

THE LETTER OF CREDIT. THE TERM DOES NOT INCLUDE A BENEFICIARY'S DRAWING RIGHTS OR DOCUMENTS PRESENTED BY THE BENEFICIARY.

(B) A BENEFICIARY MAY ASSIGN ITS RIGHT TO PART OR ALL OF THE PROCEEDS OF A LETTER OF CREDIT. THE BENEFICIARY MAY DO SO BEFORE PRESENTATION AS A PRESENT ASSIGNMENT OF ITS RIGHT TO RECEIVE PROCEEDS CONTINGENT UPON ITS COMPLIANCE WITH THE TERMS AND CONDITIONS OF THE LETTER OF CREDIT.

(C) AN ISSUER OR NOMINATED PERSON NEED NOT RECOGNIZE AN ASSIGNMENT OF PROCEEDS OF A LETTER OF CREDIT UNTIL IT CONSENTS TO THE ASSIGNMENT.

(D) AN ISSUER OR NOMINATED PERSON HAS NO OBLIGATION TO GIVE OR WITHHOLD ITS CONSENT TO AN ASSIGNMENT OF PROCEEDS OF A LETTER OF CREDIT, BUT CONSENT MAY NOT BE UNREASONABLY WITHHELD IF THE ASSIGNEE POSSESSES AND EXHIBITS THE LETTER OF CREDIT AND PRESENTATION OF THE LETTER OF CREDIT IS A CONDITION TO HONOR.

(E) RIGHTS OF A TRANSFEREE BENEFICIARY OR NOMINATED PERSON ARE INDEPENDENT OF THE BENEFICIARY'S ASSIGNMENT OF THE PROCEEDS OF A LETTER OF CREDIT AND ARE SUPERIOR TO THE ASSIGNEE'S RIGHT TO THE PROCEEDS.

(F) NEITHER THE RIGHTS RECOGNIZED BY THIS SECTION BETWEEN AN ASSIGNEE AND AN ISSUER, TRANSFEREE BENEFICIARY, OR NOMINATED PERSON NOR THE ISSUER'S OR NOMINATED PERSON'S PAYMENT OF PROCEEDS TO AN ASSIGNEE OR A THIRD PERSON AFFECT THE RIGHTS BETWEEN THE ASSIGNEE AND ANY PERSON OTHER THAN THE ISSUER, TRANSFEREE BENEFICIARY, OR NOMINATED PERSON. THE MODE OF CREATING AND PERFECTING A SECURITY INTEREST IN OR GRANTING AN ASSIGNMENT OF A BENEFICIARY'S RIGHTS TO PROCEEDS IS GOVERNED BY TITLE 9 OF THIS ARTICLE OR OTHER LAW. AGAINST PERSONS OTHER THAN THE ISSUER, TRANSFEREE BENEFICIARY, OR NOMINATED PERSON, THE RIGHTS AND OBLIGATIONS ARISING UPON THE CREATION OF A SECURITY INTEREST OR OTHER ASSIGNMENT OF A BENEFICIARY'S RIGHT TO PROCEEDS AND ITS PERFECTION ARE GOVERNED BY TITLE 9 OF THIS ARTICLE OR OTHER LAW.

5-115. STATUTE OF LIMITATIONS.

AN ACTION TO ENFORCE A RIGHT OR OBLIGATION ARISING UNDER THIS ARTICLE MUST BE COMMENCED WITHIN 1 YEAR AFTER THE EXPIRATION DATE OF THE RELEVANT LETTER OF CREDIT OR 1 YEAR AFTER THE CAUSE OF ACTION ACCRUES, WHICHEVER OCCURS LATER. A CAUSE OF ACTION ACCRUES WHEN THE BREACH OCCURS, REGARDLESS OF THE AGGRIEVED PARTY'S LACK OF KNOWLEDGE OF THE BREACH.

5-116. CHOICE OF LAW AND FORUM.

(A) THE LIABILITY OF AN ISSUER, NOMINATED PERSON, OR ADVISER FOR ACTION OR OMISSION IS GOVERNED BY THE LAW OF THE JURISDICTION CHOSEN BY