

**2675.1190 REPURCHASE AGREEMENT SECURITIES.**

As to purchase of securities under repurchase agreement subject to the limitations and restrictions set forth in the law and this part:

A. It is permissible for the bank to purchase eligible securities from another under an agreement whereby the bank has an option or a right to require the seller of the securities to repurchase them from the bank at a price stated or at a price subject to determination under the terms of the agreement, but in no case less than the value at the time of repurchase.

B. It is permissible for the bank to purchase eligible securities from another under an agreement whereby the seller or a third party guarantees the bank against loss on resale of the securities.

C. It is not permissible for the bank to purchase eligible securities from another under an agreement whereby the seller reserves the right or the option to repurchase said securities itself or through its nominee at a price stated or at a price subject to determination under the terms of the agreement, notwithstanding the fact that the bank may also, under such agreement, have the right or option to compel the seller to repurchase the securities at a price stated or at a price subject to determination under the terms of the agreement.

**Statutory Authority:** *MS s 46.01*

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