

Part 6. Discharge and Payment.

§ 25-3-601. Discharge and effect of discharge.

(a) The obligation of a party to pay the instrument is discharged as stated in this Article or by an act or agreement with the party which would discharge an obligation to pay money under a simple contract.

(b) Discharge of the obligation of a party is not effective against a person acquiring rights of a holder in due course of the instrument without notice of the discharge. (1899, c. 733, ss. 15, 16, 57, 119 to 121; Rev., ss. 2165, 2166, 2206, 2269 to 2271; C.S., ss. 2296, 2297, 3038, 3101 to 3103; 1965, c. 700, s. 1; 1995, c. 232, s. 1.)