

(1) THE ITEM DESIGNATES THE BANK AS A COLLECTING BANK AND DOES NOT BY ITSELF AUTHORIZE THE BANK TO PAY THE ITEM; AND

(2) THE ITEM MAY BE PRESENTED FOR PAYMENT ONLY BY OR THROUGH THE BANK.

(C) IF A DRAFT NAMES A NONBANK DRAWEE AND IT IS UNCLEAR WHETHER A BANK NAMED IN THE DRAFT IS A CODRAWEE OR A COLLECTING BANK, THE BANK IS A COLLECTING BANK.

[4-106.] 4-107.

A branch or separate office of a bank is a separate bank for the purpose of computing the time within which and determining the place at or to which action may be taken or notices or orders [shall] MUST be given under this title and under Title 3.

[4-107.] 4-108.

[(1)](A) For the purpose of allowing time to process items, prove [balances] BALANCES, and make the necessary entries on its books to determine its position for the day, a bank may fix an afternoon hour of two p.m. or later as a cutoff hour for the handling of money and items and the making of entries on its books.

[(2)](B) [Any] AN item or deposit of money received on any day after a cutoff hour so fixed or after the close of the banking day may be treated as being received at the opening of the next banking day.

[4-108.] 4-109.

[(1)](A) Unless otherwise instructed, a collecting bank in a good faith effort to secure payment [may, in the case] of A specific [items] ITEM DRAWN ON A PAYOR OTHER THAN A BANK, and with or without the approval of any person involved, MAY waive, [modify] MODIFY, or extend time limits imposed or permitted by Titles 1 through 10 of this article for a period not [in excess of an] EXCEEDING TWO additional banking [day] DAYS without discharge of [secondary parties and without] DRAWERS OR INDORSERS OR liability to its transferor or [any] A prior party.

[(2)](B) Delay by a collecting bank or payor bank beyond time limits prescribed or permitted by [Titles 1 through 10 of] this article, or by instructions is excused if (I) THE DELAY IS caused by interruption of communication OR COMPUTER facilities, suspension of payments by another bank, war, emergency conditions, FAILURE OF EQUIPMENT, or other circumstances beyond the control of the bank [provided it], AND (II) THE BANK exercises such diligence as the circumstances require.

[4-109.]

The "process of posting" means the usual procedure followed by a payor bank in determining to pay an item and in recording the payment including one or more of the following or other steps as determined by the bank:

- (a) Verification of any signature;
- (b) Ascertaining that sufficient funds are available;