

(G) UNLESS GOVERNED BY OTHER LAW REGARDING CLAIMS FOR INDEMNITY OR CONTRIBUTION, AN ACTION (I) FOR CONVERSION OF AN INSTRUMENT, FOR MONEY HAD AND RECEIVED, OR LIKE ACTION BASED ON CONVERSION, (II) FOR BREACH OF WARRANTY, OR (III) TO ENFORCE AN OBLIGATION, DUTY, OR RIGHT ARISING UNDER THIS ARTICLE AND NOT GOVERNED BY THIS SECTION MUST BE COMMENCED WITHIN 3 YEARS AFTER THE CAUSE OF ACTION ACCRUES.

3-119.

IN AN ACTION FOR BREACH OF AN OBLIGATION FOR WHICH A THIRD PERSON IS ANSWERABLE OVER PURSUANT TO THIS TITLE OR TITLE 4, THE DEFENDANT MAY GIVE THE THIRD PERSON WRITTEN NOTICE OF THE LITIGATION, AND THE PERSON NOTIFIED MAY THEN GIVE SIMILAR NOTICE TO ANY OTHER PERSON WHO IS ANSWERABLE OVER. IF THE NOTICE STATES (I) THAT THE PERSON NOTIFIED MAY COME IN AND DEFEND AND (II) THAT FAILURE TO DO SO WILL BIND THE PERSON NOTIFIED IN AN ACTION LATER BROUGHT BY THE PERSON GIVING THE NOTICE AS TO ANY DETERMINATION OF FACT COMMON TO THE TWO LITIGATIONS, THE PERSON NOTIFIED IS SO BOUND UNLESS AFTER SEASONABLE RECEIPT OF THE NOTICE THE PERSON NOTIFIED DOES COME IN AND DEFEND.

#### SUBTITLE 2. NEGOTIATION, TRANSFER, AND INDORSEMENT.

3-201.

(A) "NEGOTIATION" MEANS A TRANSFER OF POSSESSION, WHETHER VOLUNTARY OR INVOLUNTARY, OF AN INSTRUMENT BY A PERSON OTHER THAN THE ISSUER TO A PERSON WHO THEREBY BECOMES ITS HOLDER.

(B) EXCEPT FOR NEGOTIATION BY A REMITTER, IF AN INSTRUMENT IS PAYABLE TO AN IDENTIFIED PERSON, NEGOTIATION REQUIRES TRANSFER OF POSSESSION OF THE INSTRUMENT AND ITS INDORSEMENT BY THE HOLDER. IF AN INSTRUMENT IS PAYABLE TO BEARER, IT MAY BE NEGOTIATED BY TRANSFER OF POSSESSION ALONE.

3-202.

(A) NEGOTIATION IS EFFECTIVE EVEN IF OBTAINED (I) FROM AN INFANT, A CORPORATION EXCEEDING ITS POWERS, OR A PERSON WITHOUT CAPACITY, (II) BY FRAUD, DURESS, OR MISTAKE, OR (III) IN BREACH OF DUTY OR AS PART OF AN ILLEGAL TRANSACTION.

(B) TO THE EXTENT PERMITTED BY OTHER LAW, NEGOTIATION MAY BE RESCINDED OR MAY BE SUBJECT TO OTHER REMEDIES, BUT THOSE REMEDIES MAY NOT BE ASSERTED AGAINST A SUBSEQUENT HOLDER IN DUE COURSE OR A PERSON PAYING THE INSTRUMENT IN GOOD FAITH AND WITHOUT KNOWLEDGE OF FACTS THAT ARE A BASIS FOR RESCISSION OR OTHER REMEDY.