

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by striking out the title and substituting the following:

**'An Act To Clarify That a Financial Institution Must Recognize
a Writ of Execution To Satisfy a Creditor's Claims to
Business Accounts Held by That Financial Institution'**

Amend the bill by striking out all of section 1 and inserting the following:

'Sec. 1. 9-B MRSA §427, sub-§10, as amended by PL 2001, c. 211, §12, is repealed and the following enacted in its place:

10. Adverse claim to deposit or account. Except as provided in Title 11, section 4-405, in Title 14, section 4751 and in Title 18-A, sections 6-107 and 6-112, notice to a financial institution authorized to do business in this State of an adverse claim to a deposit or account standing on its books to the credit of any person is not effectual to cause that institution to recognize the adverse claimant, unless the adverse claimant either procures a restraining order, injunction or other appropriate process against the institution from a court of competent jurisdiction in a civil action to which the person to whose credit the deposit or account stands is made a party or executes to that institution, in a form and with sureties acceptable to the institution, a bond indemnifying the institution from all liability, loss, damage, costs and expenses for and on account of the payment of such adverse claim or the dishonor of checks or other orders of the person to whose credit the deposit or account stands on the books of the institution.

This subsection does not apply to the creation, perfection or enforcement of a security interest in a deposit or account other than an assignment of a deposit or account in a consumer transaction as defined in Title 11, section 9-1102, subsection 26.'

SUMMARY

This amendment changes the title to clarify the bill's intent and makes technical formatting changes to increase the readability of the bill. As in the bill, the amendment clarifies that a financial institution must recognize a writ of execution served on behalf of a creditor with an adverse claim to business accounts held by a financial institution. Under current law, without the clarification, creditors may be required to obtain a court-ordered injunction or restraining order to make an adverse claim to business accounts held by a financial institution.