

**554.4203 Effect of instructions.**

Subject to [Article 3](#) concerning conversion of instruments ([section 554.3420](#)) and restrictive endorsements ([section 554.3206](#)), only a collecting bank's transferor can give instructions that affect the bank or constitute notice to it, and a collecting bank is not liable to prior parties for any action taken pursuant to the instructions or in accordance with any agreement with its transferor.

[C66, 71, 73, 75, 77, 79, 81, §554.4203]  
94 Acts, ch 1167, §90, 122