1 State of Arkansas **A BillACT 402 OF 1991** 2 78th General Assembly SENATE BILL 3 Regular Session, 1991 By: Senator Dowd 5 6 For An Act To Be Entitled 7 "AN ACT TO REENACT THE RECIPROCAL AUTHORITY OF FOREIGN g BANKS AND TRUST COMPANIES TO ACT AS FIDUCIARIES WITHIN 9 THE STATE OF ARKANSAS, WHICH AUTHORITY WAS INADVERTENTLY 10 REPEALED BY THE ENACTMENT OF THE ARKANSAS BUSINESS 11 CORPORATION ACT OF 1987; AND FOR OTHER PURPOSES." 12 13 14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS: 15 The General Assembly has determined that Act 118 of 1979 17 authorized foreign banks and trust companies to act as fiduciaries within this 18 State if the state under which they were organized and have their principal 19 office grants reciprocal authority to Arkansas banks and trust companies, and 20 that such authority was inadvertently repealed by the Arkansas Business 21 Corporation Act of 1987. It is the intent of this Act to reestablish that 22 reciprocal authority and to ratify any transactions that have occurred since 23 the enactment of the Arkansas Business Corporation Act of 1987 and which would 24 have been valid under Act 118 of 1979. 2.5 SECTION 2. (a) For purposes of this Act, "foreign bank or trust company 26 27 with fiduciary powers" means a bank or trust company organized under the laws 28 of and having its principal office in the District of Columbia or any 29 territory or state of the United States other than the State of Arkansas, and 30 any national bank having its principal office in the District of Columbia or a 31 territory or another state, and which bank or trust company is empowered to 32 act as a fiduciary. 33 Any foreign bank or trust company with fiduciary powers may be 34 appointed and may serve in the State of Arkansas as trustee of a personal or 35 corporate trust, executor, administrator, guardian of the estate, or in any

36 other fiduciary capacity, whether the appointment is by will, deed, agreement,

1 declaration, indenture, court order, or decree, or otherwise, when and to the 2 extent that the District of Columbia, territory or other state in which the 3 foreign bank or trust company is organized and has its principal office grants 4 such fiduciary authority to a bank or trust company organized under the laws 5 of and having its principal office in the State of Arkansas, or to a national 6 bank having its principal office in the State of Arkansas. SECTION 3. All provisions of this Act of a general and permanent nature 9 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code 10 Revision Commission shall incorporate the same in the Code. 11 If any provision of this Act or the application thereof to 12 SECTION 4. 13 any person or circumstance is held invalid, such invalidity shall not affect 14 other provisions or applications of the Act which can be given effect without 15 the invalid provision or application, and to this end the provisions of this 16 Act are declared to be severable. 17 SECTION 5. All laws and parts of laws in conflict with this Act are 18 19 hereby repealed. 20 SECTION 6. Emergency. It is hereby found and determined by the General 22 Assembly that the reciprocal authority for foreign banks and trust companies 23 to act as fiduciaries within the State of Arkansas was inadvertently repealed 24 by the enactment of the Arkansas Business Corporation Act of 1987; that this 25 Act reenacts such authority; and that until this Act becomes effective the 26 authority of foreign banks and trust companies to act as fiduciaries within 27 this State is questionable. Therefore, an emergency is declared to exist and 28 this Act being immediately necessary for the preservation of the public peace, 29 health and safety shall be in full force and effect from and after its passage 30 and approval. 31 APPROVED: 3-8-91 32 33 34

35