

In accordance with Article 88 Item 2 of the Constitution of the Republic of Montenegro I hereby pass the

**ENACTMENT ON PROCLAMATION OF  
THE LAW ON BILLS OF EXCHANGE  
(“Official Gazette of RoM”, no. 45/05 as of 28<sup>th</sup> July 2005)**

This is a proclamation of the Law on Bills of Exchange, adopted by the Parliament of the Republic of Montenegro at the fourth meeting of the first regular session in the year 2005, on 21<sup>st</sup> July 2005.

Number: 01-765/2  
Podgorica, 25<sup>th</sup> July 2005  
President of the Republic of Montenegro  
Filip Vujanović, signed

**LAW ON BILLS OF EXCHANGE**

**PART ONE  
BASIC PROVISIONS**

**General provision  
Article 1**

This Law regulates the content and form of a bill of exchange, actions liable under a bill of exchange and the manner in which bill of exchange business operations are performed.

**Meaning of specific terms  
Article 2**

Specific words and expressions used in this Law have the following meaning:

- 1) “acceptance” is an action liable under a bill of exchange by which a third person (drawee or intervening party) confirms with his signature to accept to pay the bill of exchange liability;
- 2) “amortization” is a proceeding of publishing a missing bill of exchange as amortized for the purpose of realization of rights under the bill of exchange.
- 3) “aval” is surety on a bill of exchange;
- 4) “maturity” is a collectible feature of a bill of exchange;
- 5) “endorsement” is a special statement by which the endorser (transferor) transfers the document to endorsee (new holder)
- 6) “intervention” is the possibility of acceptance and payment of a bill of

- exchange by a third person, instead of a bill of exchange debtors;
- 7) "illegal acquisition of wealth" is groundless acquisition of profit from actions omitted to be undertaken for the purpose of preservation of rights under the bill of exchange;
  - 8) "alteration of bill of exchange" is the possibility of altering any of data fields on a bill of exchange;
  - 9) "protest" is a public document issued by court confirming that certain actions for collection of a bill of exchange and preservation of rights under the bill of exchange have been undertaken;
  - 10) "recourse" is compensation for the holder in case when the bill of exchange is not paid at maturity, on time or prior to maturity;
  - 11) "drawn bill of exchange" is an unconditional instruction for a specific amount of money to be paid.

## **PART TWO**

### **DRAWN BILL OF EXCHANGE**

#### **Chapter I**

#### **ISSUE AND FORM OF DRAWN BILL OF EXCHANGE**

##### **Article 3**

Drawn bill of exchange shall contain:

- 1) a designation that it is a bill of exchange, written on the document itself, in the language the bill itself is written in;
- 2) unconditional instruction for a certain amount of money to be paid;
- 3) name of the payer (drawee);
- 4) designation of maturity;
- 5) location where the payment is to be executed;
- 6) name of the person to whom or at whose instruction the payment is to be executed (payee);
- 7) designation of the date and place of issuance of bill of exchange;
- 8) signature of the person who issued the bill of exchange (drawer).

##### **Article 4**

Documents lacking any of the elements from Article 3 are not valid as drawn bills of exchange, with the exception of cases defined in paragraphs 2, 3 and 4 of this Article.

Drawn bill of exchange with no designation of maturity is considered to be a sight bill of exchange.

The location which is indicated next to drawee's name shall be regarded as the place of payment and also as drawee's residence, unless specifically otherwise determined.

Drawn bills of exchange with no place of issuance designated shall be regarded as issued in the place indicated next to drawer's signature.

#### **Article 5**

A bill of exchange may be drawn payable to drawer's order. It may be drawn on the drawer himself. It may be issued (drawn) for account of a third party.

#### **Article 6**

Drawn bills of exchange may be payable at the third person's domicile, either in the locality where the drawee has his domicile or in another locality (domiciled drawn bill of exchange).

#### **Article 7**

When a bill of exchange is payable at sight, or at fixed period after sight, the drawer may stipulate that the sum payable shall bear interest. In the case of any other bill of exchange, this stipulation is deemed not to be written.

Interest rate shall be specified in the bill of exchange; in default of such specification, the provision on interest shall be deemed as not written.

Interest shall run from the date of bill of exchange, unless otherwise determined.

#### **Article 8**

If bill of exchange sum is expressed in words and also in figures, in case of discrepancy the sum written in words shall be payable.

If bill of exchange amount is expressed more than once in words, or more than once in figures, the smallest sum shall be payable.

#### **Article 9**

If bill of exchange bears signatures of persons incapable of binding themselves by bill of exchange, or false signatures or signatures of fictitious persons, or signatures which for any other reasons cannot bind persons who signed the bill of exchange, or on whose behalf it was signed, the obligations of the other persons who signed it are none the less valid.

#### **Article 10**

Whosoever puts his signature on a bill of exchange as representing a person for whom he had no power to act, is bound himself as party to the bill and, if he pays, has the same rights as the person for whom he purported to act. The same rule applies to a representative who has exceeded his powers.

### **Article 11**

Drawee is responsible for acceptance and payment of the bill of exchange. He may release himself from guaranteeing acceptance, and each provision by which he releases himself from the guarantee of payment is deemed not to be written.

## **Chapter II ENDORSEMENT**

### **Article 12**

Every bill of exchange, even if it is not explicitly drawn to order, may be transferred by means of endorsement.

When the drawer has inserted in a bill of exchange the words: "Not to order" or another expression with the same meaning, the instrument can only be transferred according to the form, and with the effects of an ordinary assignment (cession).

Bill of exchange may be endorsed in favour of the drawee, whether he has accepted or not, or of the drawer, or of any other party to the bill. These persons may re-endorse the bill.

### **Article 13**

Endorsement shall be unconditional. Any condition to which it is made subject shall be deemed as not written.

A partial endorsement is null and void.

An endorsement to bearer shall be equivalent to an endorsement in blank.

### **Article 14**

Endorsement shall be written on the bill of exchange or on a slip attached to it (allonge) and shall be signed by endorser.

The endorsement may leave the beneficiary unspecified, and may consist simply of the signature of the endorser (endorsement in blank). In this case, the endorsement, to be valid, shall be written on the back of the bill of exchange or on allonge.

### **Article 15**

All the rights that arise from the bill of exchange shall be transferred by endorsement.

If the endorsement is in blank, its holder may:

- 1) fill up the blank endorsement either with his own name or with the name of some other person;

- 2) re-endorse the bill in blank, or to the name of some other person;
- 3) transfer the bill of exchange to a third person, without filling up the blank endorsement, and without endorsing it.

