill as drawn. In particular an acceptance is qualified that is—

(a) conditional, that is to say, which makes payment by the acceptor dependent on the ful filment of a condition therein stated;

(b) partial, that is to say, an acceptance to pay part only of the amount for which the bill is drawn;

(c) local, that is to say, an acceptance to pay only at a particular specified place;

(d) qualified as to time; or

(e) the acceptance of some one or more of the drawees, but not of all.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(3) An acceptance to pay at a particular place is a general acceptance, unless it expressly states that the bill is to be paid there only and not elsewhere.

Inchoate instruments

20. (1) Where a simple signature on a blank stamped paper is delivered by the signer in order that it may be converted into a bill, it operates as a *prima facie* authority to fill it up as a complete bill for any amount the stamp will cover, using the signature for that of the drawer, or the acceptor, or an endorser, and, in like manner, when a bill is wanting in any material particular, the person in possession of it has a *prima facie* authority to fill up the omission in any way he thinks fit.

(2) In order that any such instrument, when completed, may be enforceable against any person who became a party thereto prior to its completion, it must be filled up within a reasonable time, and strictly in accordance with the authority given. Reasonable time for this purpose is a question of fact.

(3) Notwithstanding subsection (2), if any such instrument, after completion, is negotiated to a holder in due course, it shall be valid and effectual for all purposes in his hands, and he may enforce it as if it had been filled up within a reasonable time, and strictly in accordance with the authority given.

Delivery

21. (1) Every contract on a bill, whether it be the drawer's, the acceptor's or an endorser's, is incomplete and revocable, until delivery of the instrument in order to give effect thereto, but, where an acceptance is written on a bill, and the drawee gives notice to, or according to the directions of, the person entitled to the bill, that he has accepted it, the acceptance then becomes complete and irrevocable.

(2) As between immediate parties, and as regards a remote party other than a holder in due course, the delivery—

(a) in order to be effectual, must be made either by or under the authority of the party drawing, accepting, or endorsing, as the case may be; or

(b) may be shown to have been conditional or for a special purpose only, and not for the purpose of transferring the property in the bill;

but if the bill is in the hands of a holder in due course, a valid delivery of the bill by all parties prior to him so as to make them liable to him is conclusively presumed.

(3) Where a bill is no longer in the possession of a party who has signed it as a drawer, acceptor or endorser, a valid and unconditional delivery by him is presumed until the contrary is shown.

Capacity and Authority of Parties

Capacity of parties

22. (1) Capacity to incur a liability as a party to a bill is co-extensive with capacity to contract, but nothing in this section shall enable a corporation to make itself liable as drawer, acceptor or endorser of a bill, unless it is competent to it to do so under the law for the time being in force relating to corporations.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) Where a bill is drawn or endorsed by an infant, minor or corporation having no capacity or power to incur liability on a bill, the drawing or endorsement entitles the holder to receive payment of the bill and to enforce it against any other party thereto.

Signature essential to liability

23. No person is liable as drawer, endorser or acceptor of a bill who has not signed it as such, but—

(a) where a person signs a bill in a trade or assumed name, he is liable thereon as if he had signed it in his own name; and

(b) the signature of the name of a firm is equivalent to the signature, by the person so signing, of the names of all persons liable as partners in that firm.

Forged or unauthorised signature

24. Subject to the provisions of this Act, where a signature on a bill is forged or placed thereon without the authority of the person whose signature it purports to be, the forged or unauthorised signature is wholly inoperative, and no right to retain the bill, give a discharge therefor, or to enforce payment thereof against any party thereto can be acquired through or under that signature, unless the party against whom it is sought to retain or enforce payment of the bill is precluded from setting up the forgery or want of authority, but nothing in this section affects the ratification of an unauthorised signature not amounting to a forgery.

Procuration signatures

25. A signature by procuration operates as notice that the agent has but a limited authority to sign, and the principal is only bound by the signature if the agent, in so signing, was acting within the actual limit of his authority.

Person signing as agent or in representative capacity

26. (1) Where a person signs a bill as a drawer, endorser or acceptor and adds words to his signature indicating that he signs for or on behalf of a principal or in a representative character, he is not personally liable thereon, but the mere addition to his signature of words describing him as an agent, or as filling a representative character, does not exempt him from personal liability.

(2) In determining whether a signature on a bill is that of the principal or that of the agent by whose hand it is written, the construction most favourable to the validity of the instrument shall be adopted.

Consideration for a Bill

Value and holder for value

27. (1) Valuable consideration for a bill may be constituted by—

(a) any consideration sufficient to support a simple contract; or

(b) an antecedent debt or liability and the debt or liability is deemed valuable consideration whether the bill is payable on demand or at a future time.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) Where value has at any time been given for a bill, the holder is deemed to be a holder for value as regards the acceptor and all parties to the bill who became parties prior to such time.

(3) Where the holder of a bill has a lien on it arising either from contract or by implication of law, he is deemed to be a holder for value to the extent of the sum for which he has a lien.

Accommodation bill or party

28. (1) An accommodation party to a bill is a person who has signed a bill as drawer, acceptor, or endorser without receiving value therefor, and for the purpose of lending his name to some other person.

(2) An accommodation party is liable on the bill to a holder for value, and it is immaterial whether, when the holder took the bill, he knew the party to be an accommodation party or not.

Holder in due course

29. (1) A holder in due course is a holder who has taken a bill, complete and regular on the face of it under the following conditions—

(a) that he became the holder of it before it was overdue, and without notice that it had been previously dishonoured, if such was the fact;

(b) that he took the bill in good faith and for value, and that, at the time the bill was negotiated to him, he had no notice of any defect in the title of the person who negotiated it.

(2) In particular the title of a person who negotiates a bill is defective within the meaning of this Act when he obtained the bill or the acceptance of it by fraud, duress, or false, unfair or other unlawful means, or for an illegal consideration, or when he negotiates it in breach of faith, or under such circumstances as amount to a fraud.

(3) A holder, whether for value or not, who derives his title to a bill through a holder in due course and who is not himself a party to any fraud or illegality affecting it has all the rights of that holder in due course as regards the acceptor and all parties to the bill prior to that holder.

Presumption of value and good faith

30. (1) Every party whose signature appears on a bill is *prima facie* deemed to have become a party thereto for value.

