Cherokee Nation Code Annotated
Title 80: Uniform Commercial Code
Revised Article 9: Secured Transactions
Part 3. Perfection and Priority
Subpart 4. Rights of Bank
§ 9–340. Effectiveness of right of recoupment or set-off against deposit account
Cite as: 80 CNCA § 9-340

Effectiveness of Right of Recoupment or Set-Off Against Deposit Account

(a) Exercise of recoupment or set-off. Except as otherwise provided in subsection (c), a bank with which a deposit account is maintained may exercise any right of recoupment or set-off against a secured party that holds a security interest in the deposit account.

(b) Recoupment or set-off not affected by security interest. Except as otherwise provided in subsection (c), the application of this article to a security interest in a deposit account does not affect a right of recoupment or set-off of the secured party as to a deposit account maintained with the secured party.

(c) When set-off ineffective. The exercise by a bank of a set-off 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 80 CNCA § 9–104(a)(3), if the set-off is based on a claim against the debtor.

Historical Data

LA 26–03, eff. October 2, 2003.