

§4-202. Responsibility for collection or return; when action timely

(1). A collecting bank must exercise ordinary care in:

(a). Presenting an item or sending it for presentment; [PL 1993, c. 293, Pt. B, §19 (AMD).]

(b). Sending notice of dishonor or nonpayment or returning an item other than a documentary draft to the bank's transferor after learning that the item has not been paid or accepted, as the case may be; [PL 1993, c. 293, Pt. B, §19 (AMD).]

(c). Settling for an item when the bank receives final settlement; and

(d). [PL 1993, c. 293, Pt. B, §19 (RP).]

(e). Notifying its transferor of any loss or delay in transit within a reasonable time after discovery thereof.

[PL 1993, c. 293, Pt. B, §19 (AMD).]

(2). A collecting bank exercises ordinary care under subsection (1) by taking proper action before its midnight deadline following receipt of an item, notice or settlement. Taking proper action within a reasonably longer time may constitute the exercise of ordinary care, but the bank has the burden of establishing timeliness.

[PL 1993, c. 293, Pt. B, §19 (AMD).]

(3). Subject to subsection (1), paragraph (a), a bank is not liable for the insolvency, neglect, misconduct, mistake or default of another bank or person or for loss or destruction of an item in the possession of others or in transit.

[PL 1993, c. 293, Pt. B, §19 (AMD).]

SECTION HISTORY

PL 1993, c. 293, §B19 (AMD).

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.