(2) Every holder of a bill is *prima facie* deemed to be a holder in due course, but, if in an action on a bill it is admitted or proved that the acceptance, issue or subsequent negotiation of the bill is affected with fraud, duress, or force and fear, or illegality, the burden of proof is shifted, unless and until the holder proves that, subsequent to the alleged fraud or illegality, value has in good faith been given for the bill.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Negotiation of Bills

Negotiation of bill

31. (1) A bill is negotiated when it is transferred from one person to another in such a manner as to constitute the transferee the holder of the bill.

(2) A bill payable to bearer is negotiated by delivery.

(3) A bill payable to order is negotiated by the endorsement of the holder, completed by delivery.

(4) Where the holder of a bill payable to his order transfers it for value without endorsing it, the transfer gives the transferee such title as the transferor had in the bill, and the transferee in addition acquires the right to have the endorsement of the transferor.

(5) Where any person is under obligation to endorse a bill in a representative capacity, he may endorse the bill in such terms as to negative personal liability.

Requisites of a valid endorsement

32. (1) An endorsement, in order to operate as a negotiation, must comply with the conditions set out in this section.

(2) An endorsement must be written on the bill itself and be signed by the endorser; the simple signature of the endorser on the bill, without additional words, is sufficient and an endorsement written on an allonge, or on a "copy" of a bill issued or negotiated in a country where "copies" are recognised, is deemed to be written on the bill itself.

(3) An endorsement must be an endorsement of the entire bill, a partial endorsement, that is to say, an endorsement that purports to transfer to the endorsee a part only of the amount payable or which purports to transfer the bill to 2 or more endorsees severally, does not operate as a negotiation of the bill.

(4) Where a bill is payable to the order of 2 or more payees or endorsees, who are not part ners, all must endorse, unless the one endorsing has authority to endorse for the others.

(5) Where, in a bill payable to order, the payee or endorsee is wrongly designated or his name is misspelt, he may endorse the bill as therein described, adding, if he thinks fit, his proper signature.

(6) Where there are 2 or more endorsements on a bill, each endorsement is deemed to have been made in the order in which it appears on the bill, until the contrary is proved.

(7) An endorsement may be made in blank or special and it may also contain terms making it restrictive.

Conditional endorsement

33. Where a bill purports to be endorsed conditionally, the condition may be disregarded by the payer, and payment to the endorsee is valid whether the condition has been fulfilled or not.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Endorsement in blank and special endorsement

34. (1) An endorsement in blank specifies no endorsee, and a bill so endorsed becomes payable to bearer.

(2) A special endorsement specifies the person to whom, or to whose order, the bill is to be payable.

(3) The provisions of this Act relating to a payee apply, with the necessary modifications, to an endorsee under a special endorsement.

(4) When a bill has been endorsed in blank, any holder may convert the blank endorsement into a special endorsement by writing above the endorser's signature a direction to pay the bill to, or to the order of, himself or some other person.

Restrictive endorsement

35. (1) An endorsement is restrictive that prohibits the further negotiation of the bill or that expresses that it is a mere authority to deal with the bill as thereby directed, and not a transfer of the ownership thereof, as, for example, if a bill is endorsed "Pay D only", or "Pay D for the account of X", or "Pay D or order for collection".

(2) A restrictive endorsement gives the endorsee the right to receive payment of the bill and to sue any party thereto that his endorser could have sued, but gives him no power to transfer his rights as endorsee, unless it expressly authorizes him to do so.

(3) Where a restrictive endorsement authorizes further transfer, all subsequent endorsees take the bill with the same rights and subject to the same liabilities as the first endorsee under the restrictive endorsement.

Negotiation of overdue or dishonoured bill

36. (1) Where a bill is negotiable in its origin, it continues to be negotiable until it has been restrictively endorsed or discharged by payment or otherwise.

(2) Where an overdue bill is negotiated, it can only be negotiated subject to any defect of title affecting it at its maturity, and thenceforward no person who takes it can acquire or give a better title than that which the person from whom he took it had.

(3) A bill payable on demand is deemed to be overdue within the meaning and for the purposes of this section when it appears on the face of it to have been in circulation for an unreasonable length of time. What is an unreasonable length of time for this purpose is a question of fact.

(4) Except where an endorsement bears date after the maturity of the bill, every negotiation is *prima facie* deemed to have been effected before the bill was overdue.

(5) Where a bill that is not overdue has been dishonoured, any person who takes it with notice of the dishonour takes it subject to any defect of title attaching thereto at the time of dishonour, but nothing in this subsection shall affect the rights of a holder in due course.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Negotiation of bill to party already liable thereon

37. Where a bill is negotiated back to the drawer or to a prior endorser or to the acceptor, such party may, subject to the provisions of this Act, reissue and further negotiate the bill, but he is not entitled to enforce payment of the bill against any intervening party to whom he was previously liable.

Rights of the holder

38. The rights and powers of the holder of a bill are as follows—

(a) he may sue on the bill in his own name;

(b) where he is a holder in due course, he holds the bill free from any defect of title of prior parties, as well as from mere personal defences available to prior parties among themselves, and may enforce payment against all parties liable on the bill;

(c) where his title is defective, if he negotiates the bill to a holder in due course, that holder obtains a good and complete title to the bill, and if he obtains payment of the bill, the person who pays him in due course gets a valid discharge for the bill.

General Duties of the Holder

When presentment for acceptance is necessary

39. (1) Where a bill is payable after sight, presentment for acceptance is necessary in order to fix the maturity of the instrument.

(2) Where a bill expressly stipulates that it shall be presented for acceptance, or where a bill is drawn payable elsewhere than at the residence or place of business of the drawee, it must be presented for acceptance before it can be presented for payment.

(3) In no other case is presentment for acceptance necessary in order to render liable any party to the bill.

(4) Where the holder of a bill drawn payable elsewhere than at the place of business or resi dence of the drawee does not have time, with the exercise of reasonable diligence, to present the bill for acceptance before presenting it for payment on the day that it falls due, the delay caused by presenting the bill for acceptance before presenting it for payment is excused and does not discharge the drawer and endorsers.

Time for presenting bill payable after sight

40. (1) Subject to the provisions of this Act, when a bill payable after sight is negotiated, the holder must either present it for acceptance or negotiate it within a reasonable time.

(2) If he does not do so, the drawer and all endorsers prior to that holder are discharged.

(3) In determining what is a reasonable time within the meaning of this section, regard shall be had to the nature of the bill, the usage of trade with respect to similar bills, and the facts of the particular case.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Rules as to presentment for acceptance and excuses for non-presentment

41. (1) A bill is duly presented for acceptance that is presented in accordance with the following rules—

(a) the presentment must be made by, or on behalf of, the holder to the drawee or to some person authorised to accept or refuse acceptance on his behalf, at a reasonable hour on a business day and before the bill is overdue;

(b) when a bill is addressed to 2 or more drawees who are not partners, presentment must be made to them all, unless one has authority to accept for all, then presentment may be made to him only;

(c) where the drawee is dead, presentment may be made to his personal representative;

(d) where the drawee is bankrupt, presentment may be made to him or to his trustee;

(e) where authorised by agreement or usage, a presentment though the post office is suf ficient.

