

FINANCE CODE

TITLE 3. FINANCIAL INSTITUTIONS AND BUSINESSES

SUBTITLE D. CREDIT UNIONS

CHAPTER 125. CREDIT UNION ACCOUNTS AND SERVICES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 125.001. DEFINITION. In this chapter, "multiple-party account" has the meaning assigned by Section 113.004, Estates Code, except that the term includes an account in which one or more of the parties is an organization, association, corporation, or partnership.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 20.013, eff. September 1, 2015.

Sec. 125.002. SHARE ACCOUNT. (a) Shares and membership shares shall be subscribed to and paid for in the manner prescribed by the bylaws. A credit union may limit the number of shares that may be owned by a member, but any such limitation must be applied equally to all members.

(b) A credit union may require credit union members to subscribe to and make payments on membership shares. Membership shares may not be pledged as security on any loan.

(c) The board of directors may establish different classes of share accounts classified in relation to different rights, restrictions, par value, and dividend rates.

(d) A joint account may hold more than one membership share, supporting membership for more than one member of the credit union. Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 533, Sec. 41, eff. Sept. 1, 2003.

Sec. 125.003. DEPOSIT ACCOUNTS. A deposit account consists of payments made under an agreement between the credit union and a depositor, including a draft account, checking account, savings account, certificate of deposit, individual development account,

or other similar account or arrangement.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 533, Sec. 42, eff. Sept. 1, 2003.

Sec. 125.004. CONSTRUCTION WITH OTHER LAWS. This chapter may not be construed to conflict with the laws of the United States or the laws of this state governing the taxation of multiple-party accounts.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER B. MULTIPLE-PARTY ACCOUNTS

Sec. 125.101. FORM OF ACCOUNT. (a) A member of a credit union or of a federal credit union doing business in this state may designate one or more persons to own a share or deposit account with the member in a multiple-party account.

(b) The account may provide for a right of survivorship.
Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.102. POWERS OF ACCOUNT HOLDERS. (a) A party to a multiple-party account may make a payment on a share or deposit account and a withdrawal subject to the account agreement.

(b) A party to the account may not vote in matters pertaining to, obtain a loan through, or hold office in the credit union unless the party is a member of the credit union.
Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.103. POWERS OF MEMBERS RELATING TO ACCOUNT. Subject to a policy adopted by the board, a member of a credit union by written notice to the credit union may:

- (1) change or cancel a multiple-party account designation;
- (2) change the form of the account; or
- (3) stop or vary payment under the terms of the account.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.104. OWNERSHIP INTEREST. (a) The parties to a multiple-party account are presumed to own the account in equal undivided interests unless:

- (1) the account agreement provides otherwise; or
- (2) satisfactory proof of the net contributions to the account exists.

(b) The net contribution of a party to a multiple-party account is computed by adding:

- (1) the total amount of all of the payments on a share or deposit made by or for the party, less the amount of all of the withdrawals made by or for the party that have not been paid to or applied for the use of another party;

- (2) the pro rata share of interest or dividends included in the current balance of the account; and

- (3) any life insurance proceeds added to the account because of the death of the party.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.105. DISCHARGE OF LIABILITY ON PAYMENT. Payment of all or part of a multiple-party account to a party to the account discharges the credit union's liability to each party to the extent of the payment.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.106. DIVISION OF ACCOUNT ON DEATH. (a) Unless otherwise provided by the account agreement or a trust agreement, the only effect the death of a party to a multiple-party account has on the beneficial ownership of the account is to transfer the decedent's right in the account to the decedent's estate.

(b) An account that does not expressly provide for right of survivorship is presumed to be a nonsurvivorship account.

(c) If the credit union complies with an account agreement, the credit union may pay money representing shares or deposits on the order of a party either before or after the death of another party.

(d) A credit union acting under Subsection (c) does not have further liability for the amount paid.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.107. SETOFF OF ACCOUNT. Without qualifying another statutory right to a setoff or lien and subject to a contractual provision accepted by the credit union, a credit union has the right of setoff against the entire amount of a multiple-party account in which a party to the account is indebted to the credit union.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER C. MINOR ACCOUNTS

Sec. 125.201. POWERS OF CREDIT UNION RELATING TO ACCOUNT. A credit union may:

- (1) open a share or deposit account in the name of a minor;
- (2) receive a payment on the account by or for the minor;
- (3) pay withdrawals;
- (4) accept pledges to the credit union by or for the minor; and
- (5) act in any other matter with respect to an account on the order of a minor.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.202. VOTING; OFFICE-HOLDING. (a) If permitted by the credit union's bylaws, a minor:

- (1) may vote in a meeting of the credit union's members; and
- (2) is eligible to hold an office or committee membership in the credit union.

