

554.3303 Value and consideration.

1. An instrument is issued or transferred for value if:

- a. the instrument is issued or transferred for a promise of performance, to the extent the promise has been performed;
- b. the transferee acquires a security interest or other lien in the instrument other than a lien obtained by judicial proceeding;
- c. the instrument is issued or transferred as payment of, or as security for, an antecedent claim against any person, whether or not the claim is due;
- d. the instrument is issued or transferred in exchange for a negotiable instrument; or
- e. the instrument is issued or transferred in exchange for the incurring of an irrevocable obligation to a third party by the person taking the instrument.

2. "*Consideration*" means any consideration sufficient to support a simple contract. The drawer or maker of an instrument has a defense if the instrument is issued without consideration. If an instrument is issued for a promise of performance, the issuer has a defense to the extent performance of the promise is due and the promise has not been performed. If an instrument is issued for value as stated in [subsection 1](#), the instrument is also issued for consideration.

94 Acts, ch 1167, §38, 121, 122

Referred to in [§554.3103](#), [554.3302](#), [554.5102](#), [554.9403](#)