(2) Presentment in accordance with these rules is excused, and a bill may be treated as dishonoured by non-acceptance—

(a) where the drawee is dead or bankrupt, is a fictitious person, or a person not having capacity to contract by bill;

(b) where, after the exercise of reasonable diligence, such presentment cannot be effected; or

(c) where, although the presentment has been irregular, acceptance has been refused on some other ground.

(3) The fact that the holder has reason to believe that the bill, on presentment, will be dishon oured does not excuse presentment.

Non-acceptance

42. When a bill is duly presented for acceptance and is not accepted within the customary time or, where there is no custom, within a reasonable 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.

Dishonour by non-acceptance and its consequences

43. (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.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(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.

Duties as to qualified acceptances

44. (1) The holder of a bill may refuse to take a qualified acceptance and, if he does not obtain an unqualified acceptance, may treat the bill as dishonoured by non-acceptance.

(2) Where a qualified acceptance is taken and the drawer or an endorser has not expressly or impliedly authorised the holder to take a qualified acceptance, or does not subsequently assent thereto, the drawer or endorser is discharged from his liability on the bill. This subsection does not apply to a partial acceptance, whereof due notice has been given. Where a foreign bill has been accepted as to part, it must be protested as to the balance.

(3) Where the drawer or endorser of a bill receives notice of a qualified acceptance and does not, within a reasonable time, express his dissent to the holder, he is deemed to have assented thereto.

Rules as to presentment for payment

45. (1) Subject to the provisions of this Act, a bill must be duly presented for payment.

(2) If it is not so presented, the drawer and endorsers shall be discharged.

(3) A bill is duly presented for payment that is presented in accordance with subsections (4) to (11).

(4) Where the bill is not payable on demand, presentment must be made on the day it falls due.

(5) Where the bill is payable on demand, then, subject to the provisions of this Act, present ment must be made within a reasonable time after its issue in order to render the drawer liable, and within a reasonable time after its endorsement in order to render the endorser liable. In determining what is a reasonable time, regard shall be had to the nature of the bill, the usage of trade with regard to similar bills, and the facts of the particular case.

(6) Presentment must be made by the holder, or by some person authorised to receive payment on his behalf, at a reasonable hour on a business day, at the proper place as hereinafter defined, either to the person designated by the bill as payer, or to some person authorised to pay or refuse payment on his behalf, if with the exercise of reasonable diligence such person can there be found.

(7) A bill is presented at the proper place—

(a) where a place of payment is specified in the bill, and the bill is there presented;

(b) where no place of payment is specified, but the address of the drawee or acceptor is given in the bill, and the bill is there presented;

(c) where no place of payment is specified and no address given, and the bill is presented at the drawee's or acceptor's place of business, if known, and if not, at his ordinary residence, if known; or

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(d) in any other case, if presented to the drawee or acceptor wherever he can be found, or if presented at his last known place of business or residence.

(8) Where a bill is presented at the proper place, and, after the exercise of reasonable dili gence, no person authorised to pay or refuse payment can be found there, no further presentment to the drawee or acceptor is required.

(9) Where a bill is drawn upon or accepted by 2 or more persons who are not partners, and no place of payment is specified, presentment must be made to them all.

(10) Where the drawee or acceptor of a bill is dead, and no place of payment is specified, presentment must be made to a personal representative, if such there be, and, with the exercise of reasonable diligence, he can be found.

(11) Where authorised by agreement or usage, a presentment through the post office is suffi cient.

Presentment of cheque for payment: alternative place of presentment

46. (1) Notwithstanding section 45(7), a banker may, by notice published in the *Gazette*—

(a) specify an address at which a cheque drawn on him may be presented; and

(b) cancel that address.

(2) A cheque is presented at the proper place if it is presented at an address specified by the banker on whom it is drawn in accordance with subsection (1) and the banker has not cancelled that address in accordance with that subsection.

(Act 2/2012, s. 3)

Presentment of cheque for payment: alternative means of presentment by banker

47. (1) A banker may present a cheque for payment to the banker on whom it is drawn by notifying him of its essential features by electronic means or otherwise, instead of by presenting the cheque itself.

(2) If a cheque is presented for payment under this section, presentment need not be made at the proper place or at a reasonable hour on a business day.

(3) If, before the close of business on the next business day following presentment of a cheque under this section, the banker on whom the cheque is drawn requests the banker by whom the cheque was presented to present the cheque itself—

(a) the presentment under this section shall be disregarded; and

(b) this section shall not apply in relation to the subsequent presentment of the cheque.

(4) A request under subsection (3) for the presentment of a cheque shall not constitute dishonour of the cheque by non-payment.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(5) Where presentment of a cheque is made under this section, the banker who presented the cheque and the banker on whom it is drawn shall be subject to the same duties in relation to the collection and payment of the cheque as if the cheque itself had been presented for payment.

(6) For the purposes of this section, the essential features of a cheque are—

(a) the serial number of the cheque;

(b) the code which identifies the banker on whom the cheque is drawn;

(c) the account number of the drawer of the cheque;

(d) the amount of the cheque is entered by the drawer of the cheque; and

(e) the signature of the drawer.

(Act 2/2012, s. 4)

Excuses for delay or non-presentment for payment

48. (1) Delay in making presentment for payment is excused when the delay is caused by circumstances beyond the control of the holder, and not imputable to his default, misconduct or negligence. When the cause of delay ceases to operate, presentment must be made with reasonable diligence.

(2) Presentment for payment is dispensed with—

(a) where, after the exercise of reasonable diligence, presentment, as required by this Act, cannot be effected;

(b) where the drawee is a fictitious person;

(c) as regards the drawer, where the drawee or acceptor is not bound, as between himself and the drawer, to accept or pay the bill, and the drawer has no reason to believe that the bill would be paid if presented;

(d) as regards an endorser, where the bill was accepted or made for the accommodation of that endorser and he has no reason to expect that the bill would be paid if presented; or

(e) by waiver of presentment, expressed or implied.

(3) The fact that the holder has reason to believe that the bill will, on presentment, be dishon oured does not dispense with the necessity for presentment.

