

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Insurance & Banking
 2 Subcommittee

3 Representative Beltran offered the following:

4

5 **Amendment**

6 Remove lines 55-84 and insert:

7 ~~order the person identified by number as permitted by paragraph~~
 8 ~~(2)(a), the following rules apply:~~

9 ~~(a) If the originator is a bank, the originator is obliged~~
 10 ~~to pay its order.~~

11 ~~(b) If the originator is not a bank and proves that the~~
 12 ~~person identified by number was not entitled to receive payment~~
 13 ~~from the originator, the originator is not obliged to pay its~~
 14 ~~order unless the originator's bank proves that the originator,~~
 15 ~~before acceptance of the originator's order, had notice that~~
 16 ~~payment of a payment order issued by the originator might be~~

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17 ~~made by the beneficiary's bank on the basis of an identifying or~~
18 ~~bank account number even if it identifies a person different~~
19 ~~from the named beneficiary. Proof of notice may be made by any~~
20 ~~admissible evidence. The originator's bank satisfies the burden~~
21 ~~of proof if it proves that the originator, before the payment~~
22 ~~order was accepted, signed a writing stating the information to~~
23 ~~which the notice relates.~~

24 (4) ~~In a case governed by paragraph (2) (a),~~ If the
25 beneficiary's bank improperly ~~rightfully~~ pays any ~~the~~ person
26 ~~identified by number and that person was not entitled or~~
27 intended to receive payment from the originator, the amount paid
28 may be recovered from that person to the extent allowed by the
29 law governing mistake and restitution. ~~as follows:~~

30 ~~(a) If the originator is obliged to pay its payment order~~
31 ~~as stated in subsection (3), the originator has the right to~~
32 ~~recover.~~