

IC 30-1-5

Chapter 5. Other Investments by Fiduciaries

IC 30-1-5-1

Securities; insurance

Sec. 1. Every executor, administrator, guardian, trustee, receiver or other fiduciary shall have the power, in such capacity, to invest in the following:

(1) Obligations issued pursuant to the provisions of the Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.), as in effect on December 31, 1990, and in obligations issued by the FSLIC Resolution Fund.

(2) Life, endowment, or annuity contracts of legal reserve life insurance companies duly licensed by the insurance commissioner for the state of Indiana to transact business within the state. The purchase of contracts authorized by this subdivision shall be limited, however, to executors or the successors to their powers when specifically authorized by will, to guardians on authorization of the court having probate jurisdiction over the guardianship, and to trustees. Such contracts may be issued on the life or lives of a protected person or persons, a beneficiary or beneficiaries of a trust fund, or according to the terms of a will, or upon the life or lives of persons in whom the protected person or beneficiary has an insurable interest. Life or endowment or annuity contracts may be purchased by trustees in the absence of an express prohibition against such purchase contained in the instrument creating the trust. The trustee may expend trust income and principal to pay annual premiums for contracts authorized by this subsection subject to limitations that are:

(A) imposed by the court having probate jurisdiction over the trust; or

(B) expressly authorized in the trust instrument.

In the absence of express provision in the trust instrument to the contrary, the trustee, as trustee, shall possess all the incidents of ownership in contracts so issued and the trustee as trustee, or the beneficiary or beneficiaries of the trust shall be the beneficiary or beneficiaries of such contracts.

(3) Obligations of the federal government, or any federal agency or instrumentality, whenever a governing instrument or order directs, requires, authorizes, or permits investment in such obligations, either directly or in the form of securities of, or other interests in, any open end management type investment company or investment trust registered under the provisions of the Investment Company Act of 1940 (15 U.S.C. 80a et seq.), as in effect on December 31, 1990. However, the portfolio of the investment company or investment trust must be limited to obligations of the federal government or any federal agency or instrumentality, and to repurchase agreements fully collateralized by such obligations to which obligations the

investment company or investment trust takes delivery either directly or through an authorized custodian.

(Formerly: Acts 1941, c.149, s.1; Acts 1943, c.250, s.1; Acts 1969, c.160, s.1.) As amended by P.L.280-1987, SEC.3; P.L.33-1989, SEC.84; P.L.8-1991, SEC.33; P.L.252-2001, SEC.29.