

4A-206.

(A) (1) IF A PAYMENT ORDER ADDRESSED TO A RECEIVING BANK IS TRANSMITTED TO A FUNDS-TRANSFER SYSTEM FOR TRANSMITTAL TO THE BANK, THE FUNDS-TRANSFER SYSTEM IS DEEMED TO BE AN AGENT OF THE SENDER FOR THE PURPOSE OF TRANSMITTING THE PAYMENT ORDER TO THE BANK.

(2) IF THERE IS A DISCREPANCY BETWEEN THE TERMS OF THE PAYMENT ORDER TRANSMITTED TO THE FUNDS-TRANSFER SYSTEM AND THE TERMS OF THE PAYMENT ORDER TRANSMITTED BY THE FUNDS-TRANSFER SYSTEM TO THE BANK, THE TERMS OF THE PAYMENT ORDER OF THE SENDER ARE THOSE TRANSMITTED BY THE FUNDS-TRANSFER SYSTEM.

(3) THIS SECTION DOES NOT APPLY TO A FUNDS-TRANSFER SYSTEM OF THE FEDERAL RESERVE BANKS.

(B) THIS SECTION APPLIES TO CANCELLATIONS AND AMENDMENTS OF PAYMENT ORDERS TO THE SAME EXTENT THAT IT APPLIES TO PAYMENT ORDERS.

4A-207.

(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, IF, IN A PAYMENT ORDER RECEIVED BY THE BENEFICIARY'S BANK, THE NAME, BANK ACCOUNT NUMBER, OR OTHER IDENTIFICATION OF THE BENEFICIARY REFERS TO A NONEXISTENT OR UNIDENTIFIABLE PERSON OR ACCOUNT, NO PERSON HAS RIGHTS AS A BENEFICIARY OF THE ORDER AND ACCEPTANCE OF THE ORDER CANNOT OCCUR.

(B) IF A PAYMENT ORDER RECEIVED BY THE BENEFICIARY'S BANK IDENTIFIES THE BENEFICIARY BOTH BY NAME AND BY AN IDENTIFYING OR BANK ACCOUNT NUMBER AND THE NAME AND NUMBER IDENTIFY DIFFERENT PERSONS, THE FOLLOWING RULES APPLY:

(1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (C) OF THIS SECTION, IF THE BENEFICIARY'S BANK DOES NOT KNOW THAT THE NAME AND NUMBER REFER TO DIFFERENT PERSONS, IT MAY RELY ON THE NUMBER AS THE PROPER IDENTIFICATION OF THE BENEFICIARY OF THE ORDER. THE BENEFICIARY'S BANK NEED NOT DETERMINE WHETHER THE NAME AND NUMBER REFER TO THE SAME PERSON.

(2) IF THE BENEFICIARY'S BANK PAYS THE PERSON IDENTIFIED BY NAME OR KNOWS THAT THE NAME AND NUMBER IDENTIFY DIFFERENT PERSONS, NO PERSON HAS RIGHTS AS BENEFICIARY EXCEPT THE PERSON PAID BY THE BENEFICIARY'S BANK IF THAT PERSON WAS ENTITLED TO RECEIVE PAYMENT FROM THE ORIGINATOR OF THE FUNDS TRANSFER. IF NO PERSON HAS RIGHTS AS BENEFICIARY, ACCEPTANCE OF THE ORDER CANNOT OCCUR.