

Headnotes

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Burritt v. Lunny, 97 A. 756

🔑 294 PAYMENT

🔑 294I Requisites and Sufficiency

🔑 294 k11 k. Money not legal tender.

Conn., 1916

Where tenant in good faith attempted to make payments of rent by check as was his custom, and landlord refused a check, requiring payment in "money," tender thereafter of the rent in currency was sufficient.

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Commercial Bank of Boonville v. Varnum, 162 S.W. 1080

Mo.App., 1914

Where counterfeit money is given in payment of a note, it does not satisfy the obligation.

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Rogers v. Rogers, 35 S.W. 890

Tenn.Ch.App., 1895

Redemption from judicial sale may be made in paper currency issued by authority of the United States, whether legal tender or not, unless the officer whose duty it is to receive the money objects to receiving anything but legal tender.

Hughs v. Mullins, 2 Tenn.Cas. 394

Tenn., 1877

Where a note was payable "in bank notes, which shall be at par," maker was liable for full amount of the note, and was not entitled to have it scaled to value of current bank notes.

Hughs v. Mullins, 2 Tenn.Cas. 394

Tenn., 1877

The maker's liability on note payable "in bank notes which shall be at par," construed as requiring payment for full amount and not merely for value of current bank notes, was not affected by fact that consideration therefor was bank notes and partly Confederate money, where maker used such money in paying for land, in absence of fraud or unconscionable advantage.

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Wingate v. Neidlinger, 50 Ind. 520

Ind., 1875

A payment in counterfeit notes which pass as currency amounts in law to no payment, and does not satisfy the debt when the person receiving such payment has not forfeited his right to have recourse by his delay and negligence.

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Wingate v. Neidlinger, 50 Ind. 520
Ind.,1875

A person who receives currency in payment from one who makes the payment in good faith is required to use diligence to ascertain whether it is genuine, and, if it is discovered to be forged, to return it within a reasonable time after such discovery, or, if it cannot be returned, to give notice of its character.



Samuels v. King, 50 Ind. 527
Ind.,1875

A counterfeit bill was paid to plaintiff by defendant in December, 1870, and retained in possession of the latter until January 24, 1871, when he paid it to a third party, from whom it was returned in a few days as counterfeit, and it was then tendered back to defendant. Held, that plaintiff did not use sufficient diligence to ascertain whether the note was genuine to enable him to recover of defendant.



Rogers v. Leftwich, 49 Tenn. 480
Tenn.,1871

An acceptance of a bank note for a debt is binding where the commercial value of the note at the time of its acceptance was worth the amount of the debt, though the issuance of the note by the bank was illegal, unconstitutional, and void.



Jones v. Mullinix, 25 Iowa 198
Iowa,1868

An offer to pay a note in bank bills and not in legal tender is not a good tender.



Kenny v. First Nat. Bank of Albany, 50 Barb. 112
N.Y.Sup.,1867

Where a bank gives a spurious note in payment of a valid claim, the person is entitled to recover the amount, unless he is guilty of negligence in returning the note.



Kenny v. First Nat. Bank of Albany, 50 Barb. 112
N.Y.Sup.,1867

A person who has received a spurious bank note from a bank on a valid claim which he holds against it, being entitled to recover the amount from the bank, unless guilty of negligence in returning the note, an immediate use of the money is not indispensably requisite, and the fact that prompt inspection and examination by the payee or the parties to whom he would have passed the note might not lead to a discovery of its character is proper for the consideration of the jury on the question of his negligence.



Burrill v. Watertown Bank & Loan Co., 51 Barb. 105
N.Y.Sup.,1867

An agent received for his principal a forged bill from a bank, and paid it to a third person, supposing it to be genuine. The third person neglected for an unreasonable time, after being informed that it was counterfeit, to re-

turn it to the agent. Held, that the bank could not avail itself of the third person's negligence to defeat an action by the principal for the amount of the bill.



Burrill v. Watertown Bank & Loan Co., 51 Barb. 105
N.Y.Sup.,1867

On July 1st an agent received for his principal a forged bill from a bank. On August 3d the agent informed the bank that the bill had been questioned and returned to him, but that he had paid it out again, promising to take it back if it should prove to be a counterfeit. The bank made no answer. Held to authorize a finding that the bank acquiesced in the disposition of the bill, and waived an immediate return thereof.



Burrill v. Watertown Bank & Loan Co., 51 Barb. 105
N.Y.Sup.,1867

Where one was in doubt whether a bill paid to him by a bank was a forgery, and he had no ready means of detecting the forgery, the duty of returning the bill immediately was not absolute, though its genuineness had been questioned, but that duty must begin, if at all, from the time the holder had what a jury should deem satisfactory evidence of the forgery.



Green v. Humphrey, 50 Pa. 212
Pa.,1865

A payment in counterfeit money does not divest the title of the owner, except in favor of a subsequent bona fide purchaser for value.



Richards v. Stogsdell, 21 Ind. 74
Ind.,1863

The payment of taxes in an illegal and void currency is a nullity, and the tax collector might, notwithstanding such payment, proceed to collect them as in other cases.

Baker v. Bonesteel, 2 Hilt. 397
N.Y.Com.Pl.,1859

Payment in counterfeit bank paper is a nullity.



