

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

440.7106 Person having control of electronic document.

Sec. 7106. (1) A person has control of an electronic document of title if a system employed for evidencing the transfer of interests in the electronic document reliably establishes that person as the person to which the electronic document was issued or transferred.

(2) A system satisfies subsection (1), and a person is considered to have control of an electronic document of title, if the document is created, stored, and assigned in a manner that meets all of the following:

(a) A single authoritative copy of the document exists that is unique, identifiable, and, except as otherwise provided in subdivisions (d), (e), and (f), unalterable.

(b) The authoritative copy described in subdivision (a) identifies the person asserting control as 1 of the following:

(i) The person to which the document was issued.

(ii) If the authoritative copy indicates that the document has been transferred, the person to which the document was most recently transferred.

(c) The authoritative copy described in subdivision (a) is communicated to and maintained by the person asserting control or its designated custodian.

(d) Copies or amendments that add or change an identified assignee of the authoritative copy described in subdivision (a) can be made only with the consent of the person asserting control.

(e) Each copy of the authoritative copy described in subdivision (a) and any copy of a copy is readily identifiable as a copy that is not the authoritative copy.

(f) Any amendment of the authoritative copy described in subdivision (a) is readily identifiable as authorized or unauthorized.

History: Add. 2012, Act 87, Eff. July 1, 2013.