(b) A minor may not vote through a parent or guardian at a meeting of the credit union's members.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.203. DISCHARGE OF LIABILITY ON PAYMENT; EFFECT ON MINOR OF REQUIRED ACTION. (a) A payment or delivery of rights made

by a credit union or a federal credit union to any of the following persons in connection with an account in the name of a minor discharges the credit union or federal credit union to the extent of the payment or delivery:

- (1) the minor;
- (2) a party to the account; or
- (3) the parent or guardian of a deceased minor.

(b) The payment and a receipt, pledge, or other action required by the credit union is binding on the minor as if the minor had the capacity of an adult.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER D. TRUST ACCOUNT

Sec. 125.301. FORM OF ACCOUNT. (a) A credit union may issue shares or receive a deposit:

- (1) in a revocable trust, if:
 - (A) a settlor is a member of the credit union; or
 - (B) a trustee or a beneficiary is a member of the credit union and the settlor is a member of the trustee's or beneficiary's family as that term is defined by the board in a written policy; or

(2) in an irrevocable trust, if a settlor, trustee, or beneficiary is a member of the credit union.

(b) A credit union may rely on any information provided by the trustee to determine whether a trust is revocable or irrevocable.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 87, Sec. 4, eff. Sept. 1, 1999.

Sec. 125.302. LOANS TO NONMEMBER TRUSTEE. Subject to limitations imposed by this subtitle or a rule adopted under this subtitle, a credit union may make a fully secured loan to a nonmember trustee to enable the trustee to perform or assist the trustee in performing the trustee's fiduciary responsibilities.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.303. BENEFICIARY FEES. A beneficiary who is not a member of a credit union is not required to pay a membership entrance fee.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.304. LIMITATIONS PLACED ON BENEFICIARY. A beneficiary who is not a member of a credit union may not vote in matters pertaining to, obtain a loan through, or hold office in the credit union.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.305. ACCOUNT TRANSACTION INQUIRIES. The credit union is not required to inquire of a trustee the reason for a transaction or the intended use for money withdrawn or borrowed.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.306. DISCHARGE OF LIABILITY ON PAYMENT. Payment of all or part of the shares and deposits to a trustee or other person authorized to request present payment on a trust account discharges the liability of the credit union to each settlor, trustee, and beneficiary to the extent of the payment.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.307. TERMINATION OF ACCOUNT. When a trust is terminated, the credit union shall pay money remaining in a trust account as:

- (1) directed by the trustee;
- (2) prescribed by the trust agreement; or
- (3) provided by applicable law, in the absence of direction from the trustee or by the trust agreement.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.308. EFFECT OF DEATH OF TRUSTEE ON ACCOUNT. (a) The death of a trustee does not affect the ownership or disposition of a trust account unless:

- (1) the trust agreement provides otherwise; or
- (2) there is not a surviving trustee, and:

(A) the account is a trust account subject to Subchapter B, Chapter 111, and Chapters 112 and 113, Estates Code; or

(B) written evidence of the terms of the trust does not exist.

(b) On the death of a trustee for a trust account for which the death of a trustee affects the ownership disposition of the account, the credit union shall pay out money in the trust account:

(1) in accordance with the trust agreement; or

(2) in the absence of written evidence of the terms of the trust, to a beneficiary or any other person authorized by law to request or receive payment.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 20.014, eff. September 1, 2015.

Sec. 125.309. TRUST ACCOUNT WITH LIMITED DOCUMENTATION.

(a) For a trust account that is purported to be opened under a written trust agreement, the trustee may provide the credit union with a certificate of trust to evidence the trust relationship. The certificate must be an affidavit of the trustee and must include:

(1) the effective date of the trust;

(2) the name of the trustee;

(3) the name of or method for choosing a successor trustee;

(4) the name and address of each beneficiary;

(5) the authority granted to the trustee;

(6) the information needed for disposition of the trust account on the death of the trustee or the last survivor of two or more trustees;

(7) an indemnification of the credit union; and

(8) any other information required by the credit union.

