

(21) To "honor" is to pay or to accept and pay, or where a credit so engages to purchase or discount a draft complying with the terms of the credit.

(22) "Insolvency proceedings" includes any assignment for the benefit of creditors or other proceedings intended to liquidate or rehabilitate the estate of the person involved.

(23) A person is "insolvent" who either has ceased to pay his debts in the ordinary course of business or cannot pay his debts as they become due or is insolvent within the meaning of the federal bankruptcy law.

(24) "Money" means a medium of exchange authorized or adopted by a domestic or foreign government and includes a monetary unit of account established by an intergovernmental organization or by agreement between two or more nations.

(25) [A] SUBJECT TO SUBSECTION (27), A person has "notice" of a fact [when] IF THE PERSON:

(a) [He has] HAS actual knowledge of it; [or]

(b) [He has] HAS received a notice or notification of it; or

(c) From all the facts and circumstances known to [him] THE PERSON at the time in [question he] QUESTION, has reason to know that it exists.

A person "knows" or has "knowledge" of a fact when [he] THE PERSON has actual knowledge of it. "Discover" or "learn" or a word or phrase of similar import refers to knowledge rather than to reason to know. The time and circumstances under which a notice or notification may cease to be effective are not determined by Titles 1 through 10 of this article.

(26) A person "notifies" or "gives" a notice or notification to another PERSON by taking such steps as may be reasonably required to inform the other PERSON in ordinary [course] COURSE, whether or not [such] THE other PERSON actually comes to know of it. [A] SUBJECT TO SUBSECTION (27), A person "receives" a notice or notification when:

(a) It comes to [his] THAT PERSON'S attention; or

(b) It is duly delivered IN A FORM REASONABLE UNDER THE CIRCUMSTANCES at the place of business through which the contract was made or at [any other place] ANOTHER LOCATION held out by [him] THAT PERSON as the place for receipt of such communications.

(27) Notice, knowledge, or a notice or notification received by an organization is effective for a particular transaction from the time when it is brought to the attention of the individual conducting that transaction, and in any [event] EVENT, from the time when it would have been brought to [his] THE INDIVIDUAL'S attention if the organization had exercised due diligence. An organization exercises due diligence if it maintains reasonable routines for communicating significant information to the person conducting the transaction and there is reasonable compliance with the routine. Due diligence does not require an individual acting for