

554.9340 Effectiveness of right of recoupment or setoff against deposit account.

1. *Exercise of recoupment or setoff.* Except as otherwise provided in [subsection 3](#), a bank with which a deposit account is maintained may exercise any right of recoupment or setoff against a secured party that holds a security interest in the deposit account.

2. *Recoupment or setoff not affected by security interest.* Except as otherwise provided in [subsection 3](#), the application of [this Article](#) to a security interest in a deposit account does not affect a right of recoupment or setoff of the secured party as to a deposit account maintained with the secured party.

3. *When setoff ineffective.* The exercise by a bank of a setoff against a deposit account is ineffective against a secured party that holds a security interest in the deposit account which is perfected by control under [section 554.9104, subsection 1](#), paragraph “c”, if the setoff is based on a claim against the debtor.

[2000 Acts, ch 1149, §60, 187](#)

Referred to in [§554.9109, 554.9341](#)