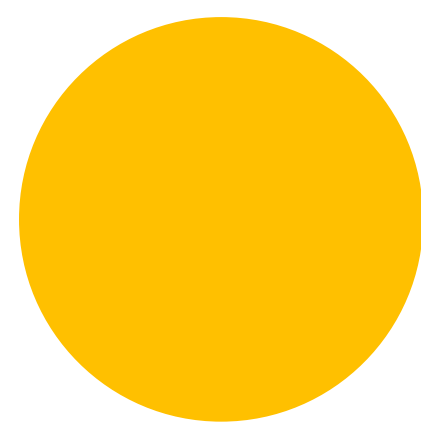
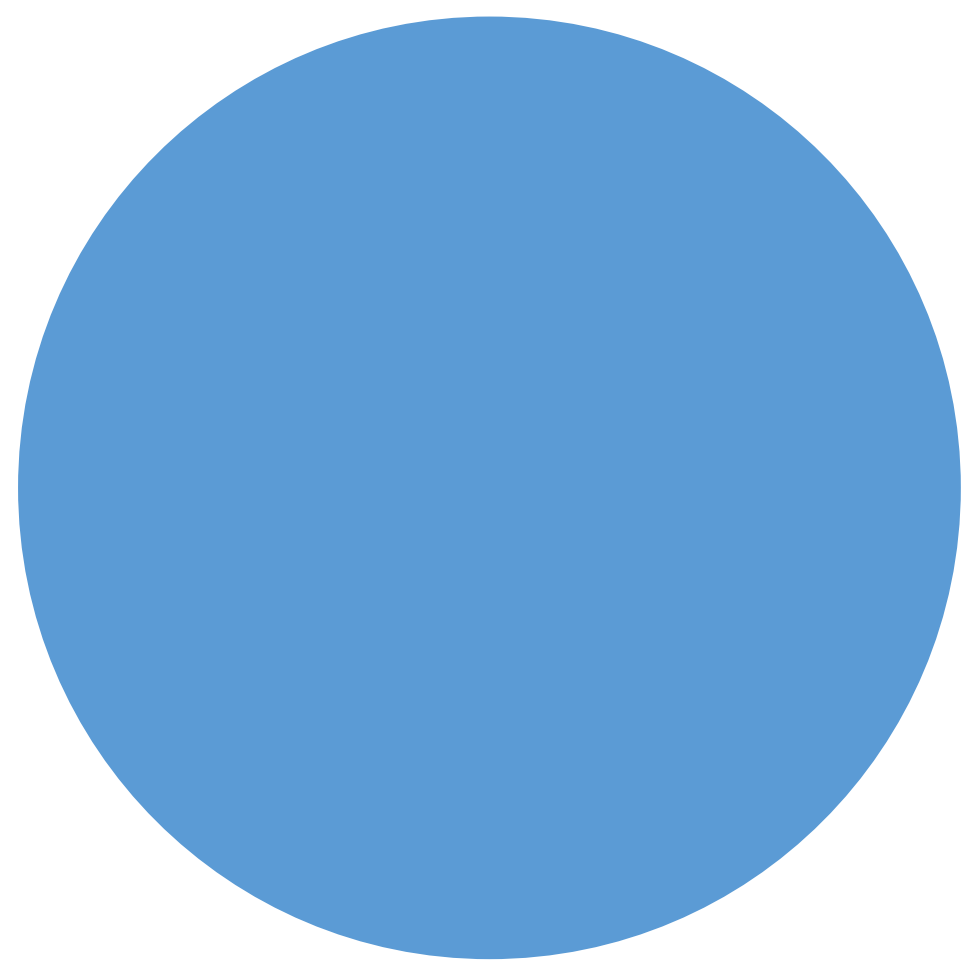


