

TITLE 4: ECONOMIC RESOURCES
DIVISION 6: BANKING AND FINANCIAL INSTITUTIONS

§ 6531. Qualification and Fiduciary Powers: Deposit of Securities.

(a) It is unlawful for a bank to act as fiduciary unless it is authorized by its charter to exercise trust powers and has qualified by depositing with the director evidences of indebtedness acceptable to the director which:

- (1) Are payable to bearer or recorded in the director's name;
- (2) Constitute readily marketable legal investments for funds held by a bank as a fiduciary; and
- (3) Have a value equal to 10 percent of the minimum capital and surplus requirements set forth in 4 CMC § 6203.

(b) A bank shall have the right to receive the income on evidences of the indebtedness deposited with the director as long as the bank continues to conduct its business in the ordinary course.

(c) A bank which fails to maintain its deposit in conformity with this section shall, upon order of the director, resign its fiduciary positions.

(d) Upon liquidation, abandonment of trust, or resignation from all fiduciary positions, the deposit shall be made available for the ratable satisfaction of claims involving fiduciary accounts. Any surplus remaining after the satisfaction of all such claims shall be returned to the bank.

Source: PL 3-104, § 630.