#### **Article 16**

The endorser is liable for acceptance and payment of the bill of exchange, unless otherwise determined in the endorsement.

The endorser may prohibit the bill of exchange to be re-endorsed and in this case shall not be liable to the persons to whom the bill is subsequently endorsed.

#### **Article 17**

The bill of exchange possessor is deemed to be its lawful holder if he establishes his title to the bill through an uninterrupted series of endorsements. This is valid even when the latest endorsement is in blank (Article 13 paragraph 3 of this Law). In this connection, cancelled endorsements are deemed as non-existing. In case when endorsement in blank is followed by another endorsement, the person who signed this last endorsement is deemed to have acquired the bill by endorsement in blank.

If a person has been dispossessed of a bill of exchange, in any manner whatsoever, the holder who establishes his right thereto in the manner prescribed in paragraph 1 of this Article, is not bound to give up the bill unless in requiring has been guilty of bad faith or gross negligence.

#### **Article 18**

Persons against which orders have been issued to fulfill their obligations under the bill have no right to claims against the bill holder founded on their personal relations with the drawer or with previous holders, unless the current holder, in acquiring the bill, has knowingly acted to the detriment of the debtor.

If bill of exchange, which at the time of issuance was incomplete, is subsequently filled up in the manner contrary to the current agreement, the breach of this agreement cannot be attributed to the bill holder, unless in acquiring has been guilty of bad faith or gross negligence.

#### **Article 19**

When endorsement contains the statements "value in collection", "for collection", "by procuration" or any other note implying a mandate, the holder may exercise all rights arising out from the bill of exchange, but he can only endorse it in his capacity as proxy.

The parties liable, in the case from paragraph 1 of this Article may raise against the bill holder such claims that could be raised against the endorser.

The instruction comprised in the endorsement from paragraph 1 of this Article (endorsement by procuration) shall not be terminated due to the death of the party giving the mandate or due to his becoming legally incapable.

## **Article 20**

When endorsement comprises the statements "value in security", "value in pledge" or any other statement implying pledge, the holder may exercise all the rights arising out of the bill of exchange, but an endorsement by him has the effects only of an endorsement by a proxy.

The parties liable in such the case from paragraph 1 of this Article have no right to claims against the holder based on their personal relations with the endorser, unless the holder, in acquiring the bill, has knowingly acted to the detriment of the debtor.

## **Article 21**

An endorsement after maturity shall produce the same effects as an endorsement before maturity. Nevertheless an endorsement after protest for non-payment, or after the expiration of the limit of time fixed for drawing up the protest, operates only as an ordinary assignment.

Until the contrary is proved, an endorsement without date is deemed to have been placed on the bill before the expiration of the limit of time fixed for drawing up the protest.

# **Chapter III ACCEPTANCE**

## **Article 22**

Until maturity, a bill of exchange may be presented to the drawee for acceptance at his domicile either by the holder or by a person who is merely in possession of the bill.

## **Article 23**

In any drawn bill of exchange, the drawee may instruct it to be presented for acceptance, with or without fixing a limit of time for acceptance.

Except in the case of a bill payable at the address of a third party or in a locality other than that of the domicile of the drawee, or, except in the case of a bill drawn payable at a fixed period after sight, the drawer may prohibit presenting for acceptance.

Drawer may also order the bill of exchange not be presented for acceptance prior to the named date.

Unless the drawer has prohibited acceptance, every endorser may order drawn bill of exchange to be presented for acceptance, with or without fixing a deadline for presenting.

## **Article 24**

Bills of exchange payable at a fixed period after sight shall be presented for acceptance within one year of their date of issuance.

Drawer may prolong or abridge the deadline from paragraph 1 of this Article.

The endorsers may abridge the deadlines from paragraphs 1 and 2 of this Article.

## **Article 25**

The drawer may demand that a bill be presented to him once more on the day after the first presenting for acceptance. Parties interested are not allowed to claim that this demand has not been complied with unless this request is mentioned in the protest.

Bill holder is not obliged to surrender to the drawee a bill presented for acceptance.

## **Article 26**

Acceptance is written on the bill of exchange. It is expressed by the words "I acknowledge", "received", "accepted", or any other word with the same meaning; acceptance is signed by drawee. The drawee's signature on the face of the bill constitutes an acceptance.

When the bill is payable at a certain time after sight or when it must be presented for acceptance within a certain limit of time in accordance with a special stipulation the acceptance must be dated as of the day when the acceptance is given unless the holder requires it to be dated as of the day of presenting. If it is undated, the holder, in order to preserve his right of recourse against the endorsers and the drawer, must authenticate the omission by a protest drawn up within the proper time.

## **Article 27**

An acceptance shall be unconditional, but the drawee may restrict it to a part of sum payable.

Every other modification introduced by an acceptance into the tenor of the bill of exchange operates as a refusal to accept. Nevertheless, the acceptor is bound according to the terms of his acceptance.

## **Article 28**

When the drawer of a bill has indicated a place of payment other than the domicile of the drawee without specifying a third party at whose address payment must be made, the drawee may name such third party at the time of acceptance. In default of this indication, the acceptor is deemed to have undertaken to pay the bill himself at the place of payment.

If a bill is payable at the domicile of the drawee, the latter may in his acceptance indicate an address in the same place where payment is to be made.

#### **Article 29**

By accepting, the drawee undertakes to pay the bill of exchange at its maturity.

In default of payment, the holder, even if he is the drawer, has a right under it to a direct legal action against the acceptor for all that can be demanded in accordance with Articles 49 and 50 of this Law.

#### **Article 30**

Where the drawee that has put his acceptance on a bill has cancelled it before restoring the bill, acceptance is deemed to be refused. Until the contrary is proved, the cancellation is deemed to have taken place before the bill was restored.

Nevertheless, if the drawee has notified his acceptance in writing to the holder or to any party who has signed the bill, he is liable to such parties according to the terms of his acceptance.

### **Chapter IV AVALS**

#### **Article 31**

Payment of a bill of exchange may be guaranteed by 'aval' (bill guarantee) as to the whole or part of its amount.

This aval may be given by a third person or even by a person who has signed as a party to the bill.

#### **Article 32**

The aval is given either on the bill itself or on an allonge and is signed by the giver of the aval.

Aval is expressed by the words "per aval", "as guarantor" or any other expression with the same meaning.

The signature of the person on the face of a bill is sufficient for issuing an aval, unless it is the signature of the drawer or drawee.

