

**CHAPTER 226**

**(Senate Bill 262)**

AN ACT concerning

**Estates and Trusts - Lawful Investments - Corporate Fiduciaries—  
~~Closed-End Investment Companies~~ Fiduciary**

FOR the purpose of authorizing a corporate fiduciary to invest in securities of, or interests in, ~~certain a~~ closed-end management type investment ~~companies~~ company or investment ~~trusts~~ trust registered under the federal Investment Company Act of 1940 under certain circumstances; making a stylistic change; and generally relating to lawful investments ~~for fiduciaries~~ by a corporate fiduciary.

BY repealing and reenacting, with amendments,

Article - Estates and Trusts

Section 15-106

Annotated Code of Maryland

(2001 Replacement Volume and 2002 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Estates and Trusts**

15-106.

(a) The following investments shall be lawful investments for any person:

(1) Debentures issued by federal intermediate credit banks or by banks for cooperatives;

(2) Bonds issued by federal land banks or by the Federal Home Loan Bank Board;

(3) Mortgages, bonds, or notes secured by a mortgage or deed of trust, or debentures issued by the Federal Housing Administration;

(4) Obligations of national mortgage associations;

(5) Shares, free-share accounts, certificates of deposit, or investment certificates of any insured financial institution, as defined in § 13-301(h) of this article;

(6) Bonds or other obligations issued by a housing authority pursuant to the provisions of Article 44A of the Code, or issued by any public housing authority or agency in the United States, when such bonds or other obligations are secured by a pledge of annual contributions to be paid by the United States or any agency of the United States;