

Act 644 of the 1989 Regular Session.

Act 644

SB565

By: Senator Wilson

"AN ACT TO AMEND ARKANSAS CODE 16-56-111 TO PROVIDE THAT ACTIONS ON INSTALLMENT NOTES MUST BE COMMENCED WITHIN FIVE (5) YEARS AFTER THE FIRST INSTALLMENT BECOMES DELINQUENT; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code 16-56-111 is hereby amended to read as follows:
"16-56-111. Notes and instruments in writing, and other writings.

(a) Actions on promissory notes and on other instruments in writing not under seal shall be commenced within five (5) years after the cause of action shall accrue, and not thereafter. The cause of action shall be deemed to have accrued at the time when the creditor first has the legal right to demand payment in full of the entire unpaid principal of the instrument. However, partial payment or written acknowledgment of default shall toll this statute of limitation.

(b) Actions on writings under seal shall be commenced within five (5) years after the cause of action shall accrue, and not afterward.

(c) This section shall apply to all actions commenced after March 1, 1989 regardless whether the default occurred prior to, on or after March 1, 1989."

SECTION 2. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. All laws and parts of laws in conflict with this Act are hereby repealed.

APPROVED: March 17, 1989