(b) The credit union may accept and administer the trust account, in accordance with the certificate of trust, without requiring a copy of the trust agreement. The credit union is not

liable for administering the account as provided by the certificate of trust, unless the credit union has actual knowledge that the certificate of trust is contrary to the terms of the trust agreement.

(c) On the death of the trustee or the last survivor of two or more trustees and notwithstanding Section 125.308, the credit union may pay all or part of the proceeds of the trust account as provided by the certificate of trust. If the trustee did not provide a certificate of trust, the credit union's right to treat the account as owned by a trustee ceases on the death of the trustee. On the death of the trustee or the last survivor of two or more trustees, the credit union, unless the certificate of trust provides otherwise, shall pay the proceeds of the account in equal shares to each person who survives the trustee, is named as a beneficiary in the certificate of trust, and can be located by the credit union from the credit union's records. If there is no certificate of trust, payment of the proceeds of an account shall be made as provided by Section 125.308. Payment made under this section for all or part of the proceeds of an account discharges any liability of the credit union to the extent of the payment. The credit union may pay all or part of the proceeds of an account in the manner provided by this section, regardless of whether it has knowledge of a competing claim, unless the credit union receives actual knowledge that payment has been restrained by court order.

(d) This section does not require a credit union to accept an account from a trustee or to search for the location of a named beneficiary that is not named in its records.

(e) This section does not affect a contractual provision to the contrary that otherwise complies with the laws of this state.

(f) For purposes of this section, "actual knowledge" is presumed if a credit union possesses a copy of a trust agreement that is certified as to authenticity by a settlor, trustee, beneficiary, or an attorney for the settlor, trustee, or beneficiary.

Added by Acts 2003, 78th Leg., ch. 533, Sec. 43, eff. Sept. 1, 2003.

SUBCHAPTER E. THIRD-PARTY CLAIMS AND OTHER RIGHTS RELATING TO

ACCOUNTS

Sec. 125.401. THIRD-PARTY CLAIM. (a) In this section:

(1) "Credit union" includes:

(A) a credit union organized under the laws of this state;

(B) a foreign credit union; and

(C) a federal credit union.

(2) "Out-of-state credit union" means a credit union that:

(A) is not organized under the laws of this state; and

(B) has its main or principal office in another state or country.

(3) "Texas credit union" means a credit union that:

(A) is organized under the laws of this state or federal law; and

(B) has its main or principal office in this state.

(b) A credit union doing business in this state must be served with citation or other appropriate process issued from a court in connection with a suit instituted by a third party to recover or establish an interest in a deposit or share account before the credit union is required to:

(1) recognize the third party's claim;

(2) withhold payment of the account to any party to the account; or

(3) withhold payment to the order of any party to the account.

(c) A claim against a depositor, joint account owner, or member of a credit union shall be delivered or otherwise served as required or permitted by law at the address of the registered agent of the credit union as designated in a registration filed under Section [201.102](#) or [201.103](#), as applicable.

(d) A claim against a depositor, joint account owner, or member of an out-of-state credit union that files a registration statement under Section [201.102](#) or a Texas credit union that files a

registration statement under Section 201.103 is not effective with respect to the credit union if the claim is served or delivered to an address other than the address of the credit union's registered agent as provided in the registration.

(e) To prevent or limit a credit union's compliance with or response to a claim subject to this section, the depositor, joint account owner, or member must seek an appropriate remedy, including a restraining order, injunction, or protective order, to prevent or suspend the credit union's response to a claim against the depositor, joint account owner, or member.

(f) A credit union that does not register with the secretary of state under Section 201.102 or 201.103 is subject to service or delivery of all claims against depositors, joint account owners, or members of the credit union or against the credit union itself by serving the president or vice president of the credit union or as otherwise provided by law.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 533, Sec. 44, eff. Sept. 1, 2003.

Sec. 125.402. DISCLOSURE OF RECORDS OF MEMBER; CONFIDENTIALITY. (a) A credit union is not required to disclose or produce to a third party or permit a third party to examine a record pertaining to the affairs of a credit union member unless:

(1) the request is made in connection with an examination or audit by a government agency authorized by law to examine credit unions;

(2) the member consents to the disclosure or production of the record; or

(3) the request is made by the department or is made in response to:

(A) a subpoena or other court order; or

(B) an administrative subpoena or summons issued by a state or federal agency as authorized by law.

