

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

440.4502 Documentary draft; presentment on arrival of goods, refusal for non-arrival; notice to transferor.

Sec. 4502. When a draft or the relevant instructions require presentment "on arrival", "when goods arrive" or the like, the collecting bank need not present until in its judgment a reasonable time for arrival of the goods has expired. Refusal to pay or accept because the goods have not arrived is not dishonor; the bank must notify its transferor of such refusal but need not present the draft again until it is instructed to do so or learns of the arrival of the goods.

History: 1962, Act 174, Eff. Jan. 1, 1964.