

CHAPTER 6-10 AGENTS FOR DEPOSITS

6-10-01. License required to act as agent for deposits. No person, partnership, association, corporation, or limited liability company, except as otherwise authorized by law, may engage in the business of receiving, as agent for another, moneys for the purpose of deposit in a bank, without first having applied to the commissioner and received a license so to do.

6-10-02. License fee - Bond. Such applicant shall pay to the commissioner an annual fee of twenty-five dollars, and shall furnish a bond to the state of North Dakota, executed by a corporate surety company authorized to do business in this state, in the sum of not less than five thousand dollars. Such bond from time to time may be increased by the commissioner whenever, in the commissioner's judgment, the business of said licensee warrants.

6-10-03. Limit on license. No license may be granted for the purpose of conducting such business in any city wherein there already is operating a state or national bank or an authorized separate facility. In the event that a national or state bank or an authorized separate facility is authorized to do, and does commence doing business in any city where a license has been granted to operate a business under this section, such license may not thereafter be renewed.

6-10-04. Agent must deposit funds as directed. A licensee operating a business under the terms of this chapter may not loan any of the moneys given into the licensee's custody by any depositor for deposit in a bank, but shall promptly transfer said funds to the bank designated by the depositor, and each depositor has the right to designate the bank in which the depositor desires such moneys deposited.

6-10-05. Rules and regulations. The commissioner is authorized to prescribe such rules and regulations for the operating of such business as in the commissioner's judgment, from time to time, may be necessary for the protection of the depositors dealing with such licensee, and has the power to require compliance therewith.

6-10-06. Duty of commissioner. The commissioner may make an examination of the business of such licensee, and such applicant shall pay an examination fee. Fees for such examinations must be charged by the department of financial institutions at an hourly rate to be set by the commissioner, sufficient to cover all reasonable expenses of the department associated with the examinations provided for by this section. Fees must be paid to the state treasurer and deposited in the financial institutions regulatory fund.

6-10-07. Revocation of license. In the event of the failure of any person, partnership, association, corporation, or limited liability company to comply with the provisions of this chapter or the regulations promulgated by the commissioner as herein provided, the commissioner, after fifteen days' notice in writing, may revoke such license. Such applicant, upon demand in writing served upon the commissioner, within ten days after the receipt of such notice as above provided, is entitled to a hearing with respect to such violation. The notice of revocation must specify the violations of law or regulations which constitute the grounds for such charges against such licensee.

6-10-08. Penalty. Any person violating the provisions of this chapter is guilty of a class A misdemeanor.