(b) The commission may authorize the disclosure of information relating to a credit union member under circumstances and conditions that the commission determines are appropriate or required in the daily operation of the credit union's business.

(c) The commission may adopt reasonable rules relating to the:

(1) permissible disclosure of nonpublic personal information about the accounts of credit union members; and

(2) duties of the credit union to maintain confidentiality of member accounts.

(d) The directors, officers, committee members, and employees and any honorary or advisory directors of a credit union shall hold in confidence all information regarding transactions of the credit union, including information concerning transactions with the credit union's members and the members' personal affairs, except to the extent necessary in connection with making, extending, or collecting a loan or extension of credit, or as otherwise authorized by this section, commission rules adopted under Subsection (c), or other applicable law.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 19 (S.B. 244), Sec. 17, eff. September 1, 2013.

Sec. 125.403. RECOVERY OF DOCUMENT PRODUCTION EXPENSES FROM THIRD PARTY. (a) A credit union or federal credit union doing business in this state is entitled to recover from a third party the reasonable cost actually incurred in disclosing or producing a record under this subtitle or other applicable law unless the cost was incurred in connection with an examination or audit by a government agency authorized by law to examine credit unions.

(b) The cost incurred in disclosing or producing a record includes the cost of reproduction, postage, or delivery.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.404. LIENS AND SETOFFS. (a) To the extent of a member's direct or indirect indebtedness to a credit union, the credit union has:

(1) a lien, enforceable with or without judicial process, on the member's shares and deposits, accumulated dividends, and interest; and

(2) a right to set off against the member's shares, deposits, accumulated dividends, and interest.

(b) A credit union may allow a withdrawal to be made without affecting the credit union's right to a setoff or lien.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.405. ACCOUNT WITHDRAWALS. (a) A credit union may require not longer than 60 days' notice for a withdrawal from a share or deposit account.

(b) The commissioner may impose an advance withdrawal notice requirement following issuance of a cease and desist order under Chapter 122. The commissioner by rule may require that a requirement imposed under this subsection apply to all members of the credit union.

(c) A membership share may not be withdrawn unless membership in the credit union is terminated.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER F. SAFE DEPOSIT BOXES

Sec. 125.501. RENTAL OF SAFE DEPOSIT BOX. A credit union or federal credit union may maintain and rent safe deposit boxes.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.502. RELATIONSHIP BETWEEN CREDIT UNION AND BOX HOLDER. (a) In the absence of a contract to the contrary, the relationship between a credit union and the renter of a safe deposit box maintained at the credit union is that of lessor and lessee and landlord and tenant. The rights and liabilities of the credit union are governed by the law governing those relationships.

(b) The lessee is for all purposes in possession of the box and its contents.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.503. ACCESS BY MORE THAN ONE PERSON. (a) In the absence of a contract to the contrary, a credit union shall allow each holder of a safe deposit box jointly held in the name of two or

more persons or a person other than the lessee designated in the lease agreement:

- (1) access to the box; and
- (2) removal of its contents.

(b) A credit union is not responsible for damage arising because a holder or other designated person had access to the box or removed its contents.

(c) The death of a holder of a jointly held safe deposit box does not affect the right of another holder or other designated person to have access to and remove contents from the box.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 87, Sec. 5, eff. Sept. 1, 1999.

Sec. 125.504. RELOCATION OF SAFE DEPOSIT BOX; INVENTORY OF CONTENTS. (a) Except as otherwise provided by this section, Sections 125.505 through 125.507, Chapter 151, Estates Code, or other law, a credit union may not relocate a safe deposit box rented for a term of six months or longer if the box rental is not delinquent or may not open the box to relocate its contents to another location, unless:

(1) the lessee is present when the box is opened or relocated; or

(2) the lessee has given the credit union written authorization to relocate the box or to open the box for purposes of relocation.

(b) Storage conditions at the new box location must be at least as secure as the conditions at the original location.

(c) If the box is opened during relocation, two employees shall prepare a detailed inventory of the contents of the box. At least one of the employees must be an officer or manager of the credit union and a notary public.