An 'aval' must specify for whose account it is given. In default of this it is deemed to be given for the drawer.



### **Article 33**

The giver of an aval is bound in the same manner as the person for whom he has become guarantor.

His undertaking is valid even when the liability which he has guaranteed for is inoperative for any reason other than a formal deficiency.

Having paid out the bill, the aval giver is entitled to rights under the bill against the party guaranteed for, as well as against parties responsible towards him under the bill (right to recourse).

## **Chapter V MATURITY**

### **Article 34**

Bill of exchange may be issued:

- at sight;
- at a fixed period after sight;
- at a fixed period after date;
- at a fixed date.

Bills of exchange at other maturities or payable by installments are null and void.

### **Article 35**

A bill of exchange at sight is payable on presenting. It must be presented for payment within a year of its date. The drawer may abridge or extend this period. These periods may be abridged by the endorsers.

The drawer may prescribe that a bill of exchange payable at sight must not be presented for payment before a named date. In this case, the period for presenting begins from the said date.

### **Article 36**

The maturity of a bill of exchange payable at a fixed period after sight is determined either by the date of the acceptance or by the date of the protest.

In the absence of the protest, an undated acceptance is deemed, so far as regards the acceptor, to have been given on the last day of the limit of time for presenting for acceptance.

### **Article 37**

Where a bill of exchange is drawn at one or more months after date or after sight, the bill matures on the corresponding date of the month when payment must be made. If there be no corresponding date, the bill matures on the last day of this month.

When a bill of exchange is drawn at one or more months and a-half after date or sight, entire months must first be calculated.

If the maturity is fixed at the commencement, in the middle (mid-January or mid-February, etc.,) or at the end of the month, the first, fifteenth or last day of the month is to be understood.

The expressions 'eight days' or 'fifteen days' indicate not one or two weeks, but a period of eight or fifteen actual days.

The expression 'half-month' means a period of fifteen days.

### **Article 38**

When a bill of exchange is payable on a fixed day in a place where the calendar is different from the calendar in the place of issue, the day of maturity is deemed to be fixed according to the calendar of the place of payment.

When a bill of exchange drawn between two places having different calendars is payable at a fixed period after date, the day of issue is referred to the corresponding day of the calendar in the place of payment, and the maturity is fixed accordingly.

The time for presenting bills of exchange is calculated in accordance with paragraph 2 of this Article. These rules do not apply if a stipulation in the bill or even the simple terms of the instrument indicate an intention to adopt some different rule.

## **Chapter VI PAYMENT**

### **Article 39**

The holder of a bill of exchange payable on a fixed day or at a fixed period after date or after sight must present the bill for payment either on the day on which it is payable or on one of the two business days which follow.

Whenever a bill is presented to a bank or another payment system participant, it is deemed to have been presented for payment.

#### **Article 40**

The drawee who pays a bill of exchange may require that it be given up to him receipted by the holder.

Bill holder may not refuse partial payment.

In case of partial payment the drawee may require that mention of this payment be made on the bill, and that a receipt therefore be given to him.

#### **Article 41**

The holder of a bill of exchange cannot be compelled to receive a payment thereof before maturity.

The drawee who pays out a bill prior to maturity does so at his own risk and peril.

He who pays at maturity is validly discharged, unless he has done it in bad faith or gross negligence. He is bound to verify the regularity of the series of endorsements, but not the signature of the endorsers.

#### **Article 42**

When a bill of exchange is drawn payable in a currency which is not that of the place of payment, the sum payable may be paid in the currency of the country, according to its value on the date of maturity. If the debtor is in default, the holder may at his option demand that the amount of the bill be paid in the currency of the country according to the rate on the day of maturity or the day of payment.

The regulations of the place of payment determine the value of foreign currency. Nevertheless, the drawer may stipulate that the sum payable shall be calculated according to a rate expressed in the bill.

The provisions of paragraphs 1 and 2 of this Article shall not apply to the case in which the drawer has stipulated that payment must be made in a specified currency (stipulation for effective payment in foreign currency).

Provisions of paragraphs 2 and 3 of this Article shall be applied unless they are in conflict with valid currency and foreign exchange regulations.

If the amount of the bill of exchange is specified in a currency having the same denomination, but a different value in the country of issue and the country of payment, reference is deemed to be made to the currency of the place of payment.

#### **Article 43**

When bill of exchange is not presented for payment within the period indicated in Article 39 of this Law, every debtor is authorized to deposit the amount in the place of payment with a competent court, and if there is no such a court, with a competent

body of local government at the charge, risk and peril of the holder.

## **Chapter VII**

### **RECOURSE FOR NON-ACCEPTANCE AND NON-PAYMENT**

#### **Article 44**

The holder may exercise his right of recourse against the endorsers, the drawer and the other parties liable:

- 1) At maturity;
- 2) If payment has not been made for the full or partial amount;
- 3) Even before maturity:
  - If there has been total or partial refusal to accept;
  - In the event of the bankruptcy (liquidation) of the drawee prior or after acceptance, or in the event of a stoppage of payment on his part, even when not declared by a judgment, or when execution has been levied against his goods without result;
  - In the event of the bankruptcy (liquidation) of the drawer of a non-acceptable bill.

#### **Article 45**

Any partial or complete default of acceptance or payment must be evidenced by a public document (protest for non-acceptance or non-payment).

Protest for non-acceptance must be made within the limit of time fixed for presenting for acceptance. If in the case contemplated by paragraph 1 Article 25 of this Law, the first presenting takes place on the last day of that time, the protest may nevertheless be drawn up on the next day.

Protest for non-payment of a bill of exchange payable on a fixed day or at a fixed period after date or sight must be made on one of the two business days following the day on which the bill is payable. In the case of a bill payable at sight, the protest must be drawn up under the conditions specified in paragraph 2 of this Article for the drawing up of a protest for non-acceptance.

Protest for non-acceptance dispenses with presenting for payment and protest for non-payment.

If there is a stoppage of payment on the part of the drawee, whether he has accepted or not, or if execution has been levied against his goods without result, the holder cannot exercise his right of recourse until after presenting of the bill to the drawee for payment and after the protest has been drawn up.

In case of a bankruptcy procedure initiated over the drawee's property prior to or after acceptance, as well as in a case of a bankruptcy procedure initiated over the property of a drawer related to a bill that may not be submitted for acceptance, the owner of the bill may demand recourse only after submitting evidence for

commencement of a bankruptcy procedure.

