

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

Article - Commercial Law

TITLE 2A. LEASES

SUBTITLE 1. GENERAL PROVISIONS

2A-101. SHORT TITLE

THIS TITLE SHALL BE KNOWN AND MAY BE CITED AS THE MARYLAND UNIFORM COMMERCIAL CODE - LEASES.

2A-102. SCOPE

THIS TITLE APPLIES TO ANY TRANSACTION, REGARDLESS OF FORM, THAT CREATES A LEASE.

2A-103. DEFINITIONS AND INDEX OF DEFINITIONS

(1) IN THIS TITLE UNLESS THE CONTEXT OTHERWISE REQUIRES:

(A) "BUYER IN ORDINARY COURSE OF BUSINESS" MEANS A PERSON WHO IN GOOD FAITH AND WITHOUT KNOWLEDGE THAT THE SALE TO HIM (OR HER) IS IN VIOLATION OF THE OWNERSHIP RIGHTS OR SECURITY INTEREST OR LEASEHOLD INTEREST OF A THIRD PARTY IN THE GOODS BUYS IN ORDINARY COURSE FROM A PERSON IN THE BUSINESS OF SELLING GOODS OF THAT KIND BUT DOES NOT INCLUDE A PAWNBROKER. "BUYING" MAY BE FOR CASH OR BY EXCHANGE OF OTHER PROPERTY OR ON SECURED OR UNSECURED CREDIT AND INCLUDES RECEIVING GOODS OR DOCUMENTS OF TITLE UNDER A PREEXISTING CONTRACT FOR SALE BUT DOES NOT INCLUDE A TRANSFER IN BULK OR AS SECURITY FOR OR IN TOTAL OR PARTIAL SATISFACTION OF A MONEY DEBT.

(B) "CANCELLATION" OCCURS WHEN EITHER PARTY PUTS AN END TO THE LEASE CONTRACT FOR DEFAULT BY THE OTHER PARTY.

(C) "COMMERCIAL UNIT" MEANS SUCH A UNIT OF GOODS AS BY COMMERCIAL USAGE IS A SINGLE WHOLE FOR PURPOSES OF LEASE AND DIVISION OF WHICH MATERIALLY IMPAIRS ITS CHARACTER OR VALUE ON THE MARKET OR IN USE. A COMMERCIAL UNIT MAY BE A SINGLE ARTICLE, AS A MACHINE, OR A SET OF ARTICLES, AS A SUITE OF FURNITURE OR A LINE OF MACHINERY, OR A QUANTITY, AS A GROSS OR CARLOAD, OR ANY OTHER UNIT TREATED IN USE OR IN THE RELEVANT MARKET AS A SINGLE WHOLE.

(D) "CONFORMING" GOODS OR PERFORMANCE UNDER A LEASE CONTRACT MEANS GOODS OR PERFORMANCE THAT ARE IN ACCORDANCE WITH THE OBLIGATIONS UNDER THE LEASE CONTRACT.

(E) "CONSUMER LEASE" MEANS A LEASE THAT A LESSOR REGULARLY ENGAGED IN THE BUSINESS OF LEASING OR SELLING MAKES TO A LESSEE WHO IS AN INDIVIDUAL AND TAKES UNDER THE LEASE PRIMARILY FOR A PERSONAL, FAMILY, OR HOUSEHOLD PURPOSE.