

**336.3-103** MS 1990 [Repealed, 1992 c 565 s 114]

**336.3-103 DEFINITIONS.**

(a) In this article:

(1) "Acceptor" means a drawee who has accepted a draft.

(2) "Consumer account" means an account established by an individual primarily for personal, family, or household purposes.

(3) "Consumer transaction" means a transaction in which an individual incurs an obligation primarily for personal, family, or household purposes.

(4) "Drawee" means a person ordered in a draft to make payment.

(5) "Drawer" means a person who signs or is identified in a draft as a person ordering payment.

(6) (Reserved.)

(7) "Maker" means a person who signs or is identified in a note as a person undertaking to pay.

(8) "Order" means a written instruction to pay money signed by the person giving the instruction. The instruction may be addressed to any person, including the person giving the instruction, or to one or more persons jointly or in the alternative but not in succession. An authorization to pay is not an order unless the person authorized to pay is also instructed to pay.

(9) "Ordinary care" in the case of a person engaged in business means observance of reasonable commercial standards, prevailing in the area in which the person is located, with respect to the business in which the person is engaged. In the case of a bank that takes an instrument for processing for collection or payment by automated means, reasonable commercial standards do not require the bank to examine the instrument if the failure to examine does not violate the bank's prescribed procedures and the bank's procedures do not vary unreasonably from general banking usage not disapproved by this article or article 4.

(10) "Party" means a party to an instrument.

(11) "Principal obligor," with respect to an instrument, means the accommodated party or any other party to the instrument against whom a secondary obligor has recourse under this article.

(12) "Promise" means a written undertaking to pay money signed by the person undertaking to pay. An acknowledgment of an obligation by the obligor is not a promise unless the obligor also undertakes to pay the obligation.

(13) "Prove" with respect to a fact means to meet the burden of establishing the fact (section 336.1-201(b)(8)).

(14) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(15) "Remitter" means a person who purchases an instrument from its issuer if the instrument is payable to an identified person other than the purchaser.

(16) "Remotely created item" means an item that is not created by the payor bank and does not bear a handwritten or facsimile signature purporting to be the signature of the drawer.

(17) "Secondary obligor," with respect to an instrument, means (a) an endorser or an accommodation party, (b) a drawer having the obligation described in section 336.3-414(d), or (c) any other party to the instrument that has recourse against another party to the instrument pursuant to section 336.3-116(b).

(b) Other definitions applying to this article and the sections in which they appear are:

"Acceptance," section 336.3-409.

"Accommodated party," section 336.3-419.

"Accommodation party," section 336.3-419.

"Account," section 336.4-104.

"Alteration," section 336.3-407.

"Anomalous endorsement," section 336.3-205.

"Blank endorsement," section 336.3-205.

"Cashier's check," section 336.3-104.

"Certificate of deposit," section 336.3-104.

"Certified check," section 336.3-409.

"Check," section 336.3-104.

"Consideration," section 336.3-303.

"Draft," section 336.3-104.

"Endorsement," section 336.3-204.

"Endorser," section 336.3-204.

"Holder in due course," section 336.3-302.

"Incomplete instrument," section 336.3-115.

"Instrument," section 336.3-104.

"Issue," section 336.3-105.

"Issuer," section 336.3-105.

"Negotiable instrument," section 336.3-104.

"Negotiation," section 336.3-201.

"Note," section 336.3-104.

"Payable at a definite time," section 336.3-108.

"Payable on demand," section 336.3-108.

"Payable to bearer," section 336.3-109.

"Payable to order," section 336.3-109.

"Payment," section 336.3-602.

"Person entitled to enforce," section 336.3-301.

"Presentment," section 336.3-501.

"Reacquisition," section 336.3-207.

"Special endorsement," section 336.3-205.

"Teller's check," section 336.3-104.

"Transfer of instrument," section 336.3-203.

"Traveler's check," section 336.3-104.

"Value," section 336.3-303.

(c) The following definitions in other articles apply to this article:

"Bank," section 336.4-105.

"Banking day," section 336.4-104.

"Clearinghouse," section 336.4-104.

"Collecting bank," section 336.4-105.

"Depository bank," section 336.4-105.

"Documentary draft," section 336.4-104.

"Intermediary bank," section 336.4-105.

"Item," section 336.4-104.

"Payor bank," section 336.4-105.

"Suspends payments," section 336.4-104.

(d) In addition, article 1 contains general definitions and principles of construction and interpretation applicable throughout this article.

**History:** 1992 c 565 s 5; 2003 c 81 art 1 s 1; 2004 c 162 art 2 s 9