

Article – Commercial Law

2A-109.

(1) A term providing that one party or his (or her) successor in interest may accelerate payment or performance or require collateral or additional collateral “at will” or “when he (or she) deems himself (or herself) insecure” or in [word so] WORDS OF similar import must be construed to mean that he (or she) has power to do so only if he (or she) in good faith believes that the prospect of payment or performance is impaired.

DRAFTER’S NOTE:

Error: Incorrect word usage in § 2A-109(1) of the Commercial Law Article.

Occurred: Ch. 535, Acts of 1994.

2A-210.

(2) It is not necessary to the creation of an express warranty that the lessor use formal words, such as “warrant” or [“guarantee,”] “GUARANTEE”, or that the lessor have a specific intention to make a warranty, but an affirmation merely of the value of the goods or a statement purporting to be merely the lessor’s opinion or commendation of the goods does not create a warranty.

DRAFTER’S NOTE:

Error: Misplaced punctuation in § 2A-210(2) of the Commercial Law Article.

Occurred: Ch. 535, Acts of 1994.

2A-214.

(3) Notwithstanding subsection (2), but subject to subsection (4)[,].

(a) Unless the circumstances indicate otherwise, all implied warranties are excluded by expressions like “as is,” or “with all faults,” or by other language that in common understanding calls the lessee’s attention to the exclusion of warranties and makes plain that there is no implied warranty, if in writing and conspicuous;

(b) If the lessee before entering into the lease contract has examined the goods or the sample or model as fully as desired or has refused to examine the goods, there is no implied warranty with regard to defects that an examination ought in the circumstances to have revealed; and

(c) An implied warranty may also be excluded or modified by course of dealing, course of performance, or usage of trade.