#### **Article 46**

The holder must give notice of non-acceptance or non-payment to his endorser and to the drawer within four business days which follow the day for protest or following the date of submission of the bill in case it includes the stipulation "no charges". In case of a protest replaced in accordance with Article 79 of this Law, the deadline shall be calculated from the date of entering the announcement of refusal onto the register of protests.

Every endorser must, within two business days following the day on which he receives notice, notify his endorser of the notice he has received, mentioning the names and addresses of those who have given the previous notices, and so on through the series until the drawer is reached.

When in respect of paragraphs 1 and 2 of this Article, notice is given to a person who has signed a bill of exchange, the same notice must be given within the same limit of time to his guarantor.

Where an endorser either has not specified his address or has specified it in an illegible manner, it is sufficient that notice should be given to the preceding endorser.

A notice may be given in any form whatever, even by simply returning the bill of exchange.

He who provides the notice must prove that he has given it within the time prescribed.

This time-limit shall be regarded as having been observed if a letter giving the notice has been posted within the prescribed time.

A person who does not give notice within the limit of time determined does not forfeit his rights, but he is responsible for the damage caused by his negligence up to the amount equivalent to that of the bill of exchange.

#### **Article 47**

The drawer, an endorser, or a person guaranteeing payment by aval may, by the stipulation "free of expenses", "without protest", or any other equivalent expression written on the instrument and signed, release the holder from having a protest of non-acceptance or non-payment drawn up in order to exercise his right of recourse.

The provision of paragraph 1 of this Article does not release the holder from presenting the bill within the prescribed time, or from timely provision of notices. The burden of proving the non-observance of the limits of time lies on the person who seeks to set it up against the holder.

If the stipulation is written by the drawer it is operative in respect of all persons who have signed the bill; if it is written by an endorser or guarantor, it is operative only in

respect of such endorser or guarantor. If, in spite of the stipulation written by the drawer, the holder has the protest drawn up, he must bear the expenses thereof. When the stipulation emanates from an endorser or guarantor, the costs of the protest, if one is drawn up, may be recovered from all the persons who have signed the bill.

#### **Article 48**

All drawers, acceptors, endorsers or guarantors by aval of a bill of exchange are jointly and severally liable to the holder.

The holder has the right of proceeding against all the persons from paragraph 1 of this Article individually or against more than one of them or against them collectively without being required to observe the order in which they have become bound.

The right from paragraph 2 of this Article is possessed by any person signing the bill who has taken it up and paid it.

Proceedings against one of the parties liable do not prevent proceedings against the others, even though they may be subsequent to the party first proceeded against.

#### **Article 49**

The holder may recover from the person against whom he exercises his right of recourse:

- 1) The amount of the unaccepted or unpaid bill of exchange with interest, if interest has been stipulated for;
- 2) Interest on arrears calculated in accordance with the regulation determining the rate of interest on arrears;
- 3) The expenses of protest and of the notices given as well as other expenses.

If the right of recourse is exercised before maturity, the amount of the bill shall be subject to a discount at the rate determined by European Central Bank on the date when recourse is exercised.

#### **Article 50**

A party who takes up and pays a bill of exchange can recover from the parties liable to him:

- 1) The entire sum which he has paid;
- 2) Interest in the amount of discount rate determined by the European Central Bank, starting from the day of payment;
- 3) Any expenses which he has incurred.

#### **Article 51**

Every party liable against whom a right of recourse is or may be exercised can require against payment, that the bill be given up to him with the protest and a receipt on which payment is confirmed.

Every endorser who has taken up and paid a bill of exchange may cancel his own endorsement and those of subsequent endorsers.

#### **Article 52**

In the case of the exercise of the right of recourse after a partial acceptance, the party who pays the sum in respect of which the bill has not been accepted can require that this payment be specified on the bill and that he be given a receipt therefore. The holder must also give him a certified copy of the bill, together with the protest, in order to enable subsequent recourse to be exercised.

#### **Article 53**

Every person having the right of recourse may, in the absence of agreement to the contrary, reimburse himself by means of a fresh bill (redraft) to be drawn at sight on one of the parties liable to him and payable at the domicile of that party.

The redraft includes, in addition to the sums mentioned in Articles 49 and 50 of this Law, brokerage and the fee on the redraft.

If the redraft is drawn by the holder, the sum payable is fixed according to the rate for a sight bill drawn at the place where the original bill was payable upon the party liable at the place of his domicile. If the redraft is drawn by an endorser, the sum payable is fixed according to the rate for a sight bill drawn at the place where the drawer of the redraft is domiciled upon the place of domicile of the party liable.

#### **Article 54**

After the expiration of the limits of time fixed: for the presenting of a bill of exchange drawn at sight or at a fixed period after sight; for raising a protest against non-acceptance or non-payment and for submission of a bill containing the provision "free of expenses", the owner of the bill loses all the rights towards the endorsers, drawer and other liable parties, with the exception of the acceptor.

In default of presenting for acceptance within the limit of time stipulated by the drawer, the holder loses his right of recourse for non-payment, as well as for non-acceptance, unless it appears from the terms of the stipulation that the drawer only meant to release himself from the guarantee of acceptance.

If the stipulation for a limit of time for presenting is contained in an endorsement, then it may be used only by the endorser who wrote the endorsement.

#### **Article 55**

Should the presenting of the bill of exchange or the drawing up of the protest within the prescribed limits of time be prevented by an insurmountable obstacle (legal prohibition by any state or other case of force majeure), these limits of time shall be extended.

The holder is bound to give notice without delay of the case of force majeure to his

endorser and to specify this notice, which he must date and sign, on the bill or on an allonge; in other respects the provisions of Article 46 of this Law shall apply.

When force majeure has terminated the holder must without delay present the bill of exchange for acceptance or payment and, if need be, draw up the protest.

If force majeure continues to last beyond thirty days after maturity, recourse may be exercised, and neither presenting nor the drawing up of a protest shall be necessary.

In the case of bills of exchange drawn at sight or at a fixed period after sight, the time-limit of thirty days shall run from the date on which the holder, even before the expiration of the time for presenting, has given notice of force majeure to his endorser. In the case of bill of exchange drawn at a certain time after sight, the above time-limit of thirty days shall be added to the period after sight specified in the bill of exchange.

Obstacles which are purely personal to the holder or to the person whom he has entrusted with the presenting of the bill or drawing up of the bill or drawing up of the protest are not deemed to constitute cases of force majeure.

## **Chapter VIII INTERVENTION**

### **1. General Provision Article 56**

Drawers, endorsers, or persons giving an aval may specify a person who is to accept or pay in case of need (intervening party).

