

Note for the Revising Committee

Section 1027

42/101

Illustration - A draws a bill of exchange for a value of ~~1000~~ 1000
(his debtor) (his creditor)
bills on B A to order of C A C indorses it to D.
D indorses it to E, and finally E to A. In this case, if the bill is dishonoured,
A has a right of recourse for the payment of the bill ~~that is to say, to require~~
payment against C, ~~and~~ D, ~~and~~ E, because
all these ~~holders~~ ^{holders} ~~holders~~ ^{holders} themselves have exactly the
same right of recourse against him. In this case, there
is a 'circularity of action'. (England Bill of Exch. Act § 37)
However, of course, if A remits the bill to
any other person, e.g. to X, this latter can
then have a right of recourse against any whatever
previous holders (Ibid. Bill of Exch. Act. 37)

Section 1073. c.
this section is exactly the counterpart of section 1027
of non-payment ~~see illustration under 1027~~, instead of in
of non-acceptance.

25th December 1923

(because it happens that E is the debtor of A for 1000
bills.)