Dishonour by non-payment

49. (1) A bill is dishonoured by non-payment—

(a) when it is duly presented for payment and payment is refused or cannot be obtained; or

(b) when presentment is excused and the bill is overdue and unpaid.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) Subject to the provisions of this Act, when a bill is dishonoured by non-payment, an immediate right of recourse against the drawer and endorsers accrues to the holder.

Notice of dishonour and effect of non-notice

50. Subject to the provisions of this Act, when a bill has been dishonoured by non-acceptance or by non-payment, notice of dishonour must be given to the drawer and each endorser, and any drawer or endorser to whom such notice is not given is discharged but—

(a) where a bill is dishonoured by non-acceptance and notice of dishonour is not given, the rights of a holder in due course subsequent to the omission shall not be prejudiced by the omission; and

(b) where a bill is dishonoured by non-acceptance and due notice of dishonour is given, it shall not be necessary to give notice of a subsequent dishonour by non-payment, unless the bill shall in the meantime have been accepted.

Rules as to notice of dishonour

51. (1) Notice of dishonour, in order to be valid and effectual, must be given in accordance with this section.

(2) The notice must be given by or on behalf of the holder, or by or on behalf of an endorser who, at the time of giving it, is himself liable on the bill.

(3) Notice of dishonour may be given by an agent, either in his own name, or in the name of any party entitled to give notice, whether that party is his principal or not.

(4) Where the notice is given by or on behalf of the holder, it enures for the benefit of all subsequent holders and all prior endorsers who have a right of recourse against the party to whom it is given.

(5) Where notice is given by or on behalf of an endorser entitled to give notice as hereinbefore provided, it enures for the benefit of the holder, and all endorsers subsequent to the party to whom notice is given.

(6) The notice may be given in writing or by personal communication and may be given in any terms that sufficiently identify the bill and intimate that the bill has been dishonoured by non-acceptance or non-payment.

(7) The return of a dishonoured bill to the drawer or an endorser is, in point of form, deemed a sufficient notice of dishonour.

(8) A written notice need not be signed, and an insufficient written notice may be supple mented and validated by verbal communication. A mis-description of the bill shall not vitiate the notice, unless the party to whom the notice is given is in fact misled thereby.

(9) Where notice of dishonour is required to be given to any person, it may be given either to the party himself or to his agent in that behalf.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(10) Where the drawer or endorser is dead, and the party giving notice knows it, the notice must be given to a personal representative, if such there be, and, with the exercise of reasonable diligence, he can be found.

(11) Where the drawer or endorser is bankrupt, notice may be given either to the party himself or to the trustee.

(12) Where there are 2 or more drawers or endorsers who are not partners, notice must be given to each of them, unless one of them has authority to receive such notice for the others.

(13) The notice may be given as soon as the bill is dishonoured, and must be given within a reasonable time thereafter.

(14) In the absence of special circumstances, notice is not deemed to have been given within a reasonable time, unless—

(a) where the person giving and the person to receive notice reside in the same place, the notice is given or sent off in time to reach the latter on the day after the dishonour of the bill; or

(b) where the person giving and the person to receive notice reside in different places, the notice is sent off on the day after the dishonour of the bill, if there is a post at a convenient hour on that day, and if there is no such post on that day, then by the next post thereafter.

(15) Where a bill when dishonoured is in the hands of an agent, he may either himself give notice to the parties liable on the bill, or he may give notice to his principal. If he gives notice to his principal, he must do so within the same time as if he were the holder, and the principal, upon receipt of such notice, has himself the same time for giving notice as if the agent had been an independent holder.

(16) Where a party to a bill receives due notice of dishonour, he has, after the receipt of such notice, the same period of time for giving notice to antecedent parties that the holder has after the dishonour.

(17) Where a notice of dishonour is duly addressed and posted, the sender is deemed to have given due notice of dishonour notwithstanding any miscarriage by the post office.

Excuses for non-notice and delay

52. (1) Delay in giving notice of dishonour is excused where the delay is caused by circumstances beyond the control of the party giving notice, and not imputable to his default, misconduct, or negligence. When the cause of delay ceases to operate, the notice must be given with reasonable diligence.

(2) Notice of dishonour is dispensed with—

(a) when, after the exercise of reasonable diligence, notice as required by this Act cannot be given to, or does not reach, the drawer or endorser sought to be charged;

(b) by waiver express or implied;

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(c) as regards the drawer in the following cases—

(i) where drawer and drawee are the same person,

(ii) where the drawee is a fictitious person or a person not having capacity to con tract,

(iii) where the drawer is the person to whom the bill is presented for payment,

(iv) where the drawee or acceptor is, as between himself and the drawer, under no obligation to accept or pay the bill, or

(v) where the drawer has countermanded payment; and

(d) as regards the endorser in the following cases—

(i) where the drawee is a fictitious person or a person not having capacity to contract, and the endorser was aware of the fact at the time he endorsed the bill,

(ii) where the endorser is the person to whom the bill is presented for payment,

(iii) where the bill was accepted or made for his accommodation.

(3) Notice of dishonour may be waived before the time of giving notice has arrived or after the omission to give due notice.

Noting or protest of bill

53. (1) Where an inland bill has been dishonoured, it may, if the holder thinks fit, be noted for non-acceptance or non-payment, as the case may be, but it shall not be necessary to note or protest any such bill in order to preserve the recourse against the drawer or endorser.

(2) Where a foreign bill, appearing on the face of it to be such, has been dishonoured by non-acceptance, it must be duly protested for non-acceptance, and where such a bill that has not been previously dishonoured by non-acceptance is dishonoured by non-payment, it must be duly protested for non-payment. If it is not so protested, the drawer and endorsers are discharged. Where a bill does not appear on the face of it to be a foreign bill, protest thereof in case of dishonour is unnecessary.

(3) A bill which has been protested for non-acceptance may be subsequently protested for non-payment.

(4) Subject to the provisions of this Act, when a bill is noted or protested, it may be noted on the day of its dishonour and must be noted not later than the next succeeding business day. When a bill has been duly noted, the protest may be subsequently extended as of the date of the noting.

(5) Where the acceptor of a bill becomes bankrupt or suspends payment before it matures, the holder may cause the bill to be protested for better security against the drawer and endorsers.

(6) A bill must be protested at the place where it is dishonoured, but—

(a) when a bill is presented through the post office, and returned by post dishonoured, it may be protested at the place to which it is returned, and on the day of its return, if

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

received during business hours, and, if not received during business hours, then not later than the next business day; and

(b) when a bill, drawn payable at the place of business or residence of some person other than the drawee, has been dishonoured by non-acceptance, it must be protested for non-payment at the place where it is expressed to be payable, and no further presentment for payment to, or demand on, the drawee is necessary.

