- (a) All the terms of the contract between the account debtor and assignor and any defense or claim arising therefrom; and
- (b) Any other defense or claim of the account debtor against the assignor which accrues before the account debtor receives notification of the assignment.
- (2) So far as the right to payment OR A PART THEREOF under an assigned contract HAS NOT BEEN FULLY EARNED BY PERFORMANCE, [right has not already become an account,] and notwithstanding notification of the assignment, any modification of or substitution for the contract made in good faith and in accordance with reasonable commercial standards is effective against an assignee unless the account debtor has otherwise agreed but the assignee acquires corresponding rights under the modified or substituted contract. The assignment may provide that such modification or substitution is a breach by the assignor.
- (3) The account debtor is authorized to pay the assignor until the account debtor receives notification that the [account] AMOUNT DUE OR TO BECOME DUE has been assigned and that payment is to be made to the assignee. A notification which does not reasonably identify the rights assigned is ineffective. If requested by the account debtor, the assignee must seasonably furnish reasonable proof that the assignment has been made and unless he does so the account debtor may pay the assignor.
- (4) A term in any contract between an account debtor and an assignor [which] IS INEFFECTIVE IF IT prohibits assignment of an account [or contract right to which they are parties is ineffective.] OR PROHIBITS CREATION OF A SECURITY INTEREST IN A GENERAL INTANGIBLE FOR MONEY DUE OR TO BECOME DUE OR REQUIRES THE ACCOUNT DEBTOR'S CONSENT TO SUCH ASSIGNMENT OR SECURITY INTEREST.

9-401.

- (1) The proper place to file in order to perfect a security interest is as follows:
- (a) When the collateral is equipment used in farming operations, or farm products, or accounts, [contract rights] or general intangibles arising from or relating to the sale of farm products by a farmer, or consumer goods, then in the office of the clerk of the circuit court in the county of the debtor's residence or with the clerk of the Superior Court of Baltimore City if the debtor resides in Baltimore City or if the debtor is not a resident of this State then in the office of the clerk of the circuit court in the county where the goods are kept or with the clerk of the Superior Court of Baltimore City if the goods are kept in Baltimore City, and in addition when the collateral is crops GROWING OR TO BE GROWN, in the office of the clerk of