

Unless otherwise instructed and except as provided in [subtitle] TITLE 5 a bank presenting a documentary draft

(a) Must deliver the documents to the drawee on acceptance of the draft if it is payable more than three days after presentment; otherwise, only on payment; and

(b) Upon dishonor, either in the case of presentment for acceptance or presentment for payment, may seek and follow instructions from any referee in case of need designated in the draft or if the presenting bank does not choose to utilize his services it must use diligence and good faith to ascertain the reasons for dishonor, must notify its transferor of the dishonor and of the results of its effort to ascertain the reasons therefor and must request instructions.

But the presenting bank is under no obligation with respect to goods represented by the documents except to follow any reasonable instructions seasonably received; it has a right to reimbursement for any expense incurred in following instructions and to prepayment of or indemnity for such expenses.

4-504. Privilege of presenting bank to deal with goods; security interest for expenses.

(1) A presenting bank which, following the dishonor of a documentary draft, has seasonably requested instructions but does not receive them within a reasonable time may store, sell, or otherwise deal with the goods in any reasonable manner.

(2) For its reasonable expenses incurred by action under subsection (1) the presenting bank has a lien upon the goods or their proceeds, which may be foreclosed in the same manner as an unpaid seller's lien.

TITLE 5. LETTERS OF CREDIT.

5-101. Short title.

This [subtitle] TITLE shall be known and may be cited as MARYLAND Uniform Commercial Code—Letters of Credit.

5-102. Scope.

(1) This [subtitle] TITLE applies

(a) To a credit issued by a bank if the credit requires a documentary draft or a documentary