

67-4a-303 Custody by state -- Holder relieved from liability -- Reimbursement of holder paying claim -- Reclaiming for owner -- Defense of holder -- Payment of safe deposit box or repository charges.

- (1) As used in this section, "good faith" means that:
 - (a) payment or delivery of the property to the administrator was made in a reasonable attempt to comply with this chapter;
 - (b) the person delivering the property:
 - (i) was not a fiduciary in breach of trust in respect to the property at the time of delivery; and
 - (ii) had a reasonable basis for believing that the property was abandoned for the purposes of this chapter, based on the facts known to the person at the time of delivery; and
 - (c) there is no showing that the records under which the delivery was made did not meet reasonable commercial standards of practice in the industry.
- (2)
 - (a) Upon the payment or delivery of property to the administrator, the state assumes custody and responsibility for the safekeeping of the property.
 - (b) A person who pays or delivers property to the administrator in good faith is, to the extent of the value of the property paid or delivered, relieved of all liability for:
 - (i) any existing claim to the property; and
 - (ii) any claim to the property that may arise later.
 - (c) Upon the payment or delivery of property to the administrator, the person who pays or delivers the property is not liable for interest.
- (3)
 - (a)
 - (i) A holder who has paid money to the administrator according to the procedures and requirements of this chapter may:
 - (A) pay any person appearing to the holder to be entitled to payment; and
 - (B) file a request for reimbursement with the administrator that establishes proof of payment and proof that the payee was entitled to payment.
 - (ii) The administrator shall promptly reimburse the holder for the payment without imposing any fee or other charge.
 - (b) If reimbursement is sought for a payment made on a negotiable instrument, including a traveler's check or money order, the administrator shall reimburse the holder for the payment if the administrator has received proof that:
 - (i) the instrument was presented; and
 - (ii) payment was made to a person who appeared to the holder to be entitled to payment.
- (4) A holder who has delivered any property other than money, including a certificate of any interest in a business association, to the administrator according to the procedures and requirements of this chapter may reclaim the property if it is still in the possession of the administrator, without paying any fee or other charge, by filing proof that the owner has claimed the property from the holder.
- (5) The administrator may accept the holder's affidavit as sufficient proof of the facts that entitle the holder to recover money and property under this section.
- (6) If, after a holder has paid or delivered property to the administrator in good faith, another person claims the property from the holder or another state claims the money or property under its laws relating to escheat or abandoned or unclaimed property, the administrator shall, upon written notice of the claim:
 - (a) defend the holder against the claim; and
 - (b) indemnify the holder against any liability on the claim.

- (7) The administrator takes possession of property removed from a safe deposit box or other safekeeping repository subject to:
- (a) the holder's right to be reimbursed for the actual cost of the opening of the box or repository;
and
 - (b) any valid lien or contract in favor of the holder that provides for the holder to be reimbursed for unpaid rent, storage, or any other charges that are reasonable and related.

Enacted by Chapter 198, 1995 General Session