(d) One lessee of a jointly held safe deposit box is sufficient to personally supervise or give written authorization for the box's relocation.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec.

20.015, eff. September 1, 2015.

Sec. 125.505. NOTICE OF BOX RELOCATION. (a) A credit union shall give a lessee of a safe deposit box at least 30 days' notice of the box's relocation. The notice must state:

- (1) the scheduled date and time of the relocation; and
- (2) whether the box will be opened during the relocation.

(b) If the lessee does not personally supervise the relocation or give written authorization for the relocation, the credit union shall notify the lessee of the new box number or location not later than the 30th day after the date of the relocation. The credit union must include a copy of the signed and notarized inventory report required by Section 125.504(c) with the notice.

(c) A notice required by this section must be sent by certified mail, return receipt requested, to each lessee named in the records of the credit union at the address shown in those records.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.506. COST OF NOTICE AS BOX RENTAL. The credit union may treat the cost of certified mailings incurred in connection with each safe deposit box relocation other than the cost of the first notice as box rental due and payable at the expiration of the rental term.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.507. EMERGENCY RELOCATION OF SAFE DEPOSIT BOX. (a) A credit union may relocate a safe deposit box or open the box to relocate its contents to another location if the security of the box is threatened or destroyed by an unforeseeable circumstance beyond the credit union's control, including a natural disaster such as a tornado, flood, or fire.

(b) Not later than the 90th day after the date on which the box is relocated, the credit union shall notify each lessee in whose name the box is held of the new box number or location. The notice

must be sent by certified mail, return receipt requested, to each lessee named in the records of the credit union at the address shown in those records.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.508. KEY IMPRINTING. (a) A credit union that rents or permits access to a safe deposit box shall:

(1) imprint all keys issued to the box after September 1, 1992, with its routing number; or

(2) issue keys imprinted with the routing number.

(b) If available space on a key is insufficient for imprinting the routing number, the credit union shall attach to the key a tag imprinted with the routing number.

(c) If a credit union believes that the routing number imprinted on a key, or a tag attached to a key, used to access a safe deposit box has been altered or defaced in a manner that the correct routing number is illegible, the credit union shall notify the Department of Public Safety, on a form designated by the commissioner, not later than the 10th day after the date the key is used to access the box.

(d) This section does not require a credit union to inspect the routing number imprinted on a key or an attached tag to determine whether the number has been altered or defaced.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.509. LIABILITY FOR ACCESS TO OR REMOVAL OF CONTENTS. A credit union that has identified the keys to a safe deposit box in accordance with Section [125.508](#) and that follows applicable law and the credit union's established security procedures in permitting access to the box is not liable for damages arising because of access to or removal of the box's contents.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.510. DELINQUENT RENTS. (a) If the rental of a safe deposit box is delinquent for six months or longer, the credit union may open the box only if:

(1) the credit union sends notice of the delinquency

to the lessee; and

(2) the rent is not paid before the date specified in the notice.

(b) The notice must:

(1) be sent by certified mail, return receipt requested, to the lessee named in the books of the credit union at the address shown in those books; and

(2) specify a date by which payment must be made that may not be before the 61st day after the date on which the notice is mailed.

(c) The box must be opened in the presence of two employees, and the credit union shall prepare a detailed inventory of the contents of the box as provided by reporting instructions of the comptroller. At least one of the employees must be an officer or manager of the credit union and a notary public.

(d) The credit union shall place the contents of the box in a sealed envelope or container that states the lessee's name. The credit union shall hold the contents of the box subject to a lien for:

- (1) the box's rental;
- (2) the cost of opening the box; and
- (3) any damage in connection with the box.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.

Sec. 125.511. AUCTION OF CONTENTS. (a) If the rental, cost, and damages determined under Section [125.510](#)(d) are not paid before the second anniversary of the date on which the box is opened, the credit union may:

(1) sell all or part of the contents at a public auction in the manner and on the notice prescribed for the sale of real property under deed of trust under Section [51.002](#), Property Code; and

(2) apply the sale proceeds to the rental, cost, and damages.

(b) The credit union shall send to the comptroller as provided by Chapter [74](#), Property Code:

- (1) the unauctioned contents of a box; and

(2) any excess proceeds from the auction.

Acts 1997, 75th Leg., ch. 1008, Sec. 1, eff. Sept. 1, 1997.