

Fifty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1103

Introduced by

Industry, Business and Labor Committee

(At the request of the Department of Banking and Financial Institutions)

1 A BILL for an Act to create and enact a new section to chapter 6-05 of the North Dakota
2 Century Code, relating to trust company officer and employee fidelity bonds.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new section to chapter 6-05 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Bonds of officers and employees.** An officer or employee of any trust company,
7 before entering upon the person's duties, shall furnish a bond to the trust company in the sum
8 and upon the conditions as required by the board of directors in keeping with rules adopted by
9 the state banking board. All bonds must be approved by the board of directors of the trust
10 company and are subject to the approval of the commissioner. A record of the approval of the
11 bonds by the board of directors of the trust company must be made on the records of the trust
12 company and the bonds must be filed with the commissioner. Stockholders of the trust
13 company are not eligible as bondsmen for the officers or employees.