

§ 58-64A-130. Escrowed funds not to be used as collateral.

No funds held in an escrow account shall be encumbered or used as collateral for any obligation of the provider, or any other person, unless the provider obtains prior written approval from the Commissioner for the encumbrance or use as collateral. The Commissioner shall not approve any encumbrance or use as collateral under this section unless the encumbrance or use as collateral is expressly subordinated to the rights of depositors under this Article to refunds of their entrance fees or deposits. (2025-58, s. 2.)