AGRICULTURE, BOARD OF: Whether special deposit of funds for payment of principal and interest on outstanding bonds in a special amount known as "coupon amount" creates a trust fund entitled to preference upon insolvency of the bank. September 7, 1933.

Hon. E. J. Barker,
Secretary-Treasurer,
Indiana Board of Agriculture,
Industrial Building,
State Fair Grounds,
Indianapolis, Indiana.

Dear Mr. Barker:

I have before me your letter of September 3rd, enclosing copy of correspondence with the American National Bank and Fletcher American National Bank, in regard to the status of certain funds deposited in the Fletcher American National Bank to meet principal and bond interest due and payable at such bank.

Your letter states that "on or before the date that the bond principal and bond interest has been due, either the first or fifteenth of January and the first or fifteenth of July of each year, the funds have been placed in the bank for the coupons whenever presented."

According to the correspondence, this account in the Fletcher American National Bank was known as "coupon account" of the Indiana board of agriculture. I gathered also from the correspondence, that this fund was deposited in this special account for the specific purpose of paying the principal and interest on bonds as they were presented and for no other purpose.

It follows, therefore, that this account in the Fletcher American National Bank was a special deposit for a specific purpose, and under the rule laid down in the case of Shopert v. Indiana National Bank, 41 Ind. App. 477, the account became a trust fund in the hands of the Fletcher American National Bank. I quote from the decision above referred to at page 478:

"By the agreements and instructions aforesaid the bank was made the trustee of the fund with certain duties to perform with reference thereto: one was to preserve it intact, the other to deliver it at the proper
time to the proper person. Under these conditions the
bank had no right of property in it and could not
invest itself with such right by any act of its own
without the knowledge of the party or parties who
had such interest."

The same principle is enunciated in the case of Windstanley
v. Second National Bank, 13 Ind. App. 544, and in Anderson
v. Pacific Bank, 112 Cal. 598, as well as the numerous deci-
sions cited in the three cases above referred to.
It is, therefore, my opinion that the amount of $652.81
remaining in the hands of the Fletcher American National
Bank is a trust fund in their hands.

MOTOR VEHICLES, BUREAU OF: Application of section
4 of chapter 90 of the Acts of 1933 to hearses, ambulances and
taxicabs.

September 9, 1933.

Hon. Frank Finney, Commissioner,
Bureau of Motor Vehicles,
Indianapolis, Indiana.

Dear Sir:
I have before me your letter referring to section 4 of chap-
ter 90 of the Acts of 1933, which provides in part as follows:

"Every motor vehicle used for the carriage of pas-
sengers for hire, and every motor truck and commer-
cial motor vehicle shall be equipped with at least two
red warning flags and two brilliant-burning danger or
cautions signals, so constructed as to burn with a bril-
liant light."

Said section also further provides that:

"Suitable holders shall be provided for elevating said
signals in a prominent position above the surface of
the highway, when in use, as provided in the next
section hereof."

The next section referred to above provides, among other
things, that:

"While any motor vehicle used for the carriage of
passengers for hire, or any motor truck or commercial