487.1031 Permissible investments.

Sec. 31. (1) A licensee shall maintain at all times permissible investments that have a market value computed in accordance with generally accepted accounting principles of not less than the aggregate amount of all of its outstanding payment instruments issued or sold and money transmitted by the licensee.

(2) The commissioner may limit the extent to which a type of investment within a class of permissible investments is considered a permissible investment by any licensee, except for money and certificates of deposit issued by a depository financial institution. The commissioner by order or declaratory ruling may allow other types of investments that the commissioner determines to have a safety substantially equivalent to other permissible investments.

(3) Even if commingled with other assets of a licensee, permissible investments are held in trust for the benefit of the purchasers and holders of the licensee's outstanding payment instruments in the event of bankruptcy or receivership of the licensee.

(4) As used in this section, “permissible investments” means the investments described in section 32 or allowed by the commissioner under subsection (2).