

# HB5477



## 95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

**HB5477**

by Rep. Michael J. Madigan - Barbara Flynn Currie

### SYNOPSIS AS INTRODUCED:

810 ILCS 5/1-102

from Ch. 26, par. 1-102

Amends the Uniform Commercial Code. Makes a technical change in a Section concerning the purpose and rules of construction.

LRB095 19318 WGH 45613 b

A BILL FOR

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Uniform Commercial Code is amended by  
5 changing Section 1-102 as follows:

6 (810 ILCS 5/1-102) (from Ch. 26, par. 1-102)

7 Sec. 1-102. Purposes, rules of construction, variation by  
8 agreement.

9 (1) This Act shall be liberally construed and ~~and~~ applied  
10 to promote its underlying purposes and policies.

11 (2) Underlying purposes and policies of this Act are

12 (a) to simplify, clarify and modernize the law  
13 governing commercial transactions;

14 (b) to permit the continued expansion of commercial  
15 practices through custom, usage and agreement of the parties;

16 (c) to make uniform the law among the various  
17 jurisdictions.

18 (3) The effect of provisions of this Act may be varied by  
19 agreement, except as otherwise provided in this Act and except  
20 that the obligations of good faith, diligence, reasonableness  
21 and care prescribed by this Act may not be disclaimed by  
22 agreement but the parties may by agreement determine the  
23 standards by which the performance of such obligations is to be

1 measured if such standards are not manifestly unreasonable.

2 (4) The presence in certain provisions of this Act of the  
3 words "unless otherwise agreed" or words of similar import does  
4 not imply that the effect of other provisions may not be varied  
5 by agreement under subsection (3).

6 (5) In this Act unless the context otherwise requires

7 (a) words in the singular number include the plural,  
8 and in the plural include the singular;

9 (b) words of the masculine gender include the feminine  
10 and the neuter, and when the sense so indicates words of the  
11 neuter gender may refer to any gender.

12 (Source: Laws 1961, p. 2101.)