

2. PAYMENT FOR HONOUR

1074.—A bill of exchange accepted for honour must, on the day of maturity, be presented for payment first to the drawee.

If the drawee fails to pay it, the holder must, on the day of maturity or on the following day, present it for payment to the acceptor for honour.

If there is no acceptor for honour or if the acceptor for honour does not pay the holder must, within the same period of time, present the bill for payment to the referee in case of need, if any.

1075.—If the acceptor for honour or the referee in case of need fails to pay the fact must be stated in the notice of dishonour.

1076.—If the holder fails to proceed as prescribed in sections 1017 and 1018 he loses his right of recourse against the person who has named the referee in case of need, or against the person in whose favour acceptance for honour has been made, and against the parties subsequent to them.

1077.—If the bill of exchange is not paid on presentation, any person, even not a party to it, may pay it.

The holder cannot refuse such payment. If he refuses, he loses his right of recourse against the party for whom payment was offered and against the subsequent parties.

1078.—Payment by an acceptor for honour or by a referee in case of need or by a third person is called payment for honour.