A bill of exchange may, subject as hereinafter mentioned, be accepted or paid by a person who intervenes for the honour of any debtor against whom a right of recourse exists.

The person intervening may be a third party, even the drawee, or, save the acceptor, a party already liable on the bill of exchange.

The person intervening is bound to give, within two business days, notice of his intervention to the party for whose honour he has intervened. In default, he is responsible for the damage caused by the default but up to amount of the bill of exchange.



## **2. Acceptance by Intervention**

### **Article 57**

There may be acceptance by intervention in all cases where the holder has a right of recourse before maturity on a bill which is capable of acceptance.

When the bill of exchange indicates a person who is designated to accept or pay it in case of need at the place of payment, the holder may not exercise his rights of recourse before maturity against the person naming such reference and against subsequent signatories, unless he has presented the bill of exchange to the named person and protested the bill because the acceptance is refused by the latter.

In other cases of intervention the holder may refuse an acceptance by intervention. Nevertheless, if he allows it, he loses his right of recourse before maturity against the person on whose behalf such acceptance was given and against subsequent signatories.

### **Article 58**

Acceptance by intervention is specified on the bill of exchange. It is signed by the person intervening. It mentions the person for whose honour it has been given and, in default of such mention, the acceptance is deemed to have been given for the honour of the drawer.

### **Article 59**

Whenever accepting a bill, the intervening party is liable to the holder and to the endorsers subsequent to the party for whose honour he intervened, in the same manner as such party.

Notwithstanding acceptance by intervention, the party for whose honour it has been given and the parties liable to him may require the holder, in exchange for payment of the sum mentioned in Article 49 of this Law, to deliver the bill, the protest, and a receipt confirming the payment.

## **3. Payment by Intervention**

### **Article 60**

Payment by intervention may take place in all cases where, either at maturity or before maturity, the holder has a right of recourse on the bill.

Payment must include the whole amount payable by the party for whose honour it is made.

It must be made at the latest on the day following the last day allowed for drawing up the protest for non-payment.

### **Article 61**

If a bill of exchange has been accepted by persons intervening who are domiciled in the place of payment, or if persons domiciled therein have been named to make the payment in case of need, the holder must present the bill to all these persons and, if necessary, have a protest for non-payment drawn up at latest on the day following the last day allowed for drawing up the protest.

In default of protest within the limit of time specified in paragraph 1 of this Article, the party designating the address in case of need, or for whose account the bill has been accepted, and the subsequent endorsers are discharged.

### **Article 62**

The holder who refuses payment by intervention loses his right of recourse against any persons who would have been discharged thereby.

### **Article 63**

Payment by intervention must be authenticated by a receipt given on the bill of exchange mentioning the person for whose honour payment has been made. In default of such mention, payment is deemed to have been made for the honour of the drawer.

The bill of exchange and the protest, if any, must be given up to the person paying by intervention.

### **Article 64**

The person paying by intervention acquires the rights arising out of the bill of exchange against the party for whose honour he has paid and against persons who are liable to the latter on the bill of exchange. Nevertheless, he cannot re-endorse the bill of exchange.

Endorsers subsequent to the party for whose honour payment has been made are discharged.

In case of competition for payment by intervention, the payment which effects the greater number of releases has the preference. Any person who, with knowledge of the facts, intervenes in a manner contrary to this rule, loses his right of recourse against those who would have been discharged.

## **Chapter IX COPIES AND TRANSCRIPTS**

### **1. Copying**

#### **Article 65**

A bill of exchange can be drawn in a set of two or more identical parties.

The above copies shall be marked with a current number; otherwise, each copy shall be regarded a separate bill.

Every holder of a bill which does not specify that it has been drawn as a promissory note may, at his own expense, require the delivery of two or more parts. For this purpose he must apply to his immediate endorser, who is bound to assist him in proceeding against his own endorser, and so on in the series until the drawer is reached. The endorsers are bound to reproduce their endorsements on the new copies.

#### **Article 66**

Payment made on one part of a set operates as a discharge, even though there is no stipulation that this payment annuls the effect on the other parts. Nevertheless, the drawee is liable on each accepted part which he has not recovered.

An endorser who has transferred parts of a set to different persons, as well as subsequent endorsers, are liable on all the parts bearing their signature which have not been restored.

#### **Article 67**

A party who has sent one part for acceptance must indicate on the other parts the name of the person in whose hands this part is to be found. That person is bound to give it up to the lawful holder of another part.

If he refuses, the holder cannot exercise his right of recourse until he has had a protest drawn specifying:

- 1) That the part sent for acceptance has not been given up to him on demand;
- 2) That acceptance or payment could not be obtained on another of parts.

### **2. Transcripts**

#### **Article 68**

Every holder of a bill of exchange has the right to make transcripts of it.

A transcript must reproduce the original exactly, with the endorsements and all other

statements to be found therein. It must specify where the transcript ends.

It may be endorsed and guaranteed by aval in the same manner and with the same effects as the original.

### **Article 69**

A transcript must specify the person in possession of the original instrument. A transcript without such indication shall have no legal force or a force of a bill.

The person in possession of the original bill is bound to hand over the said instrument to the lawful holder of the transcript. If he refuses, the person in possession of the bill may not exercise his right of recourse against the persons who have endorsed the copy or guaranteed it by aval until he has had a protest drawn up specifying that the original has not been given up to him on his demand.

Where the original instrument, after the last endorsement before the making of the copy contains a clause 'commencing from here an endorsement is only valid if made on the transcript' or some equivalent formula, a subsequent endorsement on the original is null and void.

## **Chapter X ALTERATIONS**

### **Article 70**

In case of alteration of the text of a bill of exchange, parties who have signed it subsequent to the alteration are bound according to the terms of the altered text; parties who have signed before the alteration are bound according to the terms of the original text.

## **Chapter XI PROTEST**

### **Article 71**

Protest is raised with a district court under jurisdiction of which is the person against who the protest is drawn.

### **Article 72**

Whenever a protest is raised, the protesting body, in terms of the provision defined in Article 107 of this Law, submits the bill to the party the protest is drawn against and orders that party to carry on the action demanded.

If the party sought is not to be found at the business premises, or at the place of residence in case of no business premises, or if it be found, but the demand may not be announced to him for whatever reason, the protesting body is not responsible for repeating the protesting procedure.

It shall be deemed proven that the business premises or place of residence were not to be found only when it is recorded in the protest that the protesting body made due inquiries with the local government unit.

