

5-105. CONSIDERATION.

CONSIDERATION IS NOT REQUIRED TO ISSUE, AMEND, TRANSFER, OR CANCEL A LETTER OF CREDIT, ADVICE, OR CONFIRMATION.

5-106. ISSUANCE, AMENDMENT, CANCELLATION, AND DURATION.

(A) A LETTER OF CREDIT IS ISSUED AND BECOMES ENFORCEABLE ACCORDING TO ITS TERMS AGAINST THE ISSUER WHEN THE ISSUER SENDS OR OTHERWISE TRANSMITS IT TO THE PERSON REQUESTED TO ADVISE OR TO THE BENEFICIARY. A LETTER OF CREDIT IS REVOCABLE ONLY IF IT SO PROVIDES.

(B) AFTER A LETTER OF CREDIT IS ISSUED, RIGHTS AND OBLIGATIONS OF A BENEFICIARY, APPLICANT, CONFIRMER, AND ISSUER ARE NOT AFFECTED BY AN AMENDMENT OR CANCELLATION TO WHICH THAT PERSON HAS NOT CONSENTED EXCEPT TO THE EXTENT THE LETTER OF CREDIT PROVIDES THAT IT IS REVOCABLE OR THAT THE ISSUER MAY AMEND OR CANCEL THE LETTER OF CREDIT WITHOUT THAT CONSENT.

(C) IF THERE IS NO STATED EXPIRATION DATE OR OTHER PROVISION THAT DETERMINES ITS DURATION, A LETTER OF CREDIT EXPIRES 1 YEAR AFTER ITS STATED DATE OF ISSUANCE OR, IF NONE IS STATED, AFTER THE DATE ON WHICH IT IS ISSUED.

(D) A LETTER OF CREDIT THAT STATES THAT IT IS PERPETUAL EXPIRES 5 YEARS AFTER ITS STATED DATE OF ISSUANCE, OR IF NONE IS STATED, AFTER THE DATE ON WHICH IT IS ISSUED.

5-107. CONFIRMER, NOMINATED PERSON, AND ADVISER.

(A) A CONFIRMER IS DIRECTLY OBLIGATED ON A LETTER OF CREDIT AND HAS THE RIGHTS AND OBLIGATIONS OF AN ISSUER TO THE EXTENT OF ITS CONFIRMATION. THE CONFIRMER ALSO HAS RIGHTS AGAINST AND OBLIGATIONS TO THE ISSUER AS IF THE ISSUER WERE AN APPLICANT AND THE CONFIRMER HAD ISSUED THE LETTER OF CREDIT AT THE REQUEST AND FOR THE ACCOUNT OF THE ISSUER.

(B) A NOMINATED PERSON WHO IS NOT A CONFIRMER IS NOT OBLIGATED TO HONOR OR OTHERWISE GIVE VALUE FOR A PRESENTATION.

(C) A PERSON REQUESTED TO ADVISE MAY DECLINE TO ACT AS AN ADVISER. AN ADVISER THAT IS NOT A CONFIRMER IS NOT OBLIGATED TO HONOR OR GIVE VALUE FOR A PRESENTATION. AN ADVISER UNDERTAKES TO THE ISSUER AND TO THE BENEFICIARY ACCURATELY TO ADVISE THE TERMS OF THE LETTER OF CREDIT, CONFIRMATION, AMENDMENT, OR ADVICE RECEIVED BY THAT PERSON AND UNDERTAKES TO THE BENEFICIARY TO CHECK THE APPARENT AUTHENTICITY OF THE REQUEST TO ADVISE. EVEN IF THE ADVICE IS INACCURATE, THE LETTER OF CREDIT, CONFIRMATION, OR AMENDMENT IS ENFORCEABLE AS ISSUED.

(D) A PERSON WHO NOTIFIES A TRANSFEREE BENEFICIARY OF THE TERMS OF A LETTER OF CREDIT, CONFIRMATION, AMENDMENT, OR ADVICE HAS THE RIGHTS AND OBLIGATIONS OF AN ADVISER UNDER SUBSECTION (C) OF THIS