

TITLE 5: UNIFORM COMMERCIAL CODE
DIVISION 3: COMMERCIAL PAPER

§ 3601. Discharge of Parties.

(1) The extent of the discharge of any party from liability on an instrument is governed by the sections on:

- (a) Payment or satisfaction (5 CMC § 3603); or
- (b) Tender of payment (5 CMC § 3604); or
- (c) Cancellation or renunciation (5 CMC § 3605); or
- (d) Impairment of right of recourse or of collateral (5 CMC § 3606); or
- (e) Reacquisition of the instrument by a prior party (5 CMC § 3208); or
- (f) Fraudulent and material alteration (5 CMC § 3407); or
- (g) Certification of a check (5 CMC § 3411); or
- (h) Acceptance varying a draft (5 CMC § 3412); or
- (i) Unexcused delay in presentment or notice of dishonor or protest (5 CMC § 3502).

(2) Any party is also discharged from his liability on an instrument to another party by any other act or agreement with such party which would discharge his simple contract for the payment of money.

(3) The liability of all parties is discharged when any party who has himself no right of action or recourse on the instrument:

- (a) Reacquires the instrument in his own right; or
- (b) Is discharged under any provision of this division, except as otherwise provided with respect to discharge for impairment of recourse or of collateral (5 CMC § 3606).

Source: PL 3-56, § 1 (§ 3601).