

(J) "NEGOTIATION" HAS THE MEANING PROVIDED IN § 3-201 OF THIS ARTICLE.

(K) "NOTICE OF DISHONOR" HAS THE MEANING PROVIDED IN § 3-503 OF THIS ARTICLE.

(L) "STOP PAYMENT ORDER" HAS THE MEANING PROVIDED IN § 4-403 OF THIS ARTICLE.

15-802.

(A) WHEN A CHECK OR OTHER INSTRUMENT HAS BEEN DISHONORED BY NONACCEPTANCE OR NONPAYMENT AND HAS NOT BEEN PAID WITHIN 10 DAYS, THE HOLDER TO WHOM THE CHECK OR OTHER INSTRUMENT WAS ISSUED OR NEGOTIATED MAY SEND A NOTICE OF DISHONOR TO THE MAKER OR DRAWER AS PROVIDED UNDER THIS SECTION.

(B) IF A CHECK OR OTHER INSTRUMENT HAS NOT BEEN PAID WITHIN 30 DAYS AFTER THE HOLDER HAS SENT A NOTICE OF DISHONOR TO THE MAKER OR DRAWER, THE MAKER OR DRAWER OF A CHECK OR OTHER INSTRUMENT THAT HAS BEEN DISHONORED MAY BE LIABLE FOR:

- (1) THE AMOUNT OF THE CHECK OR INSTRUMENT;
- (2) A COLLECTION FEE OF UP TO \$25; AND
- (3) AN AMOUNT UP TO 2 TIMES THE AMOUNT OF THE CHECK, BUT NOT MORE THAN \$1,000.

(C) (1) (I) THE HOLDER OF A CHECK OR OTHER INSTRUMENT THAT HAS BEEN DISHONORED MAY SEEK THE DAMAGES PROVIDED UNDER THIS SECTION IN ANY DISTRICT COURT OF THE STATE 30 DAYS AFTER A NOTICE OF DISHONOR HAS BEEN SENT BY MAIL TO THE LAST KNOWN ADDRESS OF THE MAKER OR DRAWER

(II) THE HOLDER SHALL OBTAIN A CERTIFICATE OF MAILING FROM THE U.S. POSTAL SERVICE FOR EACH NOTICE SENT BY THE HOLDER UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(2) A NOTICE OF DISHONOR SENT BY A HOLDER UNDER THIS SECTION TO A MAKER OR DRAWER OF A DISHONORED CHECK OR OTHER INSTRUMENT SHALL SUBSTANTIALLY COMPLY WITH THE FORM PRESCRIBED IN § 15-803 OF THIS SUBTITLE.

(D) A HOLDER MAY NOT RECOVER ANY DAMAGES UNDER SUBSECTION (B)(3) OF THIS SECTION IF:

(1) THE HOLDER HAS DEMANDED OF, AND RECEIVED FROM, THE MAKER OR DRAWER:

(I) COLLECTION COSTS IN EXCESS OF THE COLLECTION FEE PROVIDED UNDER SUBSECTION (B)(2) OF THIS SECTION; OR