(7) A protest must contain a copy of the bill, must be signed by the notary making it, and must specify—

(a) the person at whose request the bill is protested; and

(b) the place and date of protest, the cause or reason for protesting the bill, the demand made, and the answer given, if any, or the fact that the drawee or acceptor could not be found.

(8) Where a bill is lost or destroyed, or is wrongly detained from the person entitled to hold it, protest may be made on a copy or written particulars thereof.

(9) Protest is dispensed with by any circumstance that would dispense with notice of dishonour. Delay in noting or protesting is excused when the delay is caused by circumstances beyond the control of the holder, and not imputable to his default, misconduct or negligence. When the cause of delay ceases to operate, the bill must be noted or protested with reasonable diligence.

Duties of holder as regards drawee or acceptor

54. (1) When a bill is accepted generally, presentment for payment is not necessary in order to render the acceptor liable.

(2) When by the terms of a qualified acceptance presentment for payment is required, the acceptor, in the absence of an express stipulation to that effect, is not discharged by the omission to present the bill for payment on the day that it matures.

(3) In order to render the acceptor of a bill liable it is not necessary to protest it or that notice of dishonour should be given to him.

(4) Where the holder of a bill presents it for payment, he shall exhibit the bill to the person from whom he demands payment, and when a bill is paid, the holder shall forthwith deliver it up to the party paying it.

Holder not obliged to exhibit bill to secure payment

55. (1) Section 54(4) does not apply to a cheque—

(a) presented for payment; and

(b) paid,

in accordance with section 47.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) Subsection (1) does not apply to cheques drawn before 15 March 2012.
(Act 2/2012, s. 5)

Liabilities of Parties

Funds in hands of drawee

56. A bill, of itself, does not operate as an assignment of funds in the hands of the drawee available for the payment thereof, and the drawee of a bill who does not accept, as required by this Act, is not liable on the instrument.

Liability of acceptor

57. The acceptor of a bill, by accepting it—

(a) engages that he will pay it according to the tenor of his acceptance; and

(b) is precluded from denying to a holder in due course—

(i) the existence of the drawer, the genuineness of his signature, and his capacity and authority to draw the bill,

(ii) in the case of a bill payable to drawer's order, the then capacity of the drawer to endorse, but not the genuineness or validity of his endorsement, and

(iii) in the case of a bill payable to the order of a third person, the existence of the payee and his then capacity to endorse, but not the genuineness or validity of his endorsement.

Liability of drawer or endorser

58. (1) The drawer of a bill, by drawing it—

(a) engages that, on due presentment, it shall be accepted and paid according to its tenor and that, if it be dishonoured, he will compensate the holder or any endorser who is compelled to pay it, provided that the requisite proceedings on dishonour are duly taken; and

(b) is precluded from denying to a holder in due course the existence of the payee, and his then capacity to endorse.

(2) The endorser of a bill by endorsing it—

(a) engages that, on due presentment, it shall be accepted and paid according to its tenor and that, if it be dishonoured, he will compensate the holder or a subsequent endorser who is compelled to pay it, provided that the requisite proceedings on dishonour are duly taken;

(b) is precluded from denying to a holder in due course the genuineness and regularity in all respects of the drawer's signature and all previous endorsements; and

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(c) is precluded from denying to his immediate or a subsequent endorsee that the bill was, at the time of his endorsement, a valid and subsisting bill and that he had then a good title thereto.

Stranger signing bill liable as endorser

59. Where a person signs a bill otherwise than as drawer or acceptor, he thereby incurs the liabilities of an endorser to a holder in due course.

Measure of damages against parties to dishonoured bill

60. Where a bill is dishonoured, the measure of damages, which are deemed to be liquidated damages, are as follows—

(a) the holder may recover from any party liable on the bill, and the drawer who has been compelled to pay the bill may recover from the acceptor, and an endorser who has been compelled to pay the bill may recover from the acceptor, or from the drawer, or from a prior endorser—

(i) the amount of the bill,

(ii) interest thereon from the time of presentment for payment, if the bill is payable on demand, and from the maturity of the bill in any other case, and

(iii) the expenses of noting, or, when protest is necessary, and the protest has been extended, the expenses of protest;

(b) in the case of a bill which has been dishonoured abroad, in lieu of the above damages, the holder may recover from the drawer or an endorser, and the drawer or an endorser who has been compelled to pay the bill may recover from any party liable to him, the amount of the re-exchange with interest thereon until the time of payment;

(c) where by this Act interest may be recovered as damages, such interest may, if justice require it, be withheld wholly or in part and, where a bill is expressed to be payable with interest at a given rate, interest, as damages, may or may not be given at the same rate as interest proper.

Transferor by delivery and transferee

61. (1) Where the holder of a bill payable to bearer negotiates it by delivery without endorsing it, he is called a "transferor by delivery".

(2) A transferor by delivery is not liable on the instrument.

(3) A transferor by delivery who negotiates a bill thereby warrants to his immediate transferee, being a holder for value, that the bill is what it purports to be, that he has a right to transfer it, and that, at the time of transfer, he is not aware of any fact which renders it valueless.

Payment in due course

62. (1) A bill is discharged by payment in due course by or on behalf of the drawee or acceptor.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) In subsection (1), "payment in due course" means payment made at or after the maturity of the bill to the holder thereof, in good faith and without notice that his title to the bill is defective.

(3) Subject to the provisions hereinafter contained, when a bill is paid by the drawer or an endorser, it is not discharged, but—

(a) where a bill payable to, or to the order of, a third party is paid by the drawer, the drawer may enforce payment thereof against the acceptor, but may not reissue the bill; and

(b) where a bill is paid by an endorser, or where a bill payable to drawer's order is paid by the drawer, the party paying it is remitted to his former rights as regards the acceptor or antecedent parties, and he may, if he thinks fit, strike out his own and subsequent endorsements, and again negotiate the bill.

(4) Where an accommodation bill is paid in due course by the party accommodated, the bill is discharged.

Banker paying demand draft whereon endorsement is forged

63. (1) When a bill payable to order on demand is drawn on a banker and the banker on whom it is drawn pays the bill in good faith and in the ordinary course of business, it is not incumbent on the banker to show that the endorsement of the payee, or any subsequent endorsement, was made by or under the authority of the person whose endorsement it purports to be, and the banker is deemed to have paid the bill in due course, although such endorsement has been forged or made without authority.

