

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Gordon**

A Bill

SENATE BILL 473

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 28-71-104 RELATING TO THE
9 POWERS OF FIDUCIARIES TO INVEST IN CERTAIN SECURITIES; AND
10 FOR OTHER PURPOSES."

Subtitle

13 "RELATING TO THE POWERS OF FIDUCIARIES TO INVEST IN
14 CERTAIN SECURITIES."

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

18 SECTION 1. Arkansas Code 28-71-104 is amended to read as follows:
19 "28-71-104. Additional authority to invest funds.

20 (a) Unless prohibited by will, deed, trust, court order, or other
21 instrument establishing the fiduciary relationship or unless another mode of
22 investment is prescribed by any such instrument, trustees, guardians, and
23 personal representatives, in addition to methods of investment now authorized
24 by law, may invest all funds held in trust or for investment as provided in
25 this chapter.

26 (b) In addition to other investments authorized by law for the
27 investment of funds held by a fiduciary, or by the instrument governing the
28 fiduciary relationship, and notwithstanding any other provision of law, a bank
29 or trust company acting as a fiduciary, agent or otherwise may, in the
30 exercise of its investment discretion or at the direction of another person
31 authorized to direct investment of funds held by a bank or trust company as
32 fiduciary, invest and reinvest in the securities of an open-end or closed-end
33 management investment company or investment trust registered under the
34 Investment Company Act of 1940, (15 U.S.C. Section 80a-1 et seq.) as amended,
35 so long as the portfolio of such investment company or investment trust

1 consists substantially of investments not prohibited by the governing
2 instrument.

3 (c) The fact that such bank or trust company or an affiliate of the
4 bank or trust company provides services to the investment company or
5 investment trust such as that of an investment advisor, custodian, transfer
6 agent, registrar, sponsor, distributor, manager or otherwise and is receiving
7 reasonable compensation for those services, shall not preclude such bank or
8 trust company from investing or reinvesting in the securities of the open-end
9 or closed-end management investment trust registered under the Investment
10 Company Act of 1940 (15 U.S.C. Section 801-1, et seq.,) as amended."

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12 SECTION 2. All provisions of this act of a general and permanent nature
13 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
14 Revision Commission shall incorporate the same in the Code.

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16 SECTION 3. If any provision of this act or the application thereof to
17 any person or circumstance is held invalid, such invalidity shall not affect
18 other provisions or applications of the act which can be given effect without
19 the invalid provision or application, and to this end the provisions of this
20 act are declared to be severable.

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22 SECTION 4. All laws and parts of laws in conflict with this act are
23 hereby repealed.

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/s/ Senator Gordon

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