**§4-1211. Cancellation and amendment of payment order**

**(CONTAINS TEXT WITH VARYING EFFECTIVE DATES)**

**(1). (TEXT EFFECTIVE UNTIL 7/01/25)**  A communication of the sender of a payment order cancelling or amending the order may be transmitted to the receiving bank orally, electronically or in writing. If a security procedure is in effect between the sender and the receiving bank, the communication is not effective to cancel or amend the order unless the communication is verified pursuant to the security procedure or the bank agrees to the cancellation or amendment.

[PL 1991, c. 812, §2 (NEW).]

**(1). (TEXT EFFECTIVE 7/01/25)**  A communication of the sender of a payment order cancelling or amending the order may be transmitted to the receiving bank orally or in a record. If a security procedure is in effect between the sender and the receiving bank, the communication is not effective to cancel or amend the order unless the communication is verified pursuant to the security procedure or the bank agrees to the cancellation or amendment.

[PL 2023, c. 669, Pt. A, §47 (AMD); PL 2023, c. 669, Pt. E, §1 (AFF).]

**(2).**  Subject to subsection (1), a communication by the sender cancelling or amending a payment order is effective to cancel or amend the order if notice of the communication is received at a time and in a manner affording the receiving bank a reasonable opportunity to act on the communication before the bank accepts the payment order.

[PL 1991, c. 812, §2 (NEW).]

**(3).**  After a payment order has been accepted, cancellation or amendment of the order is not effective unless the receiving bank agrees or a funds transfer system rule allows cancellation or amendment without agreement of the bank.

(a). With respect to a payment order accepted by a receiving bank other than the beneficiary's bank, cancellation or amendment is not effective unless a conforming cancellation or amendment of the payment order issued by the receiving bank is also made. [PL 1991, c. 812, §2 (NEW).]

(b). With respect to a payment order accepted by the beneficiary's bank, cancellation or amendment is not effective unless the order was issued in execution of an unauthorized payment order or because of a mistake by a sender in the funds transfer that resulted in the issuance of a payment order:

(i) That is a duplicate of a payment order previously issued by the sender;

(ii) That orders payment to a beneficiary not entitled to receive payment from the originator; or

(iii) That orders payment in an amount greater than the amount the beneficiary was entitled to receive from the originator.

If the payment order is canceled or amended, the beneficiary's bank is entitled to recover from the beneficiary any amount paid to the beneficiary to the extent allowed by the law governing mistake and restitution. [PL 1991, c. 812, §2 (NEW).]

[PL 1991, c. 812, §2 (NEW).]

**(4).**  An unaccepted payment order is canceled by operation of law at the close of the 5th funds transfer business day of the receiving bank after the execution date or payment date of the order.

[PL 1991, c. 812, §2 (NEW).]

**(5).**  A canceled payment order can not be accepted. If an accepted payment order is canceled, the acceptance is nullified and a person does not have any right or obligation based on the acceptance. Amendment of a payment order is deemed to be cancellation of the original order at the time of amendment and issue of a new payment order in the amended form at the same time.

[PL 1991, c. 812, §2 (NEW).]

**(6).**  Unless otherwise provided in an agreement of the parties or in a funds transfer system rule, if the receiving bank after accepting a payment order agrees to cancellation or amendment of the order by the sender or is bound by a funds transfer system rule allowing cancellation or amendment without the bank's agreement, the sender whether or not cancellation or amendment is effective is liable to the bank for any loss and expenses including reasonable attorney's fees incurred by the bank as a result of the cancellation or amendment or attempted cancellation or amendment.

[PL 1991, c. 812, §2 (NEW).]

**(7).**  A payment order is not revoked by the death or legal incapacity of the sender unless the receiving bank knows of the death or of an adjudication of incapacity by a court of competent jurisdiction and has reasonable opportunity to act before acceptance of the order.

[PL 1991, c. 812, §2 (NEW).]

**(8).**  A funds transfer system rule is not effective to the extent it conflicts with subsection (3), paragraph (b).

[PL 1991, c. 812, §2 (NEW).]

SECTION HISTORY

PL 1991, c. 812, §2 (NEW). PL 2023, c. 669, Pt. A, §47 (AMD). PL 2023, c. 669, Pt. E, §1 (AFF).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Maine Legislature and is current through January 1, 2025
 . The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.