

Item Commission 4/15/91 to 4/11/91 (p. 196)

MAR 25 1991

HOUSE FILE 626  
BY COMMITTEE ON COMMERCE

Place On Calendar

(SUCCESSOR TO HSB 179)

Passed House, Date 4/11/91 (p. 1104) Passed Senate, Date 4/17/91 (p. 1278)  
Vote: Ayes 93 Nays 1 Vote: Ayes 48 Nays 0  
Approved April 30, 1991 (p. 1939)

**A BILL FOR**

1 An Act relating to adverse claims over deposits held by a savings  
2 and loan association.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 626

1 Section 1. NEW SECTION. 534.309 ADVERSE CLAIMS TO  
2 DEPOSITS.

3 1. An association is not required, in the absence of a  
4 court order or indemnity required by this section, to  
5 recognize any claim to, or any claim of authority to exercise  
6 control over, a deposit account made by a person or persons  
7 other than:

8 a. The customer in whose name the account is held by the  
9 association.

10 b. An individual or group of individuals who are  
11 authorized to draw on or control the account pursuant to  
12 certified corporate resolution or other written arrangement  
13 with the customer, currently on file with the association,  
14 which has not been revoked by valid corporate action in the  
15 case of a corporation, or by a valid agreement or other valid  
16 action appropriate for the form of legal organization of any  
17 other customer, of which the association has received notice  
18 and which is not the subject of a dispute known to the  
19 association as to its original validity. The deposit account  
20 records of an association are presumptive evidence as to the  
21 identity of the customer on whose behalf the money is held.

22 2. To require an association to recognize an adverse claim  
23 to, or adverse claim of authority to control, a deposit  
24 account, whoever makes the claim must do either of the  
25 following:

26 a. Obtain and serve on the association an appropriate  
27 court order or judicial process directed to the association,  
28 restraining any action with respect to the account until  
29 further order of such court or instructing the association to  
30 pay the balance of the account, in whole or in part, as  
31 provided in the order or process.

32 b. Deliver to the association a bond, in form and amount  
33 and with sureties satisfactory to the association,  
34 indemnifying the association against any liability, loss, or  
35 expense which the association might incur because of its

1 recognition of the adverse claim or because of its refusal by  
2 reason of such claim to honor any check or other order of  
3 anyone described in subsection 1, paragraphs "a" and "b".

4 EXPLANATION

5 This bill provides that a savings and loan association is  
6 not required, in the absence of a court order, to recognize a  
7 claim to, or authority over, a deposit account made by a  
8 person other than a named customer on the account or persons  
9 authorized by a valid certified corporate resolution. An  
10 association must recognize an adverse claim if the claimant  
11 provides an appropriate court order or provides a bond  
12 satisfactory to indemnify the association against any loss as  
13 a result of recognizing the claim. This bill would treat  
14 adverse account claims with respect to savings and loan  
15 associations in the same manner as they are treated with  
16 respect to banks.

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HOUSE FILE 626  
BY (PROPOSED COMMITTEE ON  
COMMERCE BILL BY  
CHAIRPERSON HANSEN)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

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1 recognition of the adverse claim or because of its refusal by  
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3 anyone described in subsection 1, paragraphs "a" and "b".

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EXPLANATION

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HOUSE FILE 626

AN ACT

RELATING TO ADVERSE CLAIMS OVER DEPOSITS HELD BY A SAVINGS AND LOAN ASSOCIATION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 534.309 ADVERSE CLAIMS TO DEPOSITS.

1. An association is not required, in the absence of a court order or indemnity required by this section, to recognize any claim to, or any claim of authority to exercise control over, a deposit account made by a person or persons other than:

a. The customer in whose name the account is held by the association.

b. An individual or group of individuals who are authorized to draw on or control the account pursuant to certified corporate resolution or other written arrangement with the customer, currently on file with the association, which has not been revoked by valid corporate action in the case of a corporation, or by a valid agreement or other valid action appropriate for the form of legal organization of any other customer, of which the association has received notice and which is not the subject of a dispute known to the association as to its original validity. The deposit account records of an association are presumptive evidence as to the identity of the customer on whose behalf the money is held.

2. To require an association to recognize an adverse claim to, or adverse claim of authority to control, a deposit account, whoever makes the claim must do either of the following:

a. Obtain and serve on the association an appropriate court order or judicial process directed to the association,

restraining any action with respect to the account until further order of such court or instructing the association to pay the balance of the account, in whole or in part, as provided in the order or process.

b. Deliver to the association a bond, in form and amount and with sureties satisfactory to the association, indemnifying the association against any liability, loss, or expense which the association might incur because of its recognition of the adverse claim or because of its refusal by reason of such claim to honor any check or other order of anyone described in subsection 1, paragraphs "a" and "b".

ROBERT C. ARNOULD  
Speaker of the House

JOE J. WELSH  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 626, Seventy-fourth General Assembly.

JOSEPH O'HERN  
Chief Clerk of the House

Approved *April 30*, 1991

TERRY E. BRANSTAD  
Governor