(2) A draft or order drawn by a banker on the head office or a branch of his bank in Anguilla for a sum of money payable to order on demand shall be deemed to be a bill for the purposes of this section.

Acceptor the holder at maturity

64. When the acceptor of a bill is, or becomes, the holder of it at or after its maturity, in his own right, the bill is discharged.

Express waiver

65. (1) When the holder of a bill, at or after its maturity, absolutely and unconditionally renounces his rights against the acceptor, the bill is discharged; the renunciation must be in writing, unless the bill is delivered up to the acceptor.

(2) The liabilities of any party to a bill may in like manner be renounced by the holder before, at, or after its maturity, but nothing in this section shall affect the rights of a holder in due course without notice of the renunciation.

Cancellation

66. (1) Where a bill is intentionally cancelled by the holder or his agent, and the cancellation is apparent thereon, the bill is discharged.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) In like manner any party liable on a bill may be discharged by the intentional cancellation of his signature by the holder or his agent. In such case, any endorser, who would have had a right of recourse against the party whose signature is cancelled, is also discharged.

(3) A cancellation made unintentionally, or under a mistake, or without the authority of the holder, is inoperative, but where a bill or any signature thereon appears to have been cancelled, the burden of proof lies on the party who alleges that the cancellation was made unintentionally, or under a mistake, or without authority.

Alteration of bill

67. (1) Where a bill or acceptance is materially altered without the assent of all parties liable on the bill, the bill is avoided except as against a party who has himself made, authorised or assented to the alteration, and subsequent endorsers, but, where a bill has been materially altered but the alteration is not apparent and the bill is in the hands of a holder in due course, the holder may avail himself of the bill as if it had not been altered and may enforce payment of it according to its original tenor.

(2) In particular the following alterations are material, namely, any alteration of the date, the sum payable, the time of payment, the place of payment, and, where a bill has been accepted generally, the addition of a place of payment without the acceptor's assent.

Acceptance and Payment for Honour

Acceptance for honour *supra* protest

68. (1) Where a bill of exchange has been protested for dishonour by non-acceptance, or protested for better security, and is not overdue, any person, not being a party already liable thereon, may, with the consent of the holder, intervene and accept the bill *supra* protest, for the honour of any party liable thereon, or for the honour of the person for whose account the bill is drawn.

(2) A bill may be accepted for honour for part only of the sum for which it is drawn.

(3) An acceptance for honour *supra* protest in order to be valid must—

(a) be written on the bill, and indicate that it is an acceptance for honour; and

(b) be signed by the acceptor for honour.

(4) Where an acceptance for honour does not expressly state for whose honour it is made, it is deemed to be an acceptance for the honour of the drawer.

(5) Where a bill payable after sight is accepted for honour, its maturity is calculated from the date of the noting for non-acceptance, and not from the date of the acceptance for honour.

Liability of acceptor for honour

69. (1) The acceptor for honour of a bill, by accepting it, engages that he will, on due presentment, pay the bill according to the tenor of his acceptance, if it is not paid by the drawee, provided it has been duly presented for payment and protested for non-payment, and that he receives notice of these facts.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) The acceptor for honour is liable to the holder and to all parties to the bill subsequent to the party for whose honour he has accepted.

Presentment to acceptor for honour

70. (1) Where a dishonoured bill has been accepted for honour *supra* protest or contains a reference in case of need, it must be protested for non-payment before it is presented for payment to the acceptor for honour or referee in case of need.

(2) Where the address of the acceptor for honour is in the same place where the bill is protested for non-payment, the bill must be presented to him not later than the day following its maturity and, where the address of the acceptor for honour is in some place other than the place where it was protested for non-payment, the bill must be forwarded, not later than the day following its maturity, for presentment to him.

(3) Delay in presentment or non-presentment is excused by any circumstance that would excuse delay in presentment for payment or non-presentment for payment.

(4) When a bill of exchange is dishonoured by the acceptor for honour, it must be protested for non-payment by him.

Payment for honour *supra* protest

71. (1) Where a bill has been protested for non-payment, any person may intervene and pay it *supra* protest for the honour of any party liable thereon, or for the honour of the person for whose account the bill is drawn.

(2) Where 2 or more persons offer to pay a bill for the honour of different parties, the person whose payment will discharge most parties to the bill shall have the preference.

(3) Payment for honour *supra* protest, in order to operate as such and not as a mere voluntary payment, must be attested by a notarial act of honour which may be appended to the protest, or form an extension of it.

(4) The notarial act of honour must be founded on a declaration made by the payer for honour, or his agent in that behalf, declaring his intention to pay the bill for honour and for whose honour he pays.

(5) Where a bill has been paid for honour, all parties subsequent to the party for whose honour it is paid are discharged, but the payer for honour is subrogated for, and succeeds to both the rights and duties of, the holder, as regards the party for whose honour he pays, and all parties liable to that party.

(6) The payer for honour, on paying to the holder the amount of the bill and the notarial expenses incidental to its dishonour, is entitled to receive both the bill itself and the protest. If the holder does not on demand deliver them up, he shall be liable to the payer for honour in damages.

(7) Where the holder of a bill refuses to receive payment *supra* protest, he shall lose his right of recourse against any party who would have been discharged by such payment.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Lost Instruments

Holder's right to duplicate of lost bill

72. Where a bill has been lost before it is overdue, the person who was the holder of it may apply to the drawer to give him another bill of the same tenor, giving security to the drawer, if required, to indemnify him against all persons whatever in case the bill alleged to have been lost should be found again. If the drawer, on request as aforesaid, refuses to give such duplicate bill, he may be compelled to do so.

Action on lost bill

73. In any action or proceeding upon a bill, the Court or a Judge may order that the loss of the instrument shall not be set up, provided an indemnity be given to the satisfaction of the Court or Judge against the claims of any other person upon the instrument in question.

Bill in a Set

Rules as to sets

74. (1) Where a bill is drawn in a set, each part of the set being numbered and containing a reference to the other parts, the whole of the parts constitute one bill.

(2) Where the holder of a set endorses 2 or more parts to different persons, he is liable on every such part, and every endorser subsequent to him is liable on the part he has himself endorsed, as if the said parts were separate bills.

(3) Where 2 or more parts of a set are negotiated to different holders in due course, the holder whose title first accrues is, as between such holders, deemed the true holder of the bill, but nothing in this subsection shall affect the rights of a person who in due course accepts or pays the part first presented to him.

(4) The acceptance may be written on any part, and it must be written on one part only. If the drawee accepts more than one part, and such accepted parts get into the hands of different holders in due course, he is liable on every such part as if it were a separate bill.

