

1 ENGROSSED SENATE
BILL NO. 287

By: Jolley of the Senate

2
3 and

4 Russ of the House
5

6 An Act relating to banking procedures; amending 12A
7 O.S. 2001, Section 4-401, which relates to when a
8 bank may charge a customer's account; clarifying when
9 certain claim accrues; and providing an effective
date.

10 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

11 SECTION 1. AMENDATORY 12A O.S. 2001, Section 4-401, is
12 amended to read as follows:

13 Section 4-401.

14 WHEN BANK MAY CHARGE CUSTOMER'S ACCOUNT

15 (a) A bank may charge against the account of a customer an item
16 that is properly payable from that account even though the charge
17 creates an overdraft. An item is properly payable if it is
18 authorized by the customer and is in accordance with any agreement
19 between the customer and bank.

20 (b) A customer is not liable for the amount of an overdraft if
21 the customer neither signed the item nor benefited from the proceeds
22 of the item.

23 (c) A bank may charge against the account of a customer a check
24 that is otherwise properly payable from the account, even though

1 payment was made before the date of the check, unless the customer
2 has given notice to the bank of the postdating describing the check
3 with reasonable certainty. The notice is effective for the period
4 stated in subsection (b) of Section 4-403 of this title for stop-
5 payment orders, and must be received at such time and in such manner
6 as to afford the bank a reasonable opportunity to act on it before
7 the bank takes any action with respect to the check described in
8 Section 4-303 of this title. If a bank charges against the account
9 of a customer a check before the date stated in the notice of
10 postdating, the bank is liable for damages for the loss resulting
11 from its act. The loss may include damages for dishonor or
12 subsequent items under Section 4-402 of this title.

13 (d) A bank that in good faith makes payment to a holder may
14 charge the indicated account of its customer according to:

15 (1) The original terms of the altered item; or

16 (2) The terms of the completed item, even though the bank
17 knows the item has been completed unless the bank has
18 notice that the completion was improper.

19 (e) The statute of limitations on a customer's claim that an
20 item charged against an account is not properly payable due to a
21 forged or unauthorized indorsement begins on the date the item is
22 finally paid by the bank, without regard to care or lack of care of
23 either the customer or the bank.

24 SECTION 2. This act shall become effective November 1, 2011.

