

Title 9-B: FINANCIAL INSTITUTIONS
Chapter 121: NONDEPOSITORY TRUST COMPANIES

Table of Contents

Part 12. SPECIALTY OR LIMITED PURPOSE FINANCIAL INSTITUTIONS

.....

Section 1211. GENERAL PURPOSE AND AUTHORITY.....	3
Section 1212. ORGANIZATION OF NONDEPOSITORY TRUST COMPANIES.....	3
Section 1213. CAPITAL.....	3
Section 1213-A. ASSET PLEDGE.....	4
Section 1214. BUSINESS OF NONDEPOSITORY TRUST COMPANIES.....	4
Section 1215. HOLDING COMPANIES OF NONDEPOSITORY TRUST COMPANIES.....	5
Section 1216. RULES.....	5

Maine Revised Statutes
Title 9-B: FINANCIAL INSTITUTIONS
Chapter 121: NONDEPOSITORY TRUST COMPANIES

§1211. GENERAL PURPOSE AND AUTHORITY

A nondepository trust company is a financial institution organized under the provisions of this Title whose activities are generally limited to trust or fiduciary matters. Unless otherwise indicated in this chapter or to the extent inconsistent with this chapter or with the general purpose of a nondepository trust company, a nondepository trust company has all the powers, duties and obligations of a financial institution under this Title. [1997, c. 398, Pt. J, §2 (NEW).]

SECTION HISTORY

1997, c. 398, §J2 (NEW).

§1212. ORGANIZATION OF NONDEPOSITORY TRUST COMPANIES

1. Organization. A nondepository trust company must be organized pursuant to chapter 31.

[1997, c. 398, Pt. J, §2 (NEW) .]

2. Organizational documents. The organizational documents of a nondepository trust company that are filed with the Secretary of State must contain the following statement: "This corporation, limited liability company, limited partnership or limited liability partnership is subject to the Maine Revised Statutes, Title 9-B, chapter 121 and does not have the power to solicit, receive or accept money or its equivalent on deposit or to lend money except for lending reasonably related to and deriving from its service as fiduciary or its conduct of trust business." This statement in the organizational documents of a nondepository trust company may not be amended.

[1997, c. 398, Pt. J, §2 (NEW) .]

3. Conversion. A nondepository trust company may convert to any other type of investor-owned financial institution pursuant to chapter 34.

[1997, c. 398, Pt. J, §2 (NEW) .]

SECTION HISTORY

1997, c. 398, §J2 (NEW).

§1213. CAPITAL

A nondepository trust company must have initial paid-in capital in accordance with chapter 31 and shall maintain capital in accordance with section 412-A and any rules adopted under section 412-A, except the superintendent may establish different capital maintenance requirements for nondepository trust companies than those required for other financial institutions organized under this Title. [1999, c. 539, §1 (AMD).]

SECTION HISTORY

1997, c. 398, §J2 (NEW). 1999, c. 539, §1 (AMD).

§1213-A. ASSET PLEDGE

1. Pledge requirement. The superintendent may require a nondepository trust company to pledge readily marketable assets to the superintendent if the superintendent believes that circumstances warrant the action. The pledged assets must be United States dollar denominated, investment grade and subject to the prior written approval of the superintendent. The pledged assets must be held on deposit or in safekeeping by an FDIC-insured depository institution approved by the superintendent. The pledged assets may be released to the superintendent only upon certification that a receiver or conservator of the nondepository trust company has been appointed. The asset pledge requirement may be lifted by the superintendent if the superintendent determines that the condition of the nondepository trust company so warrants that action.

[2005, c. 83, §12 (NEW) .]

2. Amount of pledge. The aggregate amount of pledged assets is determined by the superintendent but may not exceed the greater of \$1,000,000 or 50% of the minimum required capital of the nondepository trust company at the time the asset pledge is imposed.

[2005, c. 83, §12 (NEW) .]

