

This PUBLIC BILL originated in the LEGISLATIVE COUNCIL, and, having this day passed as now printed, is transmitted to the HOUSE OF REPRESENTATIVES for its concurrence.

Legislative Council,
17th October, 1907.

[AS REPORTED FROM THE COMMITTEE OF THE WHOLE.]

House of Representatives, 5th November, 1907.

Hon. Dr. Findlay.

BILLS OF EXCHANGE ACT AMENDMENT.

ANALYSIS.

Title.
1. Short Title.

2. Destruction of cheques, &c., by bankers.
3. Fraudulent alteration of cheques, &c.

A BILL INTITULED

AN ACT to amend the Bills of Exchange Act, 1883.

Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Bills of Exchange Act Amendment Act, 1907, and it shall be read together with and deemed to form part of the Bills of Exchange Act, 1883.

Short Title.

2. (1.) All cheques and bank drafts in the possession of the banker on whom they are drawn, and all bills of exchange or promissory notes in the possession of a banker and made payable at his bank, may be destroyed by such banker after the expiration of ten years from the date thereof in the case of documents payable on demand, or from the due date thereof in the case of all other documents.

Destruction of cheques, &c., by bankers.

New subclauses.

(2.) At any time prior to the expiration of the said period of ten years a banker may, and on demand shall, deliver any such document to the person entitled to the possession thereof.

(3.) A banker shall on demand deliver any such documents in his possession on the passing of this Act to the person entitled as aforesaid.

(4.) This section shall apply to cheques, drafts, bills, and notes received by a banker either before or after the passing of this Act.

Struck out.

Fraudulent alteration of cheques, &c

3. (1.) When the amount of any bill of exchange, promissory note, or cheque has been fraudulently altered, and such bill, note, or cheque was so negligently drawn or made as to offer any unusual or unreasonable facility for such alteration, the person so drawing or making the same, and every person accepting or indorsing the same before such alteration has been made, shall be estopped from alleging the said alteration as against—

(a.) Any person who, after the said alteration has been made, becomes the holder of such bill, note, or cheque for value in good faith and without negligence before it has become overdue :

(b.) Any person on whom the said bill or cheque is drawn and who accepts or pays the same in its altered form in good faith and without negligence :

(c.) Any banker at whose bank any such bill or note is made payable and who pays the same in its altered form in good faith and without negligence.

(2.) The said bill, note, or cheque as so altered shall, as against every person who is so estopped, have the same effect as if it had been originally and lawfully drawn or made for the amount appearing on the face thereof after such alteration.

(3.) A person shall not be deemed to be a holder for value within the meaning of this section by reason merely of the fact that he has received any such bill, note, or cheque by way of payment of, or on account of, or as security for an antecedent debt or liability, but shall be deemed a holder for value to the extent to which he has given value for the same.