

**554.4205 Depository bank holder of unendorsed item.**

If a customer delivers an item to a depository bank for collection:

1. The depository bank becomes a holder of the item at the time it receives the item for collection if the customer at the time of delivery was a holder of the item, whether or not the customer endorses the item, and, if the bank satisfies the other requirements of [section 554.3302](#), it is a holder in due course; and

2. The depository bank warrants to collecting banks, the payor bank or other payor, and the drawer that the amount of the item was paid to the customer or deposited to the customer's account.

[C66, 71, 73, 75, 77, 79, 81, §554.4205]

[94 Acts, ch 1167, §92, 122](#)