



CHAPTER 53

ARTICLE 14 - TRUST INSTITUTIONS ACTING IN A FIDUCIARY CAPACITY

N.C.G.S. § 53-159.1.

Power of fiduciary or custodian to deposit securities in a clearing corporation.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2011-339, s. 7 — fourth act in the lineage	21 September 2026, 03:38 UTC	f201998e75e909ec49935056 - 50534ab81957d6f1e9cad3a6 - b9603746255e5542

Notwithstanding any other provision of law, any fiduciary holding securities in its fiduciary capacity, any trust institution holding securities in a fiduciary capacity or as a custodian or agent is authorized to deposit or arrange for the deposit of such securities with a securities intermediary as defined in G.S. 25-8-102. When such securities are so deposited, certificates representing securities of the same class of the same issuer may be merged and held in bulk in the name of the nominee of such securities intermediary with any other such securities deposited in such securities intermediary by any person regardless of the ownership of such securities, and certificates of small denomination may be merged into one or more certificates of larger denomination. The records of such fiduciary and the records of such trust institution acting as a fiduciary or as a custodian or managing agent shall at all times show the name of the party for whose account the securities are so deposited. Title to such securities may be transferred by bookkeeping entry on the books of such securities intermediary without physical delivery of certificates representing such securities. A trust institution so depositing securities pursuant to this section shall be subject to such rules as, in the case of State-chartered institutions, the State Banking Commission and, in the case of other institutions, their regulators may from time to time issue. A trust institution acting as custodian or agent for a fiduciary shall, on demand by the fiduciary, certify in writing to the fiduciary the securities so deposited by such trust institution in such securities intermediary for the account of such fiduciary. A fiduciary shall, on demand by any party to a judicial proceeding for the settlement of such fiduciary's account or on demand by the attorney for such party, certify in writing to such party the securities deposited by such fiduciary in such securities intermediary for its account as such fiduciary. This section shall apply to any fiduciary holding securities in its fiduciary capacity, and to any trust institution holding securities as a fiduciary or as a custodian or managing agent acting on May 15, 1973, or who thereafter may act regardless of the date of the agreement, instrument or court order by which it is appointed and regardless of whether or not such fiduciary, custodian or agent owns capital stock of such securities intermediary. The fiduciary shall

personally be liable for any loss to the trust resulting from an act of such nominee in connection with such securities so deposited.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
4 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

	1973		1992				2011
	TICK HEIGHT = ACTS IN THAT YEAR		DASHED = RECODIFICATION, NOT AMENDMENT				
Nº	YEAR	ACT			CHARACTER		
01	1973	c. 497, s. 4			ENACTED		
02	1997	S.L. 1997-181, s. 26			AMENDED		
03	2001	S.L. 2001-263, s. 3			AMENDED		
04	2011	S.L. 2011-339, s. 7			AMENDED		

APPARATUS II
1 AUTHORITY

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 25-8		"a securities intermediary as defined in"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 53-159.1 (2011).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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This is not the official text. The official text is published by the General Assembly of North Carolina.

HISTORY PARENTHETICAL, AS PRINTED BY THE STATE
(1973, c. 497, s. 4; 1997-181, s. 26; 2001-263, s. 3; 2011-339, s. 7.)

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