

Article 23 - Corporations
Section 161H-A
Annotated Code of Maryland
(1973 Replacement Volume and 1975 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 161H-A of Article 23 - Corporations, of the Annotated Code of Maryland (1973 Replacement Volume and 1975 Supplement) be and it is hereby repealed and reenacted, with amendments, to read as follows:

Article 23 - Corporations

161H-A.

Upon application to and approval by the Director, an association may act as a trustee or custodian within the contemplation of the Federal Self-Employed Individuals Tax Retirement Act of 1962, as amended, OR WITHIN THE CONTEMPLATION OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED.

Associations exercising the powers authorized by this section shall segregate all funds held in such fiduciary capacities from the general assets of the association and shall keep a separate set of books and records, showing in detail all transactions made under authority of this section.

Provided individual records are kept for each self-employed individual's retirement plan and each investment fund, AND FOR EACH INDIVIDUAL'S RETIREMENT ACCOUNT, all funds held in such fiduciary capacities by an association may be commingled for appropriate purposes of investment. No funds held in such fiduciary capacities shall be used by an association in the conduct of its business, although such funds may be invested in savings accounts of the association in the event that the trust, custodial or other plan does not prohibit such investment.

In passing upon applications, the Director shall take into consideration the investment policies, amount, type and adequacy of reserves, fidelity bonds and any legally required deposits of the applicant, and other pertinent facts and circumstances, and may grant or refuse the application accordingly.

If the Director shall not approve an application, the association may appeal to the Board of Building, Savings and Loan Association Commissioners in the manner provided by § 161H (c).

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1976.