

Content

Title :	Enforcement Rules of the Negotiable Instruments Act Ch
Date :	1986.12.30
Legislative :	1.Promulgated on May 29, 1973 2.Amended on January 21, 1974 3.Amended on February 21, 1978 4.Articles 9 and 11 amended and Articles 2, 15, and 16 deleted per 30 December 1986 per Order No. (75)-Tai-Cai-26889 of the Executive Yuan
Content :	<p>Article 1</p> <p>These Enforcement Rules are adopted pursuant to Article 145 of the Negotiable Instruments Act ("the Act").</p> <p>Article 2</p> <p>(Deleted)</p> <p>Article 3</p> <p>If the sum stated on a negotiable instrument is expressed in figures instead of words and the figures have been mechanically processed to prevent cancellation, the sum denoted by figures is deemed to be expressed in words.</p> <p>Article 4</p> <p>If a negotiable instrument is acquired by a person who is not entitled to any rights in the instrument or whose rights in the instrument shall be limited, the original obligee may, following the procedure for provisional injunction, petition a competent court for a disposition precluding the possessor of the instrument from presenting it to the drawee for payment.</p> <p>Article 5</p> <p>When the obligee gives notice to stop payment of a negotiable instrument pursuant to Article 18 of the Act, he shall fill out a stop payment notice for the lost instrument, specifying the following particulars, and bring it to the drawee's notice:</p> <ol style="list-style-type: none">1. The circumstances by which the negotiable instrument was lost.2. The type, account number, serial number, and sum payable of the lost instrument, and any other relevant entries on the lost instrument.3. The name, age, and domicile of the person who gives notice to stop payment. If the person is an agency or group, its official seal shall also be affixed to the notice. If the person is a company or business, the notice shall further be signed by the responsible person. If the person is an individual, his national ID number shall be indicated in the notice. <p>When the obligee is the drawer, the obligee's original seal or signature of record shall be affixed.</p> <p>Upon receipt of a stop payment notice for a negotiable instrument, the drawee shall immediately ascertain whether it is accurate. If the obligee has no funds on deposit and approval has not been given for a credit advance on the instrument, the drawee shall decline to entertain the notice. If the obligee's funds on deposit are insufficient or the instrument exceeds the amount approved by the drawee for credit advance,</p>

the drawee shall first stop payment within the amount of the funds on deposit or the amount approved for credit advance. If subsequently there are further funds on deposit or further approval is given for a credit advance, the drawee shall continue to stop payment thereof within the limit of the amount indicated on the negotiable instrument for which the stop payment notice was given.

When the obligee gives notice to stop payment of a negotiable instrument before its date of maturity, the drawee shall first register the stop payment notice, and then upon the maturity date shall proceed as provided in the preceding paragraph. The same shall apply if the notice to stop payment of a check is given before the date of drawing indicated on the check.

When notice is given to stop payment of a blank negotiable instrument that has been signed but that does not specify in full the particulars required to be specified thereon, if the particulars are supplemented in full after the loss of the instrument, the preceding two paragraphs shall apply *mutatis mutandis*, and the drawee shall stop payment within the limit of the amount indicated on the instrument.

The sum on which payment is stopped shall be retained by the drawee, and may not be paid or otherwise drawn upon by the drawer unless in accordance with Article 19, paragraph 2 of the Act, or with the consent of both the possessor of the instrument and the person who gave the stop payment notice.

Article 6

The provisions of Articles 18 and 19 of the Act shall not apply to a negotiable instrument that has been discharged by a payment made by the drawee.

Article 7

Notwithstanding that the obligee of a negotiable instrument has presented the drawee with evidence of a petition for public summons in accordance with Article 18, paragraph 1 of the Act, if the obligee's petition for public summons is dismissed or withdrawn, or the obligee's petition for a judgment of exclusion is dismissed by a final and conclusive ruling or withdrawn, or a petition for a judgment of exclusion is not filed within the required time limit, the provision of Article 18, paragraph 2 of the Act shall still apply.

If the stop payment notice becomes void pursuant to Article 18, paragraph 2 of the Act, the same person may not give further notice to stop payment of the same instrument.

Article 8

A form may be printed on the back of a negotiable instrument or on an allonge annexed to the instrument for an endorser to write on, but endorsement may not be made on an allonge unless no space is available for endorsement on the back of the instrument.

Article 9

Interest required to be deducted pursuant to Article 65, paragraph 3 of the Act shall be deducted at the agreed interest rate, if any. If no rate has been agreed upon, the interest shall be deducted at the rate specified in Article 28, paragraph 2 of the Act.

Article 10

If a negotiable instrument is payable in installments, the payee shall issue a separate receipt for each installment and the interest received, and shall make a note on the instrument specifying the installment for which the payment is received, and the amount and date of that installment payment.

Article 11

An entity that has the authority to make a protest, upon receiving a request to do so, shall immediately conduct the necessary investigation of the particulars of the protest as set out in Article 107, subparagraph 2 of the Act.

Article 12

The transcript of a protest kept at the place of business of the person who made it in accordance with Article 113 of the Act shall contain the full text of the bill of exchange.

Article 13

(Deleted)

Article 14

Matters under the Act that may be stipulated in a special agreement or otherwise separately agreed upon, unless expressly specified in the negotiable instrument, may not be raised as a defense against a third party acting in good faith.

Article 15

(Deleted)

Article 16

(Deleted)

Article 17

These Enforcement Rules shall come into force from the date of issuance.