

paragraphs (a) or (b) of § 5-102 (1) on scope, the receipt or allocation of funds or collateral to secure or meet obligations under the credit shall have the following results[;]:

(a) To the extent of any funds or collateral turned over after or before the insolvency as indemnity against or specifically for the purpose of payment of drafts or demands for payment drawn under the designated credit, the drafts or demands are entitled to payment in preference over depositors or other general creditors of the issuer or bank; and

(b) On expiration of the credit or surrender of the beneficiary's rights under it unused any person who has given such funds or collateral is similarly entitled to return thereof; and

(c) A charge to a general or current account with a bank if specifically consented to for the purpose of indemnity against or payment of drafts or demands for payment drawn under the designated credit falls under the same rules as if the funds have been drawn out in cash and then turned over with specific instructions.

(2) After honor or reimbursement under this section the customer or other person for whose account the insolvent bank has acted is entitled to receive the documents involved.

TITLE 6. BULK TRANSFERS.

6-101. Short title.

This [subtitle] TITLE shall be known and may be cited as MARYLAND Uniform Commercial Code—Bulk Transfers.

6-102. "Bulk transfer"; transfers of equipment; enterprises subject to this [subtitle] TITLE; bulk transfers subject to this [subtitle] TITLE.

(1) A "bulk transfer" is any transfer in bulk and not in the ordinary course of the transferor's business of a major part of the materials, supplies, merchandise or other inventory (§ 9-109) of an enterprise subject to this [subtitle] TITLE.

(2) A transfer of a substantial part of the equipment (§ 9-109) of such an enterprise is a bulk transfer if it is made in connection with a bulk transfer of inventory, but not otherwise.

(3) The enterprises subject to this [subtitle]