

## Article - Financial Institutions

[Previous][Next]

§1–210.

(a) (1) In this section the following words have the meanings indicated.

(2) “Account agreement” means one or more written instruments that establish when a certificate of deposit is payable.

(3) “Certificate of deposit” means a deposit or share account at a depository institution that:

(i) Is payable by the depository institution at the expiration of a specified time; and

(ii) May be transferable or nontransferable, negotiable or nonnegotiable, and renewable or nonrenewable.

(4) “Depository institution” means a State-chartered or federally chartered financial institution located in the State that is authorized to maintain certificates of deposit.

(5) “Maturity date” means the time specified in an account agreement when a certificate of deposit is first payable, without taking into account any agreement regarding renewals.

(b) Subject to subsection (c) of this section, an action to enforce the obligation of a depository institution to pay all or part of the balance of a certificate of deposit must be commenced by the earlier of:

(1) The time that an action to enforce an obligation under § 3-118(e) of the Commercial Law Article must be commenced, if the certificate of deposit is subject to that section; or

(2) 6 years after the later of:

(i) The maturity date of the certificate of deposit;

(ii) The due date of the certificate of deposit indicated in the depository institution’s last written notice of renewal of the certificate of deposit, if any;

(iii) The date of the last written communication from the depository institution recognizing the depository institution’s obligation to pay the certificate of deposit; or

(iv) The last day of the taxable year for which a person identified

in the certificate of deposit last reported interest income earned on the certificate of deposit on a federal or State income tax return.

(c) Notwithstanding subsection (b) of this section, an action to enforce the obligation of a depository institution to pay all or part of the balance of an automatically renewing certificate of deposit in existence on June 1, 2006, must be commenced by the later of:

(1) 6 years after the later of the events described in subsection (b)(2)(i) through (iv) of this section; or

(2) 1 year after June 1, 2006.

[Previous][Next]