Texas Statutes: 2019. Business & Commercial Code. Chapter 4. Title 1. Uniform Commercial Code. Chapter 3. Negotiable Instruments. Sub-Chapter C: Section: 3.601: ****Discharge & Effect of Discharge.**

https://statutes.capitol.texas.gov/Docs/BC/htm/BC.3.htm#3.601 https://codes.findlaw.com/tx/business-and-commerce-code/bus-com-sect-3-601.html

(a) <u>The obligation of a party</u> <u>to pay the instrument</u> <u>is discharged</u> <u>as stated in this chapter</u>

or by an act or agreement with the party that would discharge an obligation to pay money under a simple contract.

(b) <u>Discharge of the obligation</u> of a party <u>is not effective</u> against a person acquiring rights of a holder in due course of the instrument

<u>without notice of the discharge</u>.