

CHAPTER II.—Negotiable Instruments in General—Form and Interpretation.

An. Code, sec. 20. 1904, sec. 20. 1898, ch. 119.

20. An instrument to be negotiable must conform to the following requirements:

1. It must be in writing and signed by the maker or drawer;
2. Must contain an unconditional promise or order to pay a sum certain in money;
3. Must be payable on demand, or at a fixed or determinable future time;
4. Must be payable to order or to bearer; and
5. Where the instrument is addressed to a drawee, he must be named or otherwise indicated therein with reasonable certainty.

A bank check drawn to the order of the payee is a negotiable instrument under this section and sec. 22. *1st Denton Natl. Bank v. Kenney*, 116 Md. 29.

An. Code, sec. 21. 1904, sec. 21. 1898, ch. 119.

21. The sum payable is a sum certain within the meaning of this act, although it is to be paid:

1. With interest; or
2. By stated instalments; or
3. By stated instalments, with a provision, that upon default in payment of any instalment or of interest, the whole shall become due; or
4. With exchange, whether at a fixed rate or at the current rate; or
5. With costs of collection or an attorney's fee, in case payment shall not be made at maturity.

An. Code, sec. 22. 1904, sec. 22. 1898, ch. 119.

22. An unqualified order or promise to pay is unconditional within the meaning of this act, though coupled with:

1. An indication of a particular fund out of which reimbursement is to be made, or a particular account to be debited with the amount; or
2. A statement of the transaction which gives rise to the instrument.

But an order or promise to pay out of a particular fund is not unconditional.

Checks of a building association for a mortgage loan, endorsed by the borrower to a builder and by the latter back to the association, held to be negotiable under this section; it was not necessary for the association to deposit the checks to its own credit—see sec. 138. *Loan & Savings Assn. v. Tracey*, 142 Md. 220.

See note to sec. 20.

An. Code, sec. 23. 1904, sec. 23. 1898, ch. 119.

23. An instrument is payable at a determinable future time, within the meaning of this act, which is expressed to be payable:

1. At a fixed period after date or sight; or
 2. On or before a fixed or determinable future time specified therein;
- or
3. On or at a fixed period after the occurrence of a specified event, which is certain to happen, though the time of happening be uncertain.