Negotiable Instruments

Moatasem al-Gheriani
YU, Fall 2020

تاريخ إستحقاق الكمبيالة : / / ١٤ هـ مبلغ الكمبيالة : ريال
مكان الوفاء :
اسم (الساحب) : ، الجنسية : ، بموجب
بطاقة أحوال رقم :
عنوان الساحب :
المسحوب عليه : ، الجنسية : ، بموجب
بطاقة أحوال رقم :
عنوان المسحوب عليه :

ادفعوا بموجب هذا الصك لأمر السيد / ، المبلغ
الموضح أعلاه وقدره
(فقط لا غير) في تاريخ الإستحقاق
المذكور أعلاه .
توقيع (الساحب) :
تاريخ إنشاء الكمبيالة : هـ
مكان إنشاء الكمبيالة :
هذه الكمبيالة واجبة الدفع بموجب نظام الأوراق التجارية المتوج بالمرسوم
الملكي الكريم رقم ٣٧ في ١٣٨٣ / ١٠ / ١١ هـ

Drawer

الساحب

Drawee

المسحوب عليه

Drawee is a debtor of the Drawer, he owes him money

Recourse

Draw a BoE

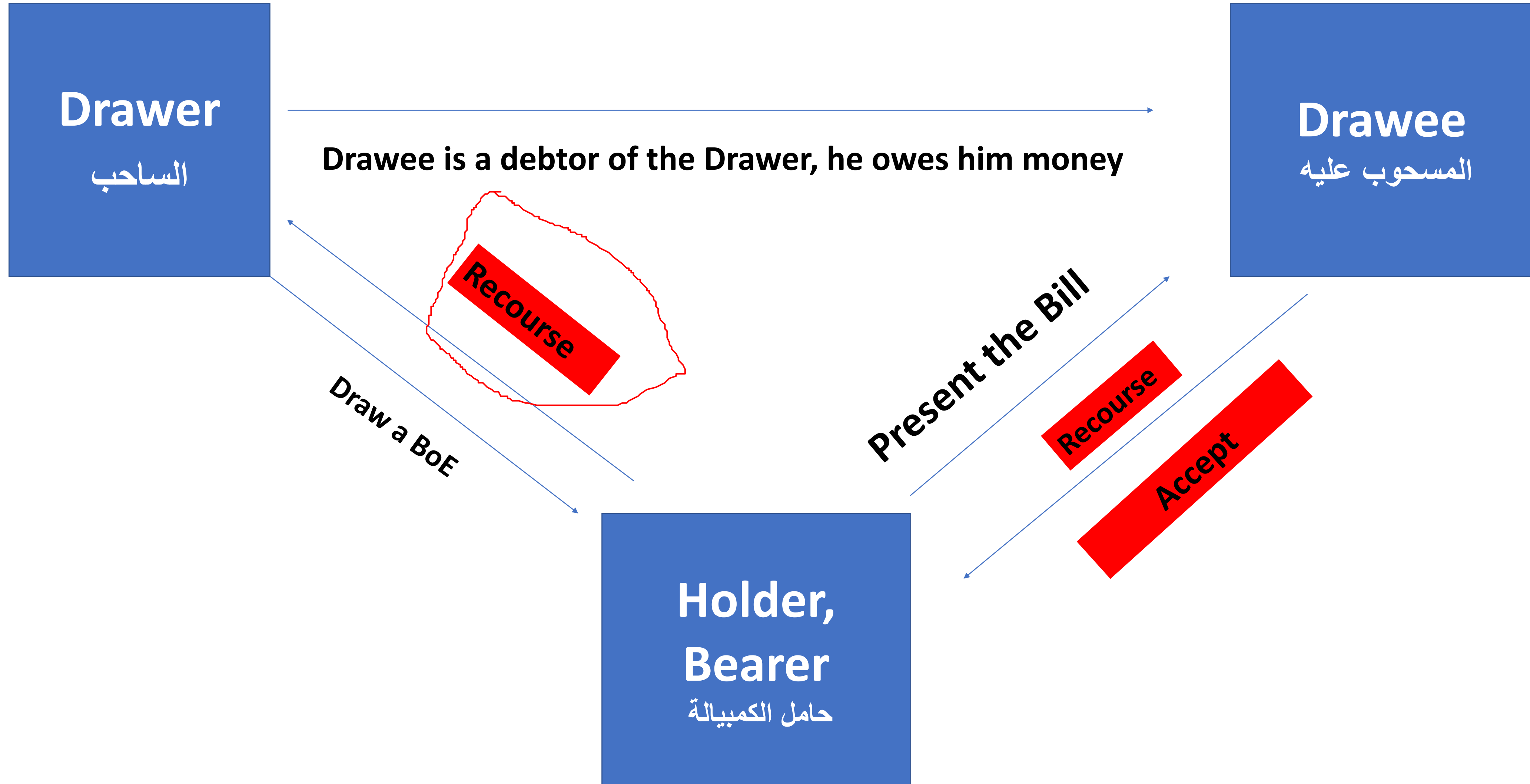
Present the Bill

Recourse

Accept

**Holder,
Bearer**

حامل الكمبيالة



Acceptance



Effect of Acceptance

- By accepting, the drawee undertakes to pay the bill of exchange at its maturity.
- In default of payment, the holder, even if he is the drawer, has a direct action on the bill of exchange against the acceptor.

Who, Whom, Where and When?

- The holder of a Bill of Exchange [the person who has the legal right in it] , or any holder thereof [any person presenting it on behalf of the holder]
- until its maturity date, [compare with Endorsement, why?]
- may submit it to the drawee
- in his residence
- for acceptance.

Is Acceptance Required?

1. The drawer of the Bill of Exchange may include a provision to submit it for acceptance on a specified date, or without a date
2. He may also include a provision that it shall not be submitted for acceptance
3. [Exception:] unless
 - 1) it is payable at the place of a person other than the drawee or
 - 2) in a place other than his domicile or
 - 3) if its payable after a certain period of its receipt.
4. He may also require not to submit it for acceptance before a certain period of time.
5. The endorser may require submitting the Bill for acceptance on a certain date or not, **unless** the drawer has stipulated that it should not be submitted for acceptance.

Acceptance Required by Nature:

- The Bill of Exchange payable after a specified period of time shall be submitted for acceptance within one year of its date and the withdrawer may shorten or extend that date.
- Any endorser may shorten these dates.
- (but not extend, why?)

Upon Submission, Rights of Drawee

- The drawee may request submitting the bill for acceptance again the following day for the first submission.
- The holder of the Bill of Exchange submitted for acceptance is not required to give it up and deliver it to the drawee

How to Accept

- An acceptance is written on the bill of exchange. It is expressed by the word 'accepted' or any other equivalent term.
- It is signed by the drawee.
- The simple signature of the drawee on the face of the bill constitutes an acceptance.

Dating of the Acceptance

- the acceptance must be dated as of the day when the acceptance is given
- When:
 - the bill is payable at a certain time after sight,
 - or when it must be presented for acceptance within a certain limit of time in accordance with a special stipulation
- unless the holder requires it shall be dated as of the day of presentment.
- If it is undated, the holder, in order to preserve his right of recourse against the endorsers and the drawer, must authenticate the omission by a protest drawn up within the proper time.

Conditions, Partial Acceptance

- An acceptance is unconditional,
- but the drawee may restrict it to **part of the sum payable. [Compare Endorsement]**
- Every other modification introduced by an acceptance into the tenor of the bill of exchange **operates as a refusal to accept.**
- Nevertheless, the acceptor is bound according to the terms of his acceptance.
- **What does that mean from a practical point of view?**

Cancellation

- Where the drawee who has put his acceptance on a bill has cancelled it before returning the bill, acceptance is deemed to be refused.
- Failing proof to the contrary, the cancellation is deemed to have taken place before the bill was restored.
- Nevertheless, if the drawee has notified his acceptance in writing to the holder or to any party who has signed the bill, he is liable to such parties according to the terms of his acceptance.

Questions?



Thank You!