(5) When the acceptor of a bill drawn in a set pays it without requiring the part bearing his acceptance to be delivered up to him, and that part at maturity is outstanding in the hands of a holder in due course, he is liable to the holder thereof.

(6) Subject to the preceding rules, where any one part of a bill drawn in a set is discharged by payment or otherwise, the whole bill is discharged.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Conflict of Laws

Rules where laws conflict

75. Where a bill drawn in one country is negotiated, accepted or payable in another, the rights, duties and liabilities of the parties thereto are determined as follows—

(a) the validity of a bill as regards requisites in form is determined by the law of the place of issue, and the validity as regards requisites in form of the supervening contracts, such as acceptance, endorsement, or acceptance *supra* protest, is determined by the law of the place where such contract was made but—

(i) where a bill is issued out of Anguilla, it is not invalid by reason only that it is not stamped in accordance with the law of the place of issue, and

(ii) where a bill issued out of Anguilla conforms, as regards requisites in form, to the law of Anguilla, it may, for the purpose of enforcing payment thereof, be treated as valid as between all persons who negotiate, hold, or become parties to it in Anguilla;

(b) subject to the provisions of this Act, the interpretation of the drawing, endorsement, acceptance, or acceptance *supra* protest of a bill is determined by the law of the place where such contract is made but, where an inland bill is endorsed in a foreign country, the endorsement shall as regards the payer be interpreted according to the law of Anguilla;

(c) the duties of the holder with respect to presentment for acceptance or payment and the necessity for or sufficiency of a protest or notice of dishonour, or otherwise, are determined by the law of the place where the act is done or the bill is dishonoured;

(d) where a bill is drawn out of but payable in Anguilla, and the sum payable is not expressed in the currency of the United Kingdom, or in dollars, or in dollars and cents, the amount shall, in the absence of some express stipulation, be calculated according to the rate of exchange for sight drafts, at the place of payment on the day the bill is payable;

(e) where a bill is drawn in one country and is payable in another, the due date thereof is determined according to the law of the place where it is payable.

PART 2

CHEQUES

Cheques on a Banker

Cheque defined

76. (1) A cheque is a bill of exchange drawn on a banker payable on demand.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(2) Except as otherwise provided in this Part, the provisions of this Act applicable to a bill of exchange payable on demand apply to a cheque.

Cheque certification

77. (1) A cheque is certified when it is endorsed by a drawee bank with the words "certified", "accepted" or words of similar effect and issued by the drawee bank to the payor.

(2) Upon certification of a cheque, the drawee bank shall immediately and irrevocably segregate the amount indicated on the cheque exclusively for the purpose of the proper payment of the cheque in due course to the payee or endorsee of the payee.

(3) A certified cheque shall be subject to countermand by the payor if—

(a) the payor has lawful possession; or

(b) there has been fraud or other like impropriety and the cheque has not been delivered to a *bona fide* holder for value without notice.

(4) An unpaid certified cheque shall be a first charge on the assets of a bankrupt or otherwise insolvent drawee bank and paid out of the segregated account to which it was placed or was deemed to have been placed.

(Act 2/2012, s. 6)

Presentment of cheque for payment

78. Subject to the provisions of this Act—

(a) where a cheque is not presented for payment within a reasonable time of its issue, and the drawer or the person on whose account it is drawn had the right at the time of such presentment, as between him and the banker, to have the cheque paid and suffers actual damage through the delay, he is discharged to the extent of such damage, that is to say, to the extent to which such drawer or person is a creditor of such banker to a larger amount than he would have been, had such cheque been paid;

(b) in determining what is a reasonable time, regard shall be had to the nature of the instrument, the usage of trade and of bankers, and the facts of the particular case; and

(c) the holder of such cheque as to which such drawer or person is discharged shall be a creditor, in lieu of such drawer or person, of such banker to the extent of such discharge, and is entitled to recover the amount from him.

Revocation of banker's authority

79. The duty and authority of a banker to pay a cheque drawn on him by his customer are determined by—

(a) countermand of payment; or

(b) notice of the customer's death.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Crossed Cheque

General and special crossings defined

80. (1) Where a cheque bears across its face an addition of—

(a) the words "and company", or any abbreviation thereof, between two parallel transverse lines, either with or without the words "not negotiable"; or

(b) two parallel transverse lines simply, either with or without the words "not negotiable";

that addition constitutes a crossing, and the cheque is crossed generally.

(2) Where a cheque bears across its face an addition of the name of a banker, either with or without the words "not negotiable", that addition constitutes a crossing, and the cheque is crossed specially and to that banker.

Crossing by drawer or after issue

81. (1) A cheque may be crossed generally or specially by the drawer.

(2) Where a cheque is uncrossed, the holder may cross it generally or specially.

(3) Where a cheque is crossed generally, the holder may cross it specially.

(4) Where a cheque is crossed generally or specially, the holder may add the words "not negotiable".

(5) Where a cheque is crossed specially, the banker to whom it is crossed may again cross it specially to another banker for collection.

(6) Where an uncrossed cheque, or a cheque crossed generally, is sent to a banker for collection, he may cross it specially to himself.

Crossing a material part of cheque

82. A crossing authorised by this Act is a material part of the cheque, and it shall not be lawful for any person to obliterate, or, except as authorised by this Act, to add to or alter the crossing.

Duties of banker as to crossed cheques

83. (1) Where a cheque is crossed specially to more than one banker, except when crossed to an agent for collection being a banker, the banker on whom it is drawn shall refuse payment thereof.

(2) Subject to subsection (3), where the banker on whom a cheque is drawn that is so crossed nevertheless pays the same, or pays a cheque crossed generally otherwise than to a banker, or if crossed specially otherwise than to the banker to whom it is crossed, or his agent for collection being a banker, he is liable to the true owner of the cheque for any loss he may sustain owing to the cheque having been so paid.

(3) Where a cheque is presented for payment that does not at the time of presentment appear to be crossed, or to have had a crossing that has been obliterated, or to have been added to or altered otherwise than as authorised by this Act, the banker paying the cheque in good faith and without

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

negligence shall not be responsible or incur any liability, nor shall the payment be questioned by reason of the cheque having been crossed, or of the crossing having been obliterated, or having been added to, or altered, otherwise than as authorised by this Act, and of payment having been made otherwise than to a banker, or to the banker to whom the cheque is or was crossed, or to his agent for collection being a banker, as the case may be.

