

CHAPTER 1085**NOTICE RELATING TO PROPERTY HELD BY BANKS
OR FINANCIAL ORGANIZATIONS***H.F. 2403*

AN ACT relating to the notice to be given to owners of certain property held by banking or other financial organizations.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 556.2, subsection 1, paragraph e, Code Supplement 1991, is amended to read as follows:

e. Been sent any written correspondence, notice, or information by first class mail regarding the deposit by the banking organization on or after July 1, 1985 July 1, 1992, if the correspondence, notice, or information requests an address correction on the face of the envelope, and is not returned to the bank organization for nondelivery, and if the bank organization maintains a record of all returned mail.

Sec. 2. Section 556.2, subsection 2, paragraph e, Code Supplement 1991, is amended to read as follows:

e. Been sent any written correspondence, notice, or information by first class mail regarding the funds or deposits by the financial organization on or after July 1, 1985 July 1, 1992, if the correspondence, notice, or information requests an address correction on the face of the envelope, and is not returned to the financial organization for nondelivery, and if the financial organization maintains a record of all returned mail.

Sec. 3. Section 556.2, subsection 3, Code Supplement 1991, is amended to read as follows:

3. Any property described in subsections 1 and 2 which is automatically renewable is matured for purposes of subsections 1 and 2 upon the expiration of its initial time period, but in the case of any renewal to which the owner consents at or about the time of renewal by communicating in writing with the banking or financial organization or otherwise indicating consent as evidenced by a memorandum or other record on file prepared by an employee of the organization, the property is matured upon the expiration of the last time provided for which consent was given. However, consent to renewal is deemed to have been given if the owner is sent written notice of the renewal by first class mail which requests an address correction on the face of the envelope, the notice is not returned for nondelivery, and the banking or financial organization maintains a record of all returned mail. If at the time period for delivery in section 556.13, a penalty or forfeiture in the payment of interest would result from the delivery of the property, the time period for delivery is extended until the time when no penalty or forfeiture would result.

Sec. 4. Section 556.2, subsection 6, unnumbered paragraph 1, Code Supplement 1991, is amended to read as follows:

A banking organization or financial organization shall send to the owner of each account, to which none of the actions specified in paragraphs "a" through "d e" of subsection 1 or "a" through "d e" of subsection 2 have occurred during the preceding three calendar years, a notice by certified mail stating in substance the following:

Approved April 14, 1992