

**§4-401. When bank may charge customer's account**

(1). A bank may charge against the account of a customer an item that is properly payable from that account even though the charge creates an overdraft. An item is properly payable if it is authorized by the customer and is in accordance with any agreement between the customer and bank.

[PL 1993, c. 293, Pt. B, §39 (AMD).]

(1-A). A customer is not liable for the amount of an overdraft if the customer neither signed the item nor benefited from the proceeds of the item.

[PL 1993, c. 293, Pt. B, §39 (NEW).]

(1-B). A bank may charge against the account of a customer a check that is otherwise properly payable from the account, even though payment was made before the date of the check, unless the customer has given notice to the bank of the postdating describing the check with reasonable certainty. The notice is effective for the period stated in section 4-403, subsection (2) for stop-payment orders and must be received at such time and in such manner as to afford the bank a reasonable opportunity to act on it before the bank takes any action with respect to the check described in section 4-303. If a bank charges against the account of a customer a check before the date stated in the notice of postdating, the bank is liable for damages for the loss resulting from its act. The loss may include damages for dishonor of subsequent items under section 4-402.

[PL 1993, c. 293, Pt. B, §39 (NEW).]

(2). A bank that in good faith makes payment to a holder may charge the indicated account of its customer according to:

(a). The original terms of the altered item; or [PL 1993, c. 293, Pt. B, §39 (AMD).]

(b). The terms of the completed item, even though the bank knows the item has been completed unless the bank has notice that the completion was improper. [PL 1993, c. 293, Pt. B, §39 (AMD).]

[PL 1993, c. 293, Pt. B, §39 (AMD).]

**SECTION HISTORY**

PL 1993, c. 293, §B39 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Regular and First Special Session of the 131st Maine Legislature and is current through November 1, 2023. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.