

141. The holder may expressly renounce his rights against any party to the instrument, before, at, or after its maturity. An absolute and unconditional renunciation of his rights against the principal debtor made at or after the maturity of the instrument discharges the instrument. But a renunciation does not affect the rights of a holder in due course without notice. A renunciation must be in writing, unless the instrument is delivered up to the person primarily liable thereon.

142. A cancellation made unintentionally, or under a mistake, or without the authority of the holder, is inoperative; but where an instrument or any signature thereon appears to have been cancelled the burden of proof lies on the party who alleges that the cancellation was made unintentionally, or under a mistake, or without authority.

143. Where a negotiable instrument is materially altered without the assent of all parties liable thereon, it is avoided, except as against a party who has himself made, authorized, or assented to the alteration and subsequent indorsers.

But when an instrument has been materially altered and is in the hand of a holder in due course, not a party to the alteration, he may enforce payment thereof according to its original tenor.

144. Any alteration which changes :

1. The date ;
2. The sum payable, either for principal or interest ;
3. The time or place of payment ;
4. The number or the relations of the parties ;
5. The medium or currency in which payment is to be made.

Or which adds a place of payment where no place of payment is specified, or any other change or addition which alters the effect of the instrument in any respect, is a material alteration.

## CHAPTER X.

### BILLS OF EXCHANGE; FORM AND INTERPRETION.

#### *Index to Chapter X.*

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| 145. Bill of exchange defined.                           | 148. Inland and foreign bills of exchange.        |
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145. A bill of exchange is an unconditional order in writing addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on