E. Haire & Co. v. H. Beattus & Co., 2 Weekly L. Gaz. 3
Ohio.Com.Pl.,1858

Where defendants, prior to closing a sale, took the money offered them in bills of another state to plaintiffs, to ascertain their value, and, on being told that there was a discount of 21/212 per cent., sold the funds to plaintiff at that price, and closed the sale, on proof that the bills were spurious, the defendant was bound to refund to the plaintiffs the amount received from them on return of the bills within a reasonable time.



Phelan v. Dalson, 14 Ark. 79
Ark.,1853

Where property is obtained by one person from another by a felonious act, as by a purchase with counterfeit

coin, the right of property does not pass, and the owner may recover back the property.



Simms v. Clark, 11 Ill. 137
Ill.,1849

Where a man in payment of a debt to another gives him a counterfeit bill, if he has notice that it is counterfeit within a reasonable time, he is bound to take it back.



Simms v. Clark, 11 Ill. 137
Ill.,1849

Where a debtor who had given his creditor a counterfeit bill in payment, refused to take it back, unless compelled by law to do so, the creditor was excused from offering to return it.



Ramsdale v. Horton, 3 Pa. 330
Pa.,1846

Payment in counterfeit bank paper is a nullity.



Thomas v. Todd, 6 Hill 340
N.Y.Sup.,1844

Payment in counterfeit bank paper is a nullity.



Thomas v. Todd, 6 Hill 340
N.Y.Sup.,1844

Though ordinarily a payment in counterfeit bank bills is a nullity, the party receiving them must return them within a reasonable time after discovering their worthlessness or he must sustain the loss.



Imbush v. Mechanics' & Traders' Bank, 1 Ohio Dec.Reprint 8
Ohio,1843

Payment in uncurrent notes without fraud is a valid payment.



Pindall's Ex'rs v. Northwestern Bank, 7 Leigh 617
Va.,1836

If a debtor makes payment to his creditor in a bank note, which afterwards turns out to be counterfeit, he is still liable for the amount so paid, provided the note is returned to him within a reasonable time.



Pindall's Ex'rs v. Northwestern Bank, 7 Leigh 617
Va.,1836

On November 19, 1824, plaintiffs received a bank note from defendant in the course of business, defendant obtaining from plaintiffs the value thereof on the supposition that the note was genuine. The note was passed off by plaintiffs, but on March 8, 1825, was returned to them as counterfeit. Held, that a delay of two months in re-

turning it to defendant, or giving him notice of its being counterfeit, was an unreasonable time, precluding a recovery against defendant, where plaintiff's place of business and defendant's residence were only 110 miles apart, and a mail passed between those places regularly once a week.



Keene v. Thompson, 4 G. & J. 463
Md.,1832

Where payment of a note is made in counterfeit bank bills, the payee may recover the amount of such bills in an action for money had and received.



Curcier v. Pennock, 14 Serg. & Rawle 51
Pa.,1826

Where one accepts coin in payment for goods, after due inquiry, and then keeps it three years, and finds it spurious, it was held that he could not recover from the vendee.



Curcier v. Pennock, 14 Serg. & Rawle 51
Pa.,1826

A sale is completed when coin is paid as a consideration therefor which is not found to be spurious until three years after the transaction.



Anderson v. Hawkins, 3 Hawks 568
N.C.,1825

Payment in counterfeit bank paper is a nullity.



Raymond v. Baar, 13 Serg. & Rawle 318
Pa.,1825

One keeping a counterfeit note six months, knowing it to be so, cannot recover from one who passed it to him innocently.



Raymond v. Baar, 13 Serg. & Rawle 318
Pa.,1825

If one who has received counterfeit notes or bills in payment of a debt do not return or offer to return them within a reasonable time, the receiver will be considered as having waived his right to recover the amount of them from the payer.



Hargrave v. Dusenberry, 2 Hawks 326
N.C.,1823

Where payment of a note is made in counterfeit bank bills, the payee may recover the amount of such bills in an action for money had and received.



Hargrave v. Dusenberry, 2 Hawks 326
N.C.,1823

Payment in a counterfeit or forged bank note is a nullity, and the payee may recover the amount even from an innocent payer.



Hargrave v. Dusenberry, 2 Hawks 326
N.C.,1823

Payment in counterfeit bank paper is a nullity.



Pumphrey v. Eyre, Tappan 334
Ohio.Com.Pl.,1819

Where a judgment paid in bank bills was discharged, and it was afterwards discovered that one of the bills was counterfeit, the payee might recover the amount of such counterfeit bill.



Mudd v. Reeves, 2 H. & J. 368
Md.,1808

Where payment of a note is made in counterfeit bank bills, the payee may recover the amount of such bills in an action for money had and received.



Markle v. Hatfield, 2 Johns. 455
N.Y.Sup.,1807

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N.Y.Sup.,1807

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Hoagland v. Post, 1 N.J.L. 32
N.J.,1790

A payment made in unlawful money, pursuant to the agreement of parties, does not subject the party paying it to the penalties of the law by which such coin is prohibited.

References

What constitutes "money" within meaning of Uniform Commercial Code 40 American Law Reports 4th 346 (1985)
Restatement (Second) of Contracts s 249

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