

(C) A SECURED PARTY IS NOT LIABLE TO ANY PERSON, AND A PERSON'S LIABILITY FOR A DEFICIENCY IS NOT AFFECTED, BECAUSE OF ANY ACT OR OMISSION ARISING OUT OF THE SECURED PARTY'S REASONABLE BELIEF THAT A TRANSACTION IS NOT A CONSUMER-GOODS TRANSACTION OR A CONSUMER TRANSACTION OR THAT GOODS ARE NOT CONSUMER GOODS, IF THE SECURED PARTY'S BELIEF IS BASED ON ITS REASONABLE RELIANCE ON:

(1) A DEBTOR'S REPRESENTATION CONCERNING THE PURPOSE FOR WHICH COLLATERAL WAS TO BE USED, ACQUIRED, OR HELD; OR

(2) AN OBLIGOR'S REPRESENTATION CONCERNING THE PURPOSE FOR WHICH A SECURED OBLIGATION WAS INCURRED.

(D) A SECURED PARTY IS NOT LIABLE TO ANY PERSON UNDER § 9-625(C)(2) FOR ITS FAILURE TO COMPLY WITH § 9-616.

(E) A SECURED PARTY IS NOT LIABLE UNDER § 9-625(C)(2) MORE THAN ONCE WITH RESPECT TO ANY ONE SECURED OBLIGATION.

SUBTITLE 7. TRANSITION.

9-701. EFFECTIVE DATE.

(A) THIS TITLE TAKES EFFECT AT 12:01 A.M. ON JULY 1, 2001.

(B) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(1) "ORIGINAL CODE" MEANS CHAPTER 538 OF THE ACTS OF 1963, AS THE PROVISIONS OF THAT CHAPTER WERE AMENDED PRIOR TO 12:01 A.M. ON JANUARY 1, 1981.

(2) "PRIOR CODE" MEANS CHAPTER 824 OF THE ACTS OF 1980, AS THE PROVISIONS OF THAT CHAPTER WERE AMENDED PRIOR TO THE EFFECTIVE DATE OF THIS TITLE.

9-702. SAVINGS CLAUSE.

(A) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, THIS TITLE APPLIES TO A TRANSACTION OR LIEN WITHIN ITS SCOPE, EVEN IF THE TRANSACTION OR LIEN WAS ENTERED INTO OR CREATED BEFORE THIS TITLE TAKES EFFECT.

(B) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (C) AND §§ 9-703 THROUGH 9-708:

(1) TRANSACTIONS AND LIENS THAT WERE NOT GOVERNED BY THE ORIGINAL CODE OR THE PRIOR CODE, WERE VALIDLY ENTERED INTO OR CREATED BEFORE THIS TITLE TAKES EFFECT, AND WOULD BE SUBJECT TO THIS TITLE IF THEY HAD BEEN ENTERED INTO OR CREATED AFTER THIS TITLE TAKES EFFECT, AND THE RIGHTS, DUTIES, AND INTERESTS FLOWING FROM THOSE TRANSACTIONS AND LIENS REMAIN VALID AFTER THIS TITLE TAKES EFFECT; AND