

SENATE BILL NO. 62

INTRODUCED BY R. RIPLEY

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING CAPITALIZATION REQUIREMENTS FOR FOREIGN TRUST COMPANIES ELECTING NOT TO PROVIDE A BOND BEFORE ACCEPTING APPOINTMENTS OR ACTING AS A TRUSTEE, GUARDIAN, OR CONSERVATOR IN THIS STATE; AND AMENDING SECTION 32-1-1005, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 32-1-1005, MCA, is amended to read:

"32-1-1005. Bond. Before accepting an appointment or acting as a trustee, guardian, or conservator, a foreign trust company shall file a bond with a court of competent jurisdiction in an amount as the court directs, with sufficient sureties, conditioned on the faithful discharge of its duties as trustee, guardian, or conservator. In lieu of the bond, the foreign trust company shall certify, in a manner acceptable to the department of administration, that the capital stock of the foreign trust company is fully paid in cash, on deposit with an appropriate bank, and is of a sufficient amount to meet the requirements of 32-1-307 for a of an amount that is certified sufficient by the foreign trust company's primary regulator for the foreign trust company's proposed business activities in ~~company organized under the laws of this state.~~ The deposit must be maintained until the foreign trust company ceases to act as trustee, guardian, or conservator under this part. A foreign trust company is not required to file a bond or certify the deposit of its capital with respect to a trust, ~~created~~ other than a trust created by a will, if the trust instrument requests or directs that a bond is not required of the trustee."

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