In case the protesting body performed insufficient inquiry of the business premises or place of residence, the protest remains in force, but the body is not released from liability for damage.

### **Article 73**

A protest shall contain:

- 1) transcript of the protested bill, as well as all statements or remarks thereon; in case of a protest raised against a bill issued in a foreign language, a translation shall also be submitted, with a verification of the protesting party;
- 2) Name or company of the person at whose request and against whom protest is drawn;
- 3) Statement of certification that the party sought failed to perform the action demanded on the basis of the bill or that the protesting body was unable to locate the party sought at the business premises or place of residence or, despite having located the party sought, was unable to announce the demand;
- 4) Place, day, month, year and time of the completed or failed attempt of protesting proceeding;
- 5) Date of the protest, number under which it is entered onto the register of protests, official signature of the protesting body, as well as a seal.

The protesting body shall mark as illegible any unreadable parts of the bill or copy.

In case the party sought explains the refusal to perform the action demanded or in case the drawee submits a demand in accordance with Article 25 paragraph 1 of this Law, this should also be recorded in the protest.

### **Article 74**

When more than one action is demanded on the basis of the same bill or when the same action is demanded from several parties, only one instead of several protests may be drawn.

### **Article 75**

Any action not performed on the basis of which a bill is protested, may also be performed in the presence of the protesting body (Article 71 of this Law). A provision or instruction opposing this bears no value towards the party due to perform the action.

In case of payment of the debt stated on the bill, the protesting body confirms such a payment and gives in the bill to the person who made the payment.

If a debtor under a bill pays out a portion of the amount of the bill, this shall be recorded on the original bill and in the protest and a receipt shall be issued to the payer on the transcript of the protested bill.

#### **Article 76**

If a party liable under a bill pays the amount of the bill, but refuses to pay the protesting costs, this shall be determined by the protest and the bill itself shall be returned to the payer. Compensation for the protesting costs is demanded on the basis of this protest.

#### **Article 77**

The document of the protest shall immediately be submitted to the bill holder or to party that submitted the bill for protesting on his behalf.

#### **Article 78**

The protesting body shall register the entire content of the protests drawn by sequence, date and number, in a separate protest register.

The form and manner for maintaining the register from paragraph 1 of this Article shall be defined in a regulation issued by the Ministry of Justice.

Based on protest register, protesting body shall issue verified transcripts of the protest to the persons interested in the bill, charging a fee.

#### **Article 79**

In case the drawer does not demand in the content of the bill that the protest be in the format of a public document, a protest on the basis of non-acceptance or non-payment may, with a previous consent of the holder, be replaced with a statement written on the bill by the person from whom action is demanded (drawee, acceptor, person with whom the payment is to be executed, person at whose address payment is to be executed, or intervening party). The statement of the above named persons shall be dated, signed and entered onto the register of protests within the protesting deadline, and the protesting body shall verify it on the bill or the allonge.

The Government of the Republic of Montenegro may prescribe up to which amount of the bill, protest body may, instead of the protest defined in previous regulations (Articles 71 to 79 paragraph 1 of this Law), deliver transcripts of the bill to all parties liable in respect of the bill by registered mail, with a note stating that the bill has been protested. At request, a statement of certification may be issued for this, which is registered in the register of protests within the deadline prescribed. In such a case, the report from Article 46 of this Law is no longer required.

## **Chapter XII**

### **LIMITATION OF ACTIONS**

#### **Article 80**

All actions arising out of a bill of exchange against the acceptor expire after three years, reckoned from the date of maturity.

Legal demands of the bill owner under the bill against endorsers and the drawer expire in a year following the date of a timely raised protest or, if the bill includes a provision "free of expenses", following maturity.

Legal demands of endorsers under the bill against each other and against the drawer expire in six month following the date when the endorser purchases the bill or when a court action is taken against the endorser.

#### **Article 81**

Expiry is interrupted by bringing charges at court. The following have the same effect as charges: submission of a claim under a bill during a bankruptcy procedure (liquidation), submission of a claim under a bill during litigation, demand for protection, notification from the party charges are brought against to the preceding party that a recourse demand has been submitted against him. The notification is announced through court or directly in a registered letter and in such a case the date of mailing the letter shall be regarded as the date of announcement.

#### **Article 82**

An interrupted expiry continues to be in force in case:

- 1) charges are brought and in case of submission of a claim under a bill during litigation, from the date of the last proceedings, provided that the proceedings do not continue in either case;
- 2) submission of a claim in a bankruptcy (liquidation) proceedings, following the end of the proceedings and in case the claim submitted during bankruptcy (liquidation) proceedings is contested, following the date of contesting;
- 3) a demand for protection and notification of charges brought, following the end of the litigation.

#### **Article 83**

If, in the course of the three last months prior to the expiration of the expiry deadline, the creditor, as a result of interruption in the work of the courts or due to military service in a state of war or because of a force majeure from Article 55 of this Law, was prevented from exercising his rights under the bill, days of expiry are not counted. They are also not counted during a bankruptcy procedure over the property of the creditor. When these obstacles cease to exist, expiry may not come into force before thirty days, in case it would have come into force during that period.

### **Article 84**

In case a person unable to participate in litigation has no representative at any moment during the last three months of the expiry deadline, expiry against that person may not come into force before a period of three months from the moment that person becomes able to participate in litigation or gets a representative.

Paragraph 1 of this Article also applies in cases when the legal representative loses the ability to participate in litigation or in case of a conflict of interests between the representative and the person unable to participate in litigation with regard to charges brought or possibly brought.

Expiry of a claim under a bill that constitutes a part of a heritage or that is to be born by a heritage may not come into force six months following the death of the deceased.

### **Article 85**

Interruption and cancellation of expiry have effect only towards the party in relation with which the reason for interruption or cancellation occurred.

### **Article 86**

Reasons for interruption or cancellation of expiry of a foreign law have effect in terms of this Law only if appropriate to the reasons stated in Articles 83, 84 and 85.

## **Chapter XIII ILLEGAL ACQUISITION OF WEALTH**

### **Article 87**

The drawer, acceptor and endorser, whose liabilities under a bill have ceased due to expiry or because of failure to perform acts prescribed for the maintenance of rights under a bill, are responsible to the bill owner in the case of illegal acquisition of wealth at his expense. Other parties liable under a bill are free from this responsibility.

A compensation demand based on responsibility for illegal acquisition of wealth may also be realized on the bases of a court decision for amortization of an expired bill.

Responsibility for illegal acquisition of wealth expires in three years; all other aspects of such expiry are subject to provisions of the *Law on Contracts and Torts*.



