

April 2470, presents this bill for acceptance on the 1st. February. There is no acceptance and no acceptance for honour. A is then entitled to require payment of the bill for these following amounts:

1) a sum of 500 baht, less the interest of 500 baht. for two months (1st. February to 31st. March) viz. 500 baht less 9 baht 37 satang. (the rate of interest being 7% since it is not otherwise provided in the bill);

2) the expenses of presentation for acceptance, and of protest and of notice of dishonour.

The reason for the deduction of interests, in the system of section 1024, is that the claim of A results in the bill being paid cash two months before it becomes due. As it is usual in commercial matters that a price to be paid after say 2 or 3 months is increased by the calculation and addition of interests of some price, there is no longer reason to make such addition when the bill is paid cash, and such interests so included in the amount of 500 baht have to be deducted. This amounts to a kind of discount.

Section 1070

A, holder of a bill of exchange of 1,000 baht accepted and payable the 1st. April 2433, presents it for payment on the 1st. April. The drawee fails to pay, e. g. arguing that