

(C) BY MAKING A TRANSFER, THE TRANSFEROR INCORPORATES IN THE DISPOSITION ALL THE PROVISIONS OF THIS SUBTITLE AND GRANTS TO THE CUSTODIAN, AND TO ANY THIRD PERSON DEALING WITH A PERSON DESIGNATED AS CUSTODIAN, THE RESPECTIVE POWERS, RIGHTS, AND IMMUNITIES PROVIDED IN THIS SUBTITLE.

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(A) A CUSTODIAN SHALL:

(1) TAKE CONTROL OF CUSTODIAL PROPERTY;

(2) REGISTER OR RECORD TITLE TO CUSTODIAL PROPERTY IF APPROPRIATE; AND

(3) COLLECT, HOLD, MANAGE, INVEST, AND REINVEST CUSTODIAL PROPERTY.

(B) (1) IN DEALING WITH CUSTODIAL PROPERTY, A CUSTODIAN SHALL OBSERVE THE STANDARD OF CARE THAT WOULD BE OBSERVED BY A PRUDENT PERSON DEALING WITH PROPERTY OF ANOTHER AND IS NOT LIMITED BY ANY OTHER STATUTE RESTRICTING INVESTMENTS BY FIDUCIARIES.

(2) IF A CUSTODIAN HAS A SPECIAL SKILL OR EXPERTISE OR IS NAMED CUSTODIAN ON THE BASIS OF REPRESENTATIONS OF A SPECIAL SKILL OR EXPERTISE, THE CUSTODIAN SHALL USE THAT SKILL OR EXPERTISE.

(3) A CUSTODIAN, IN THE CUSTODIAN'S DISCRETION AND WITHOUT LIABILITY TO THE MINOR OR THE MINOR'S ESTATE, MAY RETAIN ANY CUSTODIAL PROPERTY RECEIVED FROM A TRANSFEROR.

(C) A CUSTODIAN MAY INVEST IN OR PAY PREMIUMS ON LIFE INSURANCE OR ENDOWMENT POLICIES ON:

(1) THE LIFE OF THE MINOR ONLY IF THE MINOR OR THE MINOR'S ESTATE IS THE SOLE BENEFICIARY; OR

(2) THE LIFE OF ANOTHER PERSON IN WHOM THE MINOR HAS AN INSURABLE INTEREST ONLY TO THE EXTENT THAT THE MINOR, THE MINOR'S ESTATE, OR THE CUSTODIAN IN THE CAPACITY OF CUSTODIAN, IS THE IRREVOCABLE BENEFICIARY.

(D) (1) A CUSTODIAN AT ALL TIMES SHALL KEEP CUSTODIAL PROPERTY SEPARATE AND DISTINCT FROM ALL OTHER PROPERTY IN A MANNER SUFFICIENT TO IDENTIFY IT CLEARLY AS CUSTODIAL PROPERTY OF THE MINOR.

(2) CUSTODIAL PROPERTY CONSISTING OF AN UNDIVIDED INTEREST IS SO IDENTIFIED IF THE MINOR'S INTEREST IS HELD AS A TENANT IN COMMON AND IS FIXED.