

Requirements of Promissory Note

Requirements of a promissory note are regulated in Article I, Section 75 BECA. 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 (a clause); 2. An unconditional promise to pay a determinate sum of money; 3. A statement of the time of payment; 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 maker.

As requirements for the clause, the time of payment, the name of the payee and the signature of the drawer are regulated in the same way like the bill of exchange, for more information see further text.

An instrument in which any of the requirements mentioned above are wanting is invalid as a promissory note except in the cases specified in the following paragraphs. 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 made is deemed to be the place of the domicile of the maker. A promissory note which does not mention the place of its issue is deemed to have been made in the place mentioned beside the name of the maker.

Examples of a promissory note:

Promissory Note	
Brno, January 1, 2005	
I promise to pay for this promissory note to the order of Jan Král, Husova 15, Brno, the sum of 20.000,- CZK.	
at: Brno, Husova 15, 602 00	
	Paul Maker Husova 16, Brno (signature)

Bill of exchange payable at sight, drawn to the order of Jan Král

	Brno, 1 January 2005		
	I will pay for this promissory note	1,-	CZK
	Not to order of Jan Novák, Joštova 8, Brno		
	One Czech crown		
			without protest
	Payable in Brno		Josef Nový, Brno (signature)

Promissory note issued upon name ("not to order"), with negative protest stipulation, payable at sight.