WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1939

ENROLLED

HOUSE BILL No. 130

(By Mr. Shinn)

PASSED March 11, 1939

In Effect from Passage
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House Bill No. 130
(By Mr. Shinn)

[Passed March 11, 1939; in effect from passage.]

AN ACT to amend and reenact section two, article six, chapter forty-four of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the expenditure and investment of funds in the hands of fiduciaries.

Be it enacted by the Legislature of West Virginia:

That section two, article six, chapter forty-four of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

Article 6. Investments by Fiduciaries.

Section 2. In What Securities Fiduciaries May Invest

2 Trust Funds. Any executor, administrator, guardian, curator, committee, trustee, or other fiduciary whose duty it may be to loan or invest money intrusted to him as such, may without any order of any court, invest the same or any part
thereof in any of the following securities, and without liability for any loss resulting from investments therein:

(a) In bonds or interest-bearing notes or obligations of the United States, or those for which the faith of the United States is distinctly pledged to provide for the payment of the principal and interest thereof, including bonds issued under the federal farm loan act;

(b) In bonds or interest-bearing notes or obligations of this state;

(c) In bonds of any state of the United States which has not within ten years previous to the making of such investment defaulted in the payment of any part of either principal or interest on any of its bonds issued by authority of the legislature of such state;

(d) In the bonds or interest-bearing notes or obligations of any county, district, school district or independent school district, municipality, or any other political division of this state that have been issued pursuant to the authority of any law of this state, since the ninth day of May of the year one thousand nine hundred seventeen;

(e) In bonds and negotiable notes secured by first mort-
gage or first trust deed upon improved real estate in this state where the amount secured by such mortgage or trust deed shall not at the time of making the same exceed eighty per cent of the assessed value, or fifty per cent of the appraised value as determined by wholly disinterested and independent appraisers, which ever value shall be the higher, of the real estate covered by such mortgage or trust deed, and when such mortgage or trust deed is accompanied by a satisfactory abstract of title, certificate of title, or title insurance policy, showing good title in the mortgagor when making such mortgage or trust deed, and by a fire insurance policy in an old line company with loss, if any, payable to the mortgagee or trustee as his interest may appear: Provided, That the rate of interest upon the above enumerated securities in this subsection (e), in which such investments may be made, shall not be less than two per cent, nor more than seven per cent, per annum.

(f) In savings accounts and time deposits of bank or trust companies to the extent that such deposits are insured by the federal deposit insurance corporation, or by any other similar federal instrumentality that may be hereafter created, pro-
vided there shall be such an instrumentality in existence and available for the purpose, or, by bonds of solvent surety companies: Provided, That the rate of interest upon such savings accounts or time deposits shall not be less than the rate paid other depositors in such bank or trust company.

(g) In shares of state building and loan associations, or federal savings and loan associations, to the extent that such shares are insured by the Federal Savings and Loan Insurance Corporation, or by any other similar federal instrumentality that may be hereafter created, provided that there shall be such an instrumentality in existence and available for the purpose, or by bonds of solvent surety companies: Provided, That the dividend rate upon such shares shall not be less than the rate paid to other shareholders in such associations.

Trust funds received by executors, administrators, guardians, curators, committees, trustees and other fiduciaries may be kept invested in the securities originally received by them, unless otherwise ordered by a court having jurisdiction of the matter, as hereinafter provided, or unless the instrument under which the trust was created shall direct that a change of investment be made, and any such fiduciary shall
not be liable for any loss that may occur by depreciation of
such securities.

This section shall not apply where the instrument creating
the trust, or the last will and testament of any testator, or
any court having jurisdiction of the matter, specially directs
in what securities the trust funds shall be invested, and every
such court is hereby given power specially to direct by order
or orders, from time to time, additional securities in which
trust funds