



Banking Act 2009

2009 CHAPTER 1

PART 7

MISCELLANEOUS

Funds attached rule (Scotland)

254 Abolition for cheques

- (1) A reference to the “funds attached” rule is a reference to the rule of law in Scotland by virtue of which a bill of exchange, when presented to the drawee for payment, operates as an assignation of the sum for which it is drawn (or, if the drawee holds insufficient funds, of those funds) in favour of the holder of the bill.
- (2) The “funds attached” rule is abolished for cheques presented for payment after the commencement of this section.
- (3) Expressions used in this section have the same meaning as in the Bills of Exchange Act 1882.
- (4) In that Act—
 - (a) in section 53(2) (funds in hands of drawee: Scotland)—
 - (i) the words “Subject to section 75A of this Act,” cease to have effect, and
 - (ii) after “drawee of a bill” insert “ other than a cheque ”, and
 - (b) section 75A(countermanded cheques) ceases to have effect.
- (5) Section 11 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 (countermanded cheques) ceases to have effect.

Commencement Information

II S. 254 in force at 12.4.2009, see s. 263(2)

Changes to legislation:

Banking Act 2009, Cross Heading: Funds attached rule (Scotland) is up to date with all changes known to be in force on or before 16 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4(8A)(8B) inserted by [2012 c. 21 s. 96\(3\)](#)
- s. 8(2)(d) and word inserted by [2012 c. 21 s. 96\(4\)\(b\)](#)