336.12-105 CONTROL OF CONTROLLABLE ELECTRONIC RECORD.

- (a) **General rule: control of controllable electronic record.** A person has control of a controllable electronic record if the electronic record, a record attached to or logically associated with the electronic record, or a system in which the electronic record is recorded:
 - (1) gives the person:
 - (A) power to avail itself of substantially all the benefit from the electronic record; and
 - (B) exclusive power, subject to subsection (b), to:
- (i) prevent others from availing themselves of substantially all the benefit from the electronic record; and
- (ii) transfer control of the electronic record to another person or cause another person to obtain control of another controllable electronic record as a result of the transfer of the electronic record; and
- (2) enables the person readily to identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as having the powers specified in paragraph (1).
- (b) **Meaning of exclusive.** Subject to subsection (c), a power is exclusive under subsection (a)(1)(B)(i) and (ii) even if:
- (1) the controllable electronic record, a record attached to or logically associated with the electronic record, or a system in which the electronic record is recorded limits the use of the electronic record or has a protocol programmed to cause a change, including a transfer or loss of control or a modification of benefits afforded by the electronic record; or
 - (2) the power is shared with another person.
- (c) When power not shared with another person. A power of a person is not shared with another person under subsection (b)(2) and the person's power is not exclusive if:
 - (1) the person can exercise the power only if the power also is exercised by the other person; and
 - (2) the other person:
 - (A) can exercise the power without exercise of the power by the person; or
- (B) is the transferor to the person of an interest in the controllable electronic record or a controllable account or controllable payment intangible evidenced by the controllable electronic record.
- (d) **Presumption of exclusivity of certain powers.** If a person has the powers specified in subsection (a)(1)(B)(i) and (ii), the powers are presumed to be exclusive.
- (e) **Control through another person.** A person has control of a controllable electronic record if another person, other than the transferor to the person of an interest in the controllable electronic record or a controllable account or controllable payment intangible evidenced by the controllable electronic record:
 - (1) has control of the electronic record and acknowledges that it has control on behalf of the person; or
- (2) obtains control of the electronic record after having acknowledged that it will obtain control of the electronic record on behalf of the person.

- (f) **No requirement to acknowledge.** A person that has control under this section is not required to acknowledge that it has control on behalf of another person.
- (g) **No duties or confirmation.** If a person acknowledges that it has or will obtain control on behalf of another person, unless the person otherwise agrees or law other than this article or article 9 otherwise provides, the person does not owe any duty to the other person and is not required to confirm the acknowledgment to any other person.

History: 2024 c 93 art 10 s 5