

**CHAPTER 535**

**(Senate Bill 747)**

AN ACT concerning

**Financial Institutions – Certificates of Deposit – Claims for Payment**

FOR the purpose of establishing a certain limitations period on actions to enforce an obligation of a depository institution to pay certain certificates of deposit; altering the limitations period on actions to enforce an obligation of a depository institution to pay negotiable certificates of deposit; defining certain terms; providing for the application of this Act; and generally relating to periods of limitations on actions to enforce an obligation to pay a certificate of deposit.

BY repealing and reenacting, with amendments,

Article – Commercial Law

Section 3–118(e)

Annotated Code of Maryland

(2002 Replacement Volume and 2005 Supplement)

BY adding to

Article – Financial Institutions

Section 1–210

Annotated Code of Maryland

(2003 Replacement Volume and 2005 Supplement)

**SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:**

**Article – Commercial Law**

3–118.

(e) [An] SUBJECT TO § 1–210 OF THE FINANCIAL INSTITUTIONS ARTICLE, AN action to enforce the obligation of a party to a certificate of deposit to pay the instrument must be commenced within 6 years after demand for payment is made to the maker, but if the instrument states a due date and the maker is not required to pay before that date, the 6–year period begins when a demand for payment is in effect and the due date has passed.

**Article – Financial Institutions**

1–210.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “ACCOUNT AGREEMENT” MEANS ONE OR MORE WRITTEN INSTRUMENTS THAT ESTABLISH WHEN A CERTIFICATE OF DEPOSIT IS PAYABLE.