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State of Minnesota

Printed Page No. **71**

HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1441**

February 26, 2007

Authored by Simon and Smith

The bill was read for the first time and referred to the Committee on Commerce and Labor

March 12, 2007

Committee Recommendation and Adoption of Report:

To Pass and placed on the Consent Calendar

Read Second Time

March 13, 2007

By motion, re-referred to the Committee on Public Safety and Civil Justice

March 15, 2007

Committee Recommendation and Adoption of Report:

To Pass and placed on the Consent Calendar

Read Second Time

1.1 A bill for an act
1.2 relating to trust companies; limited purpose companies; making nonsubstantive
1.3 term changes; amending Minnesota Statutes 2006, section 48A.03, subdivision 5.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2006, section 48A.03, subdivision 5, is amended to read:

1.6 Subd. 5. **Requirements for limited purpose companies.** A company may also
1.7 be organized, with its principal place of business in the state, with a capital of not less
1.8 than \$10,000, to be paid in cash, of which 50 percent must be invested in authorized
1.9 securities and deposited with the commissioner of finance, as provided in this section. The
1.10 powers and business of the company must be to act as assignee under an assignment for
1.11 the benefit of creditors, or be appointed and act as a trustee or receiver, as a guardian,~~as~~
1.12 ~~executor of a will, or administrator~~ of the person, conservator of the estate, or personal
1.13 representative of an estate. The company may accept and perform any other lawful trust
1.14 over which a state or federal court has jurisdiction. The company, before entering upon
1.15 the duties of its trust, shall give a surety bond in the sum the court directs, with sufficient
1.16 surety, conditioned for the faithful performance of its duties. The business of a company
1.17 is limited to the matters in this subdivision. A company with a capital stock of less than
1.18 \$10,000 shall not use the word "trust" in the title or name of the company.