



LAWS OF ALASKA

1988

Source

HCS CSSB 93 (Jud)

Chapter No.

7

AN ACT

Relating to investments by financial institutions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: February 25, 1988
Actual Effective Date: May 25, 1988

Relating to investments by financial institutions.

* Section 1. AS 06.05.180 is amended to read:

Sec. 06.05.180. POWERS AS TRUSTEE AUTHORIZED. Every bank organized under this chapter, subject to the restrictions and limitations of laws and the regulations of the department, may

(1) act as trustee under any mortgage or bond issued by the state, or any municipality, body politic, or corporation, foreign or domestic, and accept and execute any municipal or corporate trust not prohibited by the laws of this state;

(2) accept a trust from, and execute a trust for a married woman in respect to the married woman's [HER] separate property, and act as agent in the management of the property or transact any business in relation to the property;

(3) act under the order or appointment of a court of competent jurisdiction including any probate court as guardian, receiver, or trustee of the estate of a minor, and as depository of money paid into court for the benefit of any person, corporation, or party, and in any other fiduciary capacity;

(4) act under the order or appointment of a court of competent jurisdiction including any probate court as trustee, guardian, receiver or committee of the estate of a lunatic, idiot, spendthrift, person of unsound mind or habitual drunkard, or as receiver or

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1 committee of the property or estate of any person in insolvency or
2 bankruptcy proceedings;

3 (5) act as executor or administrator with or without the
4 will annexed of the estate of a deceased person;

5 (6) accept and execute any legal trust, duty and power in
6 regard to the holding, management and disposition of any estate, real
7 or personal, wherever located, and the rents and profits from it, or
8 the sale of it, as may be granted or confided to it by a court of
9 competent jurisdiction including any probate court or by any person,
10 corporation, municipality or other authority, and is accountable to
11 all parties in interest for the faithful discharge of every trust,
12 duty, or power which it may accept;

13 (7) accept and execute any trust or power conferred upon it
14 by any person or any body politic or domestic or foreign corporation,
15 or any other authority, grant, assignment, transfer, devise, bequest
16 or otherwise, or which may be entrusted or committed or transferred to
17 it by order of a court of competent jurisdiction including any probate
18 court;

19 (8) receive, manage, hold and dispose of according to the
20 terms of any trust or power any property or estate, real or personal,
21 which may be the subject of any such trust or power;

22 (9) act as the fiscal or transfer agent of the United
23 States or of any state, territory, municipality, or other body poli-
24 tic, and in this capacity may receive and disburse moneys, transfer,
25 register and countersign certificates of stocks, bonds, or other
26 evidences of indebtedness;

27 (10) whenever the instrument or power governing the fidu-
28 ciary relationship directs, requires, authorizes, or permits invest-
29 ment in obligations of the United States government, invest in the

1 obligations, for short-term cash management purposes, either directly
2 or in the form of securities of, or other interests in, a money market
3 mutual fund operating as an open-end management type investment com-
4 pany or investment trust registered under 15 U.S.C. 80a-1 - 80a-64
5 (Investment Company Act of 1940), if

6 (A) the portfolio of the investment company or invest-
7 ment trust is limited to obligations of the United States govern-
8 ment and repurchase agreements fully collateralized by the obli-
9 gations; and

10 (B) the investment company or investment trust takes
11 delivery of the collateral directly or through an authorized
12 custodian.

* Sec. 2. AS 06.05.270(a) is amended to read:

4 (a) In addition to loans and acquisitions expressly authorized
5 by this chapter, a state bank may deal in, underwrite, and invest in
6 for its own account

7 (1) direct or guaranteed obligations of the United States,
8 either directly or in the form of securities of, or other interests
9 in, an open-end management type investment company or investment trust
0 registered under 15 U.S.C. 80a-1 - 80a-64 (Investment Company Act of
1 1940), if

2 (A) the portfolio of the investment company or invest-
3 ment trust is limited to obligations of the United States govern-
4 ment and repurchase agreements fully collateralized by the obli-
5 gations; and

6 (B) the investment company or investment trust takes
7 delivery of the collateral directly or through an authorized
8 custodian;

9 (2) general obligations of the State of Alaska and its

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1 political subdivisions;

2 (3) general obligations of a state of the United States or
3 its political subdivisions;

4 (4) revenue obligations of the State of Alaska or its
5 political subdivisions subject to the limitation of (b) of this sec-
6 tion;

7 (5) revenue obligations of a state of the United States or
8 its political subdivisions subject to the limitation of (b) of this
9 section;

10 (6) obligations of instrumentalities of the United States
11 government including, but not limited to Federal Intermediate Credit
12 Banks, Federal Land Banks, the Federal National Mortgage Association,
13 and Banks for Cooperatives;

14 (7) commercial paper of prime or equivalent quality as
15 rated by a recognized national rating service subject to the limita-
16 tion of (b) of this section;

17 (8) secured corporate obligations rated within the three
18 highest grades of a national rating service subject to the limitation
19 of (b) of this section;

20 (9) obligations of the International Bank for Reconstruc-
21 tion and Development, [OR] the Inter-American Development Bank, or the
22 African Development Bank, subject to the limitation of (b) of this
23 section;

24 (10) stock in the Federal National Mortgage Association or a
25 Federal Reserve Bank.