

# Negotiable Instruments Law



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A DETAILED EXPLANATION OF  
ARTICLE 3 OF THE UNIFORM COMMERCIAL CODE

John P. Huggard, J.D.



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# Preface

Every day millions of checks and drafts are issued by consumers and businesses. In addition, banks issue certificates of deposit and both consumers and businesses borrow money to purchase goods and services and evidence these financial transactions with promissory notes. Lawyers, CPAs and bank managers must understand the law of negotiable instruments as it applies to checks, drafts, bank CDs and promissory notes. This book was written to provide a complete understanding of negotiable instruments as promulgated by Article 3 of the Uniform Commercial Code by examining each section of Article 3. Problems (with solutions) and examples are set out to clarify the more difficult provisions of Article 3.

John Parker Huggard  
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# Acknowledgments

Writing this book on negotiable instruments was a multipartite project. My part of the project was the easiest—I gathered basic research material, which resulted in the creation of thousands of pages of nearly indecipherable, disorganized handwritten notes. The most difficult part of this work was completed by my friend and paralegal, Donna Buck, who had the monumental task of organizing my notes into a logical and readable style. In addition to this burden, Donna proofed the manuscript for misspellings, improper grammar, and other errors which abounded. Finally, Donna typed and retyped the manuscript countless times until it was in a presentable form. I want to thank my wife, Jennifer, who never once complained when “the book” took precedence over all else, including her. Countless attorneys, bank managers, CPAs and others throughout North Carolina were kind enough to allow me to constantly bother them whenever I needed clarification of a statute or bank regulation. To those people mentioned above and those unmentioned supporters, I give my heartfelt thanks.





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