IN THE COURT OF APPEALS OF IOWA

No. 2-280 / 91-772

FILED
OCT 27 1992
CLERK SUPREME COURT

COMDATA NETWORK, INC.,

Plaintiff-Appellant/Cross-Appellee,

vs.

FIRST INTERSTATE BANK OF FORT DODGE,

Defendant-Appellee/Cross-Appellant.

Appeal from the Iowa District Court for Webster County, Louie F. Beisser, Judge.

Comdata appeals, and First Interstate Bank cross-appeals, from a district court judgment awarding Comdata $8890.89 for sums due under a letter of credit issued by the bank regarding C & K Transport, Inc. **AFFIRMED.**

Dan T. McGrevey, Fort Dodge, for appellant.

Leonard R. Holland, Dayton, for appellee.

Considered by Oxberger, C.J., and Schlegel and Hayden, JJ.

defrauded the Bank by transferring assets to a different corporation, "Eagle Express", while pretending to attempt to make payments.

June 6, 1988, the bank sent a certified letter to Comdata terminating the line of credit. As a result of this letter, Comdata had no further transactions with C & K or Eagle Express.

On June 14, 1988, Comdata sent a letter to the bank making a claim for $21,782.52 based on the line of credit and C & K Transport's default. The claim involved transactions from May 2, 1988 through June 6, 1988. The bank denied the claim and Comdata then filed this petition seeking recovery on the sums due.

Scope of Review

Our scope of review is for the correction of errors of law. Iowa R. App. P. 4.

Findings of facts in a law action are binding on us if supported by substantial evidence. Iowa R. App. P. 14(f)(1). We construe the trial court's findings broadly and liberally. Grinnell Mut. Reinsurance Co. v. Voeltz, 431 N.W.2d 783, 785 (Iowa 1988). In case of doubt or ambiguity we construe the findings to uphold, rather than defeat, the trial court's judgment. Id. We are prohibited from weighing the evidence or the credibility of the witnesses. Id.

> A finding of fact is supported by substantial evidence if the finding may be reasonably inferred from the evidence. In evaluating sufficiency of

those checks which were indecipherable, and a check for $800 which the court found not in compliance with the letter of credit. We are unable to consider the checks issued to Eagle Express, since the exact amounts are not provided in the record before us.

Agreements regarding events which trigger payment must be strictly adhered to by the respective parties. Atlas Mini Storage v. First Interstate Bank, 426 N.W.2d 686, 688 (Iowa App. 1988).

Substantial evidence supports the district court's adherence to the agreement between Comdata and the bank. The letter of credit issued to Comdata by the bank clearly requires photostatic copies of checks prior to payment. Comdata provided copies of checks totaling $8,890.89; the amount awarded Comdata by the district court. No other documentation was provided by Comdata. We affirm the trial court on Comdata's appeal.

Bank's Cross-Appeal:

The Bank, in its cross-appeal, contends that since C & K transferred its assets to Eagle Express, who subsequently charged on its account, the Bank should not be responsible for debts not incurred by C & K. We disagree.

None of the award included checks written on the Eagle Express account. Furthermore, the Bank was aware of potential risk C & K as early as December 1987, when C & K

We apply this description to the case at hand. Comdata, the promisee who awaited payment, incurred the benefit of a separate promise from the Bank, that if C & K defaulted, the Bank would pay the money to Comdata. We will not allow the Bank to now claim they are not bound by their agreement. While the Bank had knowledge of C & K's problems and attendant risks as early as 1987 Comdata had no knowledge of the financial problems nor of Eagle Express until June 6, 1988.

We find substantial evidence in the record to support the trial court's decision.

AFFIRMED.