

"AN ACT TO AMEND 4-406(4) OF ACT 185 OF 1961 [ARK. STATS. ANN. 85-4-406(4)] TO ALTER THE TIME PERIODS FOR A BANK'S CUSTOMERS TO NOTIFY THE BANK, SAVINGS AND LOAN ASSOCIATION OR CREDIT UNION OF UNAUTHORIZED SIGNATURES, ALTERATIONS OF CHECKS, OR UNAUTHORIZED ENDORSEMENTS; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Section 4-406(4) of Act 185 of 1961, the same being Ark. Stats. Ann. 85-4-406(4), is hereby amended to read as follows:

"(4) Without regard to care or lack of care of either the customer or the bank, savings and loan association, credit union, or industrial loan institution, a customer who does not within ninety (90) days from the time the statement and items are made available to the customer (subsection (1)) discover and report his unauthorized signature or any alteration on the face or back of the item or does not within one (1) year from that time discover and report any unauthorized endorsement is precluded from asserting against the bank such unauthorized signature of endorsement or such alteration."

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

APPROVED: 4/2/87

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