

petent jurisdiction, before the end of the 1-year period beginning on the date the cause of action accrues.

**(2) Accrual**

A cause of action accrues as of the date the injured party first learns, or by which such person reasonably should have learned, of the facts and circumstances giving rise to the cause of action.

**(b) Discharge of claims**

Except as provided in subsection (c), unless a person gives notice of a claim to the indemnifying or warranting bank within 30 days after the person has reason to know of the claim and the identity of the indemnifying or warranting bank, the indemnifying or warranting bank is discharged from liability in an action to enforce a claim under this chapter to the extent of any loss caused by the delay in giving notice of the claim.

**(c) Notice of claim by consumer**

A timely claim by a consumer under section 5006 of this title for expedited recredit constitutes timely notice of a claim by the consumer for purposes of subsection (b).

(Pub. L. 108–100, §11, Oct. 28, 2003, 117 Stat. 1188.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1), (b), was in the original “this Act”, meaning Pub. L. 108–100, Oct. 28, 2003, 117 Stat. 1177, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5001 of this title and Tables.

EFFECTIVE DATE

Section effective at the end of the 12-month period beginning on Oct. 28, 2003, see section 20 of Pub. L. 108–100, set out as a note under section 5001 of this title.

**§ 5011. Consumer awareness**

**(a) In general**

Each bank shall provide, in accordance with subsection (b), a brief notice about substitute checks that describes—

(1) how a substitute check is the legal equivalent of an original check for all purposes, including any provision of any Federal or State law, and for all persons, if the substitute check—

(A) accurately represents all of the information on the front and back of the original check as of the time at which the original check was truncated; and

(B) bears the legend: “This is a legal copy of your check. You can use it in the same way you would use the original check.”; and

(2) the consumer recredit rights established under section 5006 of this title when a consumer believes in good faith that a substitute check was not properly charged to the account of the consumer.

**(b) Distribution**

**(1) Existing customers**

With respect to consumers who are customers of a bank on the effective date of this chapter and who receive original checks or

substitute checks, a bank shall provide the notice described in subsection (a) to each such consumer no later than the first regularly scheduled communication with the consumer after the effective date of this chapter.

**(2) New account holders**

A bank shall provide the notice described in subsection (a) to each consumer who will receive original checks or substitute checks, other than existing customers referred to in paragraph (1), at the time at which the customer relationship is initiated.

**(3) Mode of delivery**

A bank may send the notices required by this subsection by United States mail or by any other means through which the consumer has agreed to receive account information.

**(4) Consumers who request copies of checks**

Notice shall be provided to each consumer of the bank that requests a copy of a check and receives a substitute check, at the time of the request.

**(c) Model language**

**(1) In general**

Before the end of the 9-month period beginning on October 28, 2003, the Board shall publish model forms and clauses that a bank may use to describe each of the elements required by subsection (a).

**(2) Safe harbor**

**(A) In general**

A bank shall be treated as being in compliance with the requirements of subsection (a) if the bank’s substitute check notice uses a model form or clause published by the Board and such model form or clause accurately describes the bank’s policies and practices.

**(B) Deletion or rearrangement**

A bank may delete any information in the model form or clause that is not required by this chapter or rearrange the format.

**(3) Use of model language not required**

This section shall not be construed as requiring any bank to use a model form or clause that the Board prepares under this subsection.

(Pub. L. 108–100, §12, Oct. 28, 2003, 117 Stat. 1189.)

REFERENCES IN TEXT

The effective date of this chapter, referred to in subsec. (b)(1), is at the end of the 12-month period beginning on Oct. 28, 2003, except as otherwise specifically provided in this chapter, see section 20 of Pub. L. 108–100, set out as an Effective Date note under section 5001 of this title.

This chapter, referred to in subsec. (c)(2)(B), was in the original “this Act”, meaning Pub. L. 108–100, Oct. 28, 2003, 117 Stat. 1177, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5001 of this title and Tables.

EFFECTIVE DATE

Section effective at the end of the 12-month period beginning on Oct. 28, 2003, see section 20 of Pub. L. 108–100, set out as a note under section 5001 of this title.

**§ 5012. Effect on other law**

This chapter shall supersede any provision of Federal or State law, including the Uniform