

CHAPTER 55.

[H. B. 181.]

CREATION OF TRUST FUNDS BY CERTAIN BANKS
AND TRUST COMPANIES.

AN ACT relating to common trust funds; and the creation thereof by banks and trust companies qualified to act as fiduciary, and to make uniform the law with reference thereto.

Be it enacted by the Legislature of the State of Washington:

Banks may establish trust funds.

SECTION 1. Any bank or trust company qualified to act as fiduciary in this state may establish common trust funds for the purpose of furnishing investments to itself as fiduciary, or to itself and others, as co-fiduciaries; and may, as such fiduciary or co-fiduciary, invest funds which it lawfully holds for investment in interests in such common trust funds, if such investment is not prohibited by the instrument, judgment, decree, or order creating such fiduciary relationship, and if, in the case of co-fiduciaries, the bank or trust company procures the consent of its co-fiduciary or co-fiduciaries to such investment: *Provided*, That any bank or trust company qualified to act as fiduciary in this state, which is not a member of the Federal Reserve System, shall, in the operation of such common trust fund, comply with the rules and regulations as made from time to time by the Supervisor of Banking and the Supervisor of Banking is hereby authorized and empowered to make such rules and regulations as he may deem necessary and proper in the premises.

Supervisor of banking to make rules.

Court may require accounting.

SEC. 2. Unless ordered by a court of competent jurisdiction the bank or trust company operating such common trust funds is not required to render a court accounting with regard to such funds; but it may, by application to the Superior Court, secure

approval of such an accounting on such conditions as the court may establish.

SEC. 3. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it. Uniform with other states.

SEC. 4. This act may be cited as the Uniform Common Trust Fund Act. Citation.

SEC. 5. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect the other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable. Provisions severable.

SEC. 6. All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed. Repeals acts inconsistent.

SEC. 7. This act shall apply to fiduciary relationships in existence at the time this act takes effect or thereafter established. Application.

Passed the House February 16, 1943.

Passed the Senate February 26, 1943.

Approved by the Governor March 3, 1943.