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ALCO Standard Corp. v. Charnas

744 A.2d 924 (Conn. App. 2000)

In order to settle another action, the defendants executed a promissory note to the plaintiffs in the amount of \$100,000. The promissory note was secured by a mortgage on the defendants' home. The note and mortgage were without recourse as to the defendant Joan Charnas. The plaintiffs obtained a judgment against Robert Charnas and his company and subsequently brought this action to force payment of the promissory note. The lower court granted summary judgment to the plaintiffs because it found that "[t]he note [did] not require notice of default for nonpayment."

The Appellate Court of Connecticut approved the grant of summary judgment by the lower court holding that "[a] promissory note is nothing more than a written contract for the payment of money . . ." Because a promissory note is a contract, contract law will apply and the words used by the parties will be given their ordinary meaning. In this case, the language in the note said that if full payment had not been made within 10 days after payment had become due default would automatically occur. "Because the note did not require notice of default for failure to make payment, there was no genuine issue of material fact, and summary judgment as to liability was properly rendered."



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