Protection to banker and drawer where cheque is crossed

84. Where the banker, on whom a crossed cheque, including a cheque which is not transferable, is drawn, in good faith and without negligence pays it, if crossed generally, to a banker, and if crossed specially, to the banker to whom it is crossed, or his agent for collection being a banker, the banker paying the cheque, and, if the cheque has come into the hands of the payee, the drawer, shall respectively be entitled to the same rights and be placed in the same position as if payment of the cheque had been made to the true owner thereof.

(Act 2/2012, s. 7)

Effect of words "not negotiable"

85. Where a person takes a crossed cheque which bears on it the words "not negotiable", he shall not have, and shall not be capable of giving, a better title to the cheque than that which the person from whom he took it had.

Non transferable cheques

86. Where a cheque is crossed and bears across its face the words "account payee" or "a/c payee", either with or without the word "only", the cheque shall not be transferable, but shall only be valid as between the parties thereto.

(Act 2/2012, s. 8)

Protection of banker

87. (1) Where a banker, in good faith and without negligence—

(a) receives payment from a customer of an instrument to which this section applies;

(b) having credited a customer's account with the amount of such an instrument, receives payment thereof for himself; or

(c) receives payment for a customer of a cheque crossed generally or specially to 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 for it.

(2) This section applies to the following instruments—

(a) cheques, including cheques which under section 86 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;

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(c) any document issued by a public officer which is intended to enable any person to obtain payment from the Accountant General 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—

(a) the absence of, or an irregularity in, the endorsement of an instrument; or

(b) the purported endorsement of a cheque which is not transferable under section 86 or otherwise.

(4) A banker receives payment of a crossed cheque for a customer within the meaning of this section, notwithstanding that he credits his customer's account with the amount of the cheque before receiving payment for it.

(Act 2/2012, s. 9)

Cheques drawn on a bank by itself

88. (1) Sections 80 to 87 shall apply to a banker's draft as if the draft were a cheque.

(2) For the purposes of this section, the expression "banker's draft" means a draft payable on demand drawn by or on behalf of a bank upon itself, whether payable at the head office or some other office of the bank.

PART 3

PROMISSORY NOTES

Promissory note defined

89. (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 endorsed 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 that is, or on the face of it, purports to be both made and payable within Anguilla is an inland note. Any other note is a foreign note.

Delivery necessary

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

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Joint and several notes

91. (1) A promissory note may be made by 2 or more makers, and they may be liable thereon jointly, or jointly and severally, according to its tenor.

(2) Where a note runs "I promise to pay" and is signed by 2 or more persons, it is deemed to be their joint and several note.

Note payable on demand

92. (1) Where a note payable on demand has been endorsed, it must be presented for payment within a reasonable time of the endorsement. If it is not so presented, the endorser is discharged.

(2) In determining what is a 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.

Presentment of note for payment

93. (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 endorser 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 the endorser liable, but when a place of payment is indicated by way of memorandum only, presentment at that place is sufficient to render the endorser liable, but a presentment to the maker elsewhere, if sufficient in other respects, shall also suffice.

Liability of maker

94. The maker of a promissory note by making it—

(a) engages that he will pay it according to its tenor; and

(b) is precluded from denying to a holder in due course the existence of the payee and his then capacity to endorse.

Application of Part 1 to notes

95. (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 is deemed to correspond with the acceptor of a bill, and the first endorser of a note shall be deemed to correspond with the drawer of an accepted bill payable to drawer's order.

(3) The provisions of this Act relating to—

(a) presentment for acceptance;

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

(b) acceptance;

(c) acceptance *supra* protest; and

(d) bills in a set;

do not apply to notes.

(4) Where a foreign note is dishonoured, protest thereof is unnecessary.

PART 4

SUPPLEMENTARY

Good faith

96. A thing is deemed to be done in good faith within the meaning of this Act, where it is in fact done honestly, whether it is done negligently or not.

Signature

97. (1) Where, by this Act, any instrument or writing is required to be signed by any person, it is not necessary that he should sign it with his own hand, but it is sufficient if his signature is written thereon by some other person by or under his authority.

(2) In the case of a corporation, where, by this Act, any instrument or writing is required to be signed, it is sufficient if the instrument or writing is sealed with the corporate seal.

(3) Nothing in this section shall be construed as requiring the bill or note of a corporation to be under seal.

Computation of time

98. Where, by this Act, the time limited for doing any act or thing is less than 3 days, in reckoning time, non-business days are excluded. Non-business days for the purposes of this Act mean—

(a) Sunday, Good Friday, Christmas Day; and

(b) a public holiday under the Public Holidays Act.

Any other day is a business day.

When noting equivalent to protest

99. For the purposes of this Act, where a bill or note is required to be protested within a specified time or before some further proceeding is taken, it is sufficient that the bill has been noted for protest before the expiration of the specified time or the taking of the proceeding, and the formal protest may be extended at any time thereafter as of the date of the noting.

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

Protest when notary not accessible

100. (1) Where a dishonoured bill or note is authorised or required to be protested, and the services of a notary cannot be obtained at the place where the bill is dishonoured, any householder or substantial resident of the place may, in the presence of 2 witnesses, give a certificate, signed by them, attesting the dishonour of the bill, and the certificate shall in all respects operate as if it were a formal protest of the bill.

(2) The form set out in the Schedule may be used with necessary modifications, and if used shall be sufficient.

Dividend warrants may be crossed

101. The provisions of this Act as to crossed cheques shall apply to a warrant for payment of dividend.

Regulations

102. The Minister may make Regulations subject to negative resolution of the House of Assembly for giving effect to the provisions of this Act, and without limiting the generality of the foregoing, may make Regulations respecting—

(a) forms necessary for the administration of this Act;

(b) penalties that may be imposed for violations of Orders or Regulations made under this Act but no such penalty shall exceed a fine of $100,000 or imprisonment for a term exceeding 12 months;

(c) any other matter required for the efficient administration of this Act.

(Act 2/2012, s. 10)

Citation

103. This Act may be cited as Bills of Exchange Act, Revised Statutes of Anguilla, Chapter B30.

———————

© Government of Anguilla
Copying/unauthorised distribution strictly prohibited
Printed by Authority by
The Regional Law Revision Centre Inc
www.lawrevision.ai

SCHEDULE

(Section 100(2))

FORM OF PROTEST WHICH MAY BE USED WHEN THE SERVICES OF A NOTARY CANNOT BE OBTAINED

Know all men, that I, A.B. (householder) of .....……..…….
in Anguilla, at the request of C.D., there being no Notary Public available, did on the ...…....…….…..... day of ....…….....…….....…….