§3-1203. Transfer of instrument; rights acquired by transfer

(1). An instrument is transferred when it is delivered by a person other than its issuer for the purpose of giving to the person receiving delivery the right to enforce the instrument.
[PL 1993, c. 293, Pt. A, §2 (NEW).]

(2). Transfer of an instrument, whether or not the transfer is a negotiation, vests in the transferee any right of the transferor to enforce the instrument, including any right as a holder in due course, but the transferee can not acquire rights of a holder in due course by a transfer, directly or indirectly, from a holder in due course if the transferee engaged in fraud or illegality affecting the instrument.
[PL 1993, c. 293, Pt. A, §2 (NEW).]

(3). Unless otherwise agreed, if an instrument is transferred for value and the transferee does not become a holder because of lack of indorsement by the transferor, the transferee has a specifically enforceable right to the unqualified indorsement of the transferor, but negotiation of the instrument does not occur until the indorsement is made.
[PL 1993, c. 293, Pt. A, §2 (NEW).]

(4). If a transferor purports to transfer less than the entire instrument, negotiation of the instrument does not occur. The transferee obtains no rights under this Article and has only the rights of a partial assignee.
[PL 1993, c. 293, Pt. A, §2 (NEW).]

SECTION HISTORY

PL 1993, c. 293, §A2 (NEW).

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