336.9-340 EFFECTIVENESS OF RIGHT OF RECOUPMENT OR SETOFF AGAINST DEPOSIT ACCOUNT.

(a) **Exercise of recoupment or setoff.** Except as otherwise provided in subsection (c), 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.

(b) **Recoupment or setoff 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 setoff of the secured party as to a deposit account maintained with the secured party.

(c) **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 336.9-104(a)(3), if the setoff is based on a claim against the debtor.

History: *2000 c 399 art 1 s 60*