

1998 PUBLIC AND LOCAL ACTS

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[No. 395]

(HB 5800)

AN ACT to amend 1962 PA 174, entitled "An act to enact the uniform commercial code, relating to certain commercial transactions in or regarding personal property and contracts and other documents concerning them, including sales, commercial paper, bank deposits and collections, letters of credit, bulk transfers, warehouse receipts, bills of lading, other documents of title, investment securities, leases, and secured transactions, including certain sales of accounts, chattel paper and contract rights; to provide for public notice to third parties in certain circumstances; to regulate procedure, evidence and damages in certain court actions involving such transactions, contracts or documents; to make uniform the law with respect thereto; to make an appropriation; to provide penalties; and to repeal certain acts and parts of acts," (MCL 440.1101 to 440.11102) by adding section 1210.

*The People of the State of Michigan enact:*

440.1210 Definitions; subject or medium of payment as euro or ECU.  
[M.S.A. 19.1210]

Sec. 1210. (1) As used in this section and section 1211:

(a) "ECU" or "European currency unit" means the currency basket that is from time to time used as the unit of account of the European union as defined in European council regulation no. 3320/94.

(b) "Euro" or "euros" means the currency of participating member states of the European union that adopt a single currency in accordance with the treaty on European union signed February 7, 1992. Member states are those that have decided to adopt the euro, and other member states that may choose to participate.

(c) "Introduction of the euro" means, but is not limited to, the implementation from time to time of an economic and monetary union in member states of the European union under the treaty on European union of February 7, 1992.

(2) If a subject or medium of payment of a contract, security, or instrument is a currency that has been substituted or replaced by the euro, the euro shall be a commercially reasonable substitute and substantial equivalent that may be either of the following:

(a) Used in determining the value of that currency.

(b) Tendered at the conversion rate specified in and calculated according to the regulations adopted by the council of the European union.

(3) If a subject or medium of payment of a contract, security, or instrument is the ECU, the euro shall be a commercially reasonable substitute and substantial equivalent that may be either of the following:

(a) Used in determining the value of that currency.

(b) Tendered at the conversion rate specified in and calculated according to the regulations adopted by the council of the European union.

(4) Unless the parties to a contract, security, or instrument described in subsection (2) or (3) agree otherwise, the tendering of money under that contract, security, or instrument may only be made in either of the following:

(a) Euros.

(b) The currency originally designated by the contract, security, or instrument, if that originally designated currency remains legal tender at the time of performance.

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Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 5835 of the 89th Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved December 17, 1998.

Filed with Secretary of State December 17, 1998.

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**Compiler's note:** House Bill No. 5835, referred to in enacting section 1, was filed with the Secretary of State December 17, 1998, and became P.A. 1998, No. 394, Imd. Eff. Dec. 17, 1998.

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