

May 17, 2000

**H 1554. NONDEPOSITORY/FAMILY TRUST COMPANY.** *TO AUTHORIZE THE CHARTERING OF INDEPENDENT TRUST COMPANIES AND TO PERMIT BANKS AND TRUST COMPANIES TO CONDUCT A TRUST BUSINESS ON AN INTERSTATE BASIS, AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION.* Adds new Article 23 to GS Ch. 53, entitled Trust Companies and Interstate Trust. Establishes procedures and requirements by which company can be chartered as a state trust company, authorized to engage in trust business. Defines trust business as acting as fiduciary or, to extent not acting as fiduciary, doing any of following: (1) receiving personal property for safekeeping; (2) acting as assignee, bailee, conservator, custodian, escrow agent, registrar, receiver, or transfer agent; or (3) acting as financial advisor, investment advisory, or manager, agent, or attorney-in-fact in any agreed upon capacity. Sets out rules on investments and loans by state trust companies, and rules for ownership of such companies and transfer thereof. Permits private trust companies under limited circumstances and sets out procedures and requirements for private trust company to become public trust company. Sets out rules for enforcement of article by Commissioner of Banks, and provides for dissolution, receivership, and conservatorship of public trust companies.

Establishes rules under which foreign banks and trust companies can engage in trust business in NC; under which NC banks and trust companies can engage in trust business in other states and foreign countries; and under which foreign and domestic banks and trust companies can establish trust offices and representative trust offices in NC. Permits full range of trust business at trust office and nonfiduciary trust business at representative trust offices. Effective Oct. 1, 2000.

**Intro. by Michaux.**

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| Ref. to Financial Inst | GS 53 |
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