

covered by this Act; authorizing certain procedures for the enforcement of certain funds transfers; authorizing certain security procedures; requiring the use of certain methods by which banks may transfer funds under this Act; requiring banks to refund certain unauthorized payment orders to customers under certain circumstances; establishing certain rules concerning the misdescription of the beneficiaries of payment orders; specifying certain requirements for acceptance or rejection of payment orders under certain circumstances; establishing certain liabilities and duties of banks with respect to unaccepted payment orders; defining execution of payment orders; establishing certain obligations of certain receiving banks for execution of payment orders; imposing liability upon certain persons for improper execution of certain payment orders; providing payment dates for certain funds transfers; establishing the obligations of certain senders to pay certain receiving banks, of beneficiaries' banks to pay and give notice to the beneficiaries, and of certain originators to pay certain beneficiaries under certain circumstances; permitting certain variations of funds transfers by agreement of certain parties; establishing rules for service and application of creditor process; excluding certain types of transactions from the application of this Act; establishing the order in which certain items and payment orders may be charged or withdrawn from certain accounts; providing schedules for certain rates of interest to be paid; providing for a choice of governing laws; making a certain conforming change in a certain portion of Title 1 of the Commercial Law Article; and generally relating to funds transfers.

BY repealing and reenacting, with amendments,

Article – Commercial Law

Section 1-105(2)

Annotated Code of Maryland

(1975 Volume and 1990 Supplement)

BY adding to

Article – Commercial Law

Section 4A-101 through 4A-507 to be under the new title “Title 4A. Funds Transfers”

Annotated Code of Maryland

(1975 Volume and 1990 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – Commercial Law**

1-105.

(2) Where one of the following provisions of Titles 1 through 10 of this article specifies the applicable law, that provision governs and a contrary agreement is effective only to the extent permitted by the law (including the conflict of laws rules) so specified:

Rights of creditors against sold goods. § 2-402.