## **Chapter XIV**

### **RIGHT TO COLLATERAL AND HOLDING ASSETS**

#### **Article 88**

By becoming entitled to the right to bring charges or to recourse, the bill holder also becomes entitled to holding onto the debtor' s funds, movable property and securities that came into the possession of the bill holder in a legal manner or that the bill holder may dispose of.

The bill holder may not, however, exercise the right of holding the assets from paragraph 1 in case the debtor or a third party informed the bill holder when upon or prior to delivery of the bill that the relevant assets are pledged for a specific purpose.

The bill holder may exercise the right of holding the debtor' s assets even before the claim matures, in case of bankruptcy or liquidation of the debtor or in case the sale of the debtor' s assets proves unsuccessful or in case the debtor is a trader who ceased all payments. In such cases, the right of holding the assets is not prevented even by a notification of the special purpose of the pledge, provided that the relevant assets came into possession of the bill holder or the bill owner acquired a right to freely dispose of them prior to the occurrence of the above mentioned obstacles or prior to the bill holder' s becoming aware of them.

#### **Article 89**

The bill owner shall, without delay if possible, notify the debtor of the exercise of the right of holding the assets.

Unless otherwise agreed between the parties, the right of holding the assets is terminated upon satisfactory provision of security for the debt in funds or in securities.

#### **Article 90**

The right of holding the assets has the same effect as the right to collateral in accordance with law regulating collateral against movable assets. Upon written consent of the debtor or on the bases of an order of a court competent for the bill holder or the debtor, the bill holder may:

1. use the held cash for settlement of the claim;
2. use the assets held in the manner defined in the law regulating collateral against movable assets.

## **Chapter XV BILL AMORTIZATION**

### **Article 91**

In case of a lost bill, the holder may propose to the court with jurisdiction in the place of payment to amortize the bill.

The proposal shall state the main content of the lost bill and evidence that the proposing party was in possession of the bill or was entitled to certain rights under it.

In case the court decides the data submitted are sufficient, it shall publish an advertisement to state the main content of the bill, inviting those in possession of the bill to present it to the court within 60 days; otherwise, the court shall declare the bill null and void following the deadline.

The advertisement from paragraph 3 of this Article shall be published in the "Official Gazette of the RoM".

In case of a bill already matured for payment, the deadline for presenting of the bill starts after the advertisement date, and if maturity comes on a later date, the deadline starts following maturity. In case of a sight bill or a bill payable at a fixed period after sight, the deadline for submission of which is not expired, the deadline for presenting at court of the lost bill starts following the last date for submission.

The court shall notify the proposing party and all parties mentioned in the bill of the advertisement from paragraph 4 of this Article.

### **Article 92**

In order to keep the right to recourse against a drawer of a unaccepted bill, as well as against a drawer who placed a ban on presenting of a bill for acceptance, the party proposing amortization of the bill shall draw a protest in the defined place and within the deadline for drawing a protest against non-acceptance or non-payment, by submitting the main content of the lost bill. The protest is a replacement for presenting for acceptance or payment and drawing adequate protests. Compensation for costs of such a protest may not be required.

On the bases of a court order for amortization, the proposing party may, unless otherwise agreed and following maturity of the lost bill, require that the acceptor or, in the case of the paragraph 1 of this Article, the drawer hand over the amount on the bill to the competent body, in accordance with Article 43 of this Law. Such a requirement shall be refused if the party demanded to hand over the amount successfully prove that the proposing party had not right to demand amortization.

### **Article 93**

In case a bill is not submitted within the deadline set in the advertisement, the court shall declare the lost bill amortized and shall notify the acceptor or the drawer of an

unaccepted bill or the drawer who banned submission of the bill for acceptance, informing that the amount of the bill may be paid out to the proposing party. The court notifies the proposing party and all parties mentioned in the bill of the amortization.

No rights related to a bill may be exercised on the bases of an amortized bill.

On the bases of a decision on amortization, the proposing party may exercise all rights under the bill against the acceptor or, in the case defined in paragraph 1 of Article 92 of this Law, against the drawer, as if possessing a non-amortized bill. The above liable parties, however, shall not be obliged to pay out the bill if they are able to successfully prove that the proposing party acquired a decision on amortization on no legal grounds.

#### **Article 94**

If the party in possession of a bill for which amortization is required does appear in court within the deadline in the advertisement, the court shall cancel the procedure, on the bases of the presented bill and after hearing all parties concerned.

### **Chapter XVI CONFLICTS OF LAWS**

#### **Article 95**

The ability of a person to undertake obligations under a bill is determined by the law of that person's country of domicile. If that law refers to a law of another country, then the laws of that country apply.

A person who, under the law specified in the paragraph 1 of this Article is regarded unable to undertake obligations under a bill, is still legally bound if that person places a signature in a country under the laws of which is regarded able to enter into relations under a bill.

#### **Article 96**

The form in which obligations under a bill are undertaken is determined in the laws on whose territory such obligations are undertaken.

As an exception to the paragraph 1 of this Article:

- 1) in case obligations under a bill are not valid according to the provision of paragraph 1 of this Article, but under the laws of a certain country do represent evidence of an obligation undertaken at a later point in time, the fact that earlier obligations are in an incorrect form do not influence the validity of any such later obligations;
- 2) obligations under a bill between our citizens undertaken abroad, if in accordance with the provisions in this Law, are valid even if they are not in accordance with the laws of the country in which they are undertaken.

### **Article 97**

The form and deadline for protesting, as well as for all other acts required for the exercise or maintenance of rights under a bill are determined in the laws of a country in which the protest is to be raised or the other acts are to be performed.

### **Article 98**

The effects of obligations of an acceptor of a drawn bill and an issuer of a promissory note are determined in the law applicable in the place where these documents are payable.

Effects caused by obligations of the other parties liable under a bill are determined in the laws of the country on the territory of which signatures are placed to witness the acceptance of such obligations.

### **Article 99**

Deadlines for exercise of rights to recourse with regard to all signatories of a bill are determined by the laws applicable in the place of issuance.

Laws applicable in the place of issuance are also the bases for determining whether a bill holder has a right to the claim, which is the reason for issuance of the bill.

### **Article 100**

The issue whether acceptance may be limited to one portion of the amount of the bill or whether the bill holder is obliged to accept a partial payment, is determined in accordance with the laws of the country in which the drawn bill is payable.

The same laws apply in dealing with the issue of partial payment of promissory notes.

### **Article 101**

The law of the country in which a bill is payable determines measures to be undertaken in case of theft or loss of a bill.

