

# 1996 SESSION

INTRODUCED

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## HOUSE BILL NO. 361

Offered January 16, 1996

*A BILL to amend the Code of Virginia by adding in Chapter 1 of Title 6.1 a section numbered 6.1-2.9:7, relating to financial institutions; adverse claims to accounts.*

Patrons—Deeds, Bennett, Croshaw, Hull, Johnson, Jones, J.C., Plum, Reynolds, Robinson, Shuler, Tata, Watkins and Woodrum

Referred to Committee on Corporations, Insurance and Banking

### **Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Chapter 1 of Title 6.1 a section numbered 6.1-2.9:7 as follows:**

*§ 6.1-2.9:7. Adverse claims to accounts.*

*A. Notice to any financial institution doing business in Virginia of an adverse claim to funds in an account with such institution shall not require the institution to recognize the adverse claim unless the adverse claimant shall either:*

*1. Procure a restraining order, injunction, or other appropriate order against the financial institution from a court of competent jurisdiction, or unless the institution is served with a notice of lien pursuant to § 8.01-502; or*

*2. Execute to such financial institution, in form and with sureties acceptable to it, a bond indemnifying the institution from any and all liability, loss, damage, costs, and expenses, for and on account of the payment or recognition of such adverse claim, or the dishonor of, or failure to pay, any check, or failure to comply with any other order, of the person to whose credit the account is held.*

*B. This section shall not affect the provisions of Chapter 2.1 (§ 6.1-125.1 et seq.) of this title governing multi-party accounts, and any claim by a party to such account shall be determined in accordance with the provisions therein.*

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