**§2-1401. Insecurity; adequate assurance of performance**

**(1).**  A lease contract imposes an obligation on each party that the other's expectation of receiving due performance will not be impaired.

[PL 1991, c. 805, §4 (NEW).]

**(2).**  If reasonable grounds for insecurity arise with respect to the performance of either party, the insecure party may demand in writing adequate assurance of due performance. Until the insecure party receives that assurance, if commercially reasonable, the insecure party may suspend any performance for which the insecure party has not already received the agreed return.

[PL 1991, c. 805, §4 (NEW).]

**(3).**  A repudiation of the lease contract occurs if assurance of due performance adequate under the circumstances of the particular case is not provided to the insecure party within a reasonable time not to exceed 30 days after receipt of a demand by the other party.

[PL 1991, c. 805, §4 (NEW).]

**(4).**  Between merchants, the reasonableness of grounds for insecurity and the adequacy of any assurance offered must be determined according to commercial standards.

[PL 1991, c. 805, §4 (NEW).]

**(5).**  Acceptance of any nonconforming delivery or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance.

[PL 1991, c. 805, §4 (NEW).]

SECTION HISTORY

PL 1991, c. 805, §4 (NEW).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Maine Legislature and is current through January 1, 2025
 . The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.