3. Pledge agreement. The asset pledge must be maintained pursuant to an asset pledge agreement in the form and containing any limitations and conditions the superintendent requires. As long as the nondepository trust company continues business in the ordinary course, the nondepository trust company may be permitted to collect income on the pledged assets and examine and exchange those assets. The aggregate amount of assets pledged may not be less than required under subsection 2 without the superintendent's approval.

[2005, c. 83, §12 (NEW) .]

4. Noncompliance. If a nondepository trust company fails to maintain the minimum required asset pledge, the superintendent may determine that the nondepository trust company does not meet the capital requirements under section 412-A and any rules adopted pursuant to section 412-A.

[2005, c. 83, §12 (NEW) .]

5. Rulemaking. The superintendent may adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2005, c. 83, §12 (NEW) .]

SECTION HISTORY

2005, c. 83, §12 (NEW) .

§1214. BUSINESS OF NONDEPOSITORY TRUST COMPANIES

1. General powers. A nondepository trust company has all of the powers of and is entitled to engage in the business of a financial institution, including, without limitation, powers with respect to fiduciary and trust functions and transactions except that a nondepository trust company does not have the power to solicit, receive or accept money or its equivalent on deposit as a regular business within the meaning of section 131, subsection 5 and does not have the power to lend money except in transactions reasonably related to and deriving from its service as fiduciary or its conduct of trust business.

[1997, c. 398, Pt. J, §2 (NEW) .]

2. Closely related activities. A nondepository trust company may conduct closely related activities, as defined in section 131, subsection 6-A and provided for in chapter 44, except that the superintendent may exclude those activities closely related to lending and taking deposits.

[1997, c. 398, Pt. J, §2 (NEW) .]

3. Cash deposits. A nondepository trust company may deposit cash, whether constituting principal or income, in any financial institution whether within or without this State, including any affiliated financial institution, if the account is held either in the name of the trust to which the cash belongs or in the name of the nondepository trust company and is composed entirely of cash belonging to trust accounts, the respective contributions of which are reflected in the books and records of the nondepository trust company.

[1997, c. 398, Pt. J, §2 (NEW) .]

4. Name. A nondepository trust company may not use as a part of the name or title under which its business is conducted or in designating its business the word or words "bank," "banker" or "banking" or the plural of or any abbreviation of those words. A nondepository trust company shall include as a part of its name the word "trust" unless otherwise approved by the superintendent for good cause shown.

[1997, c. 398, Pt. J, §2 (NEW) .]

5. Additional offices. Notwithstanding chapters 33 and 37, a nondepository trust company may establish additional offices without the superintendent's approval.

[1997, c. 398, Pt. J, §2 (NEW) .]

SECTION HISTORY

1997, c. 398, §J2 (NEW).

§1215. HOLDING COMPANIES OF NONDEPOSITORY TRUST COMPANIES

If the holding company is not deemed to be a financial institution holding company under chapter 101 by virtue of controlling financial institutions other than nondepository trust companies or merchant banks, a holding company of a nondepository trust company is not subject to the provisions of chapter 101, except for section 1013, subsection 1 and the application requirements of section 1015 relevant to section 1013, subsection 1. [1997, c. 398, Pt. J, §2 (NEW).]

If the holding company is not deemed to be a financial institution holding company under chapter 101 by virtue of controlling financial institutions other than nondepository trust companies, the superintendent may examine the holding company, including its subsidiaries and affiliates, to the extent necessary to determine the soundness and viability of the nondepository trust company. [2005, c. 82, §15 (AMD).]

SECTION HISTORY

1997, c. 398, §J2 (NEW). 2005, c. 82, §15 (AMD).

§1216. RULES

The superintendent may prescribe rules governing the activities of nondepository trust companies and implementing this chapter. These rules must take into account the general business purpose and nondepository nature of nondepository trust companies. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter II-A. [1997, c. 398, Pt. J, §2 (NEW).]

SECTION HISTORY

1997, c. 398, §J2 (NEW).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Special Session of the 128th Maine Legislature and is current through November 1, 2018. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.