

trust company to use independent nominees that cannot be supervised by the trust company.

3-519. INVESTMENT OF FUND ASSETS.

A TRUST COMPANY MAY INVEST THE ASSETS OF A COMMON TRUST FUND IN ANY INVESTMENT IN WHICH A FIDUCIARY WHO IS NOT RESTRICTED BY INVESTMENT LIMITATIONS UNDER THE GOVERNING INSTRUMENT OR AUTHORIZATION MAY INVEST UNDER THE LAWS OF THIS STATE.

REVISOR'S NOTE: This section is new language derived without substantive change from Art. 11, § 62(6).

The phrase "under the governing instrument or authorization" is substituted for "stipulated investment specifications" for clarity and uniformity.

3-520. TRANSFER OF ASSETS FROM A COMMON TRUST FUND.

(A) PRESUMPTION OF RIGHT TO TRANSFER.

A TRANSFER AGENT OR A TRANSFEREE OF AN ASSET HELD IN THE NAME OF A TRUSTEE OF A COMMON TRUST FUND MAY PRESUME CONCLUSIVELY THAT THE TRUSTEE HAS AN ABSOLUTE RIGHT TO TRANSFER OR ASSIGN THE ASSET.

(B) LIABILITY.

(1) A TRANSFER AGENT OR A TRANSFEREE OF AN ASSET HELD IN THE NAME OF A TRUSTEE OF A COMMON TRUST FUND IS NOT CHARGEABLE WITH ANY DUTY IN RELATION TO THE FUND, A PARTICIPATING ACCOUNT, OR ANY BENEFICIARY OF A PARTICIPATING ACCOUNT.

(2) A TRANSFEREE OF AN ASSET HELD IN THE NAME OF A TRUSTEE OF A COMMON TRUST FUND IS NOT LIABLE FOR THE APPLICATION OF ANY PURCHASE MONEY PAID TO THE TRUSTEE.

REVISOR'S NOTE: This section is new language derived without substantive change from Art. 11, § 62(9), except the first clause of that subsection.

GENERAL REVISOR'S NOTE:

Present Art. 11, § 62(16) is deleted as unnecessary in light of the severability provision in Art. 1, § 23 of the Code.

SUBTITLE 6. MISCELLANEOUS REGULATIONS.

3-601. MAXIMUM LIABILITIES OF PERSON TO COMMERCIAL BANK.

(A) SCOPE OF SECTION.

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