## **Chapter XVII**

### **OTHER PROVISIONS**

#### **Article 102**

Obligations under a bill may be undertaken by any person able to undertake such contractual obligations under the civil or commercial laws.

#### **Article 103**

Illiterate person or a person not able to write undertakes an obligation under a bill by placing a fingerprint on the bill or allonge, verified in court. Seals and stamps are regarded as fingerprints.

An obligation under a bill may be undertaken on behalf of an illiterate person only on the bases of a proxy, issued by that person and verified in court. This does not affect the provisions on signing under a business company.

In court verification, the clerk shall include: a statement that he personally or through witnesses summoned knows the person wishing to undertake an obligation under a bill or to issue a proxy, a statement that the person was acquainted with the contents of the statement by which that person undertakes an obligation under a bill or issues a proxy, as well as a statement by that person confirming that the above is done in a free will. The verification shall have an official reference number, seal and signature of the clerk.

#### **Article 104**

Signatures of blind individuals on a bill and proxies issued for the purpose of undertaking an obligation under a bill shall be regarded valid only if verified in court in the manner prescribed in Article 103 of this Law.

#### **Article 105**

In case a bill matures on an official holiday, its payment may be requested only on the next business day, as well as all other acts related to a bill, and in particular presenting for acceptance or protest.

In case any of the acts from paragraph 1 of this Article has to be performed within a set deadline, the last day of which falls on an official holiday, the deadline is extended until the first business day immediately after the expiration of the deadline. Holidays falling within the deadline period are taken into account when calculating the deadline.

Holiday, in respect of this Law, implies Sundays, state holidays and holidays established by law effective in the place of bill payment.

### **Article 106**

The day on which deadline commences is neither included in the legally prescribed deadline nor in the deadline specified in a bill, but the first following day is considered to be the commencement date of the deadline period.

No beginning days, both legally or court determined, are allowed.

### **Article 107**

Presenting of a bill for acceptance or payment and all other acts to be performed under this Law for the purpose of exercising or maintaining rights under a bill, shall be undertaken at business premises and within hours defined as business hours by the competent authorities. If the business premises of the person sought are not to be found or no business premises are stated on the bill, then that person shall be sought at the place of residence.

In the case defined in Article 28 paragraph 2 of this Law, the bill is presented for payment at the business premises or with a person designated by the drawee.

Upon consent of the person in relation with whom acts are performed, those acts may also be performed out of the business premises, place of residence or business hours.

## **PART THREE PROMISSORY NOTES**

### **Article 108**

A promissory note contains:

- 1) The term 'promissory note' inserted in the body of the instrument and expressed in the language employed in drawing up the instrument;
- 2) An unconditional promise to pay a determined sum of money;
- 3) A statement of the maturity;
- 4) A statement of the place where payment is to be made;
- 5) The name of the person to whom or to whose order payment is to be made;
- 6) A statement of the date and of the place where the promissory note is issued;
- 7) The signature of the person who issues the instrument (maker).

### **Article 109**

An instrument in which any of the requirements mentioned in the Article 108 of this Law are missing is invalid as a promissory note except in the cases specified in paragraphs 2, 3 and 4 of this Article.

A promissory note in which the time of payment is not specified is deemed to be payable at sight.

In default of special mention, the place where the instrument is issued is deemed to be the place of payment and at the same time the place of the domicile of the issuer.

A promissory note which does not mention the place of its issue is deemed to have been issued in the place mentioned beside the name of the maker.

### **Article 110**

The following provisions relating to bills of exchange apply to promissory notes so far as they are not inconsistent with the nature of these instruments;

- Endorsement (Articles 12 to 21);
- Maturity (Articles 34 to 38);
- Payment (Articles 39 to 43);
- Recourse in case of non-payment (Articles 44 to 51, 53 to 55);
- Payment by intervention (Articles 56, 60 to 64);
- Transcripts (Articles 68 and 69);
- Alterations (Article 70);
- Protest (Articles 71 to 79);
- Limitation of actions (Articles 80 to 86);
- Illegal acquisition of wealth, right to collateral and holding of assets (Articles 87 to 90);
- Amortization (Articles 91 to 94);
- Conflict of laws (Articles 95 to 101);
- Other provisions (Articles 102 to 107).

The following provisions are also applicable to a promissory note: the provisions concerning a bill of exchange payable at the address of a third party or in a locality other than that of the domicile of the drawee (Articles 6 and 28), stipulation for interest (Article 7), differences in indications of the sum payable (Article 8), validity of signature placed on the bill which includes signatures mentioned in Article 10, validity of signature by a person who acts without authority or who exceeds his authority (Article 10), and provisions concerning subsequent filling up (Article 18 paragraph 2).

The provisions regarding guarantee by aval are also applicable to a promissory note (Articles 31, 32 and 33). In the case provided for in Article 32 paragraph 4, if the aval does not specify on whose behalf it has been given, it is deemed to have been given on behalf of the issuer of the promissory note.

### **Article 111**

The issuer of a promissory note is bound in the same manner as an acceptor of a drawn bill of exchange.

Promissory notes payable at a certain time after sight must be presented for the sight of the maker within the limits of time set in Article 24 of this Law. The issuer confirms the sight by a dated signature on the bill itself and the deadline following

sight starts after this date. In case the issuer refuses to confirm sight, such a refusal shall be stated in a protest (Article 26 of this Law) and the deadline following sight starts after the date of the protest.

## **PART FOUR UNIFORM BLANK FORMS OF BILLS OF EXCHANGE**

### **Article 112**

Bill of exchange is issued on uniform blank bill of exchange form.

### **Article 113**

The Central Bank shall in a separate regulation define format of uniform blank forms of bills of exchange in the Republic of Montenegro.

## **PART FIVE TRANSITIONAL AND FINAL PROVISION**

### **Article 114**

Provisions of the Law on Bills of Exchange ("Official Gazette of FRY" no. 104/46, "Official Gazette of FRY" no. 16/65, 54/70, 57/89 and 46/96) shall be applied to the form and effects of bill statements issued on bills prior to effectiveness of this Law, as well as on actions required for maintenance and realization of rights under the bill.

### **Article 115**

Law on Bills of Exchange ("Official Gazette of FRY" no. 104/46, "Official Gazette of FRY" no. 16/65, 54/70, 57/89 and 46/96) shall be rescinded in the Republic of Montenegro as of the day this Law comes into effect.

### **Article 116**

This Law shall take effect eight days after its publishing in "Official Gazette of RoM".