

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

***** 440.1309.added THIS ADDED SECTION IS EFFECTIVE JULY 1, 2013 *****

440.1309.added Accelerating payment or performance or requiring collateral or additional collateral.

Sec. 1309. A term providing that 1 party or that party's successor in interest may accelerate payment or performance or require collateral or additional collateral "at will" or when the party "deems itself insecure", or words of similar import, means that the party has power to do so only if that party in good faith believes that the prospect of payment or performance is impaired. The burden of establishing lack of good faith is on the party against which the power has been exercised.

History: Add. 2012, Act 86, Eff. July 1, 2013.