

§ 28:3—111. Payable to bearer

An instrument is payable to bearer when by its terms it is payable to

- (a) bearer or the order of bearer; or
- (b) a specified person or bearer; or
- (c) "cash" or the order of "cash", or any other indication which does not purport to designate a specific payee.

§ 28:3—112. Terms and omissions not affecting negotiability

- (1) The negotiability of an instrument is not affected by
 - (a) the omission of a statement of any consideration or of the place where the instrument is drawn or payable; or
 - (b) a statement that collateral has been given to secure obligations either on the instrument or otherwise of an obligor on the instrument or that in the case of default on those obligations the holder may realize on or dispose of the collateral; or
 - (c) a promise or power to maintain or protect collateral or to give additional collateral; or
 - (d) a term authorizing a confession of judgment on the instrument if it is not paid when due; or
 - (e) a term purporting to waive the benefit of any law intended for the advantage or protection of any obligor; or
 - (f) a term in a draft providing that the payee by indorsing or cashing it acknowledges full satisfaction of an obligation of the drawer; or
 - (g) a statement in a draft drawn in a set of parts (section 28:3-801) to the effect that the order is effective only if no other part has been honored.
- (2) Nothing in this section shall validate any term which is otherwise illegal.

§ 28:3—113. Seal

An instrument otherwise negotiable is within this article even though it is under a seal.

§ 28:3—114. Date, antedating, postdating

- (1) The negotiability of an instrument is not affected by the fact that it is undated, antedated or postdated.
- (2) Where an instrument is antedated or postdated the time when it is payable is determined by the stated date if the instrument is payable on demand or at a fixed period after date.
- (3) Where the instrument or any signature thereon is dated, the date is presumed to be correct.

§ 28:3—115. Incomplete instruments

- (1) When a paper whose contents at the time of signing show that it is intended to become an instrument is signed while still incomplete in any necessary respect it cannot be enforced until completed, but when it is completed in accordance with authority given it is effective as completed.
- (2) If the completion is unauthorized the rules as to material alteration apply (section 28:3-407), even though the paper was not delivered by the maker or drawer; but the burden of establishing that any completion is unauthorized is on the party so asserting.

§ 28:3—116. Instruments payable to two or more persons

An instrument payable to the order of two or more persons

- (a) if in the alternative is payable to any one of them and may be negotiated, discharged or enforced by any of them who has possession of it;
- (b) if not in the alternative is payable to all of them and may be negotiated, discharged or enforced only by all of them.

§ 28:3—117. Instruments payable with words of description

An instrument made payable to a named person with the addition of words describing him

- (a) as agent or officer of a specified person is payable to his principal but the agent or officer may act as if he were the holder;
- (b) as any other fiduciary for a specified person or purpose is payable to the payee and may be negotiated, discharged or enforced by him;
- (c) in any other manner is payable to the payee unconditionally and the additional words are without effect on subsequent parties.