

**UNIFORM COMMERCIAL CODE (EXCERPT)**  
**Act 174 of 1962**

\*\*\*\*\* 440.1204.amended THIS AMENDED SECTION IS EFFECTIVE JULY 1, 2013 \*\*\*\*\*

**440.1204.amended Value for rights.**

Sec. 1204. Except as otherwise provided in articles 3, 4, and 5, a person gives value for rights if the person acquires them for any of the following:

(a) In return for a binding commitment to extend credit or for the extension of immediately available credit, whether or not drawn upon and whether or not a charge-back is provided for in the event of difficulties in collection.

(b) As security for, or in total or partial satisfaction of, a preexisting claim.

(c) By accepting delivery under a preexisting contract for purchase.

(d) In return for any consideration sufficient to support a simple contract.

**History:** 1962, Act 174, Eff. Jan. 1, 1964;—Am. 2012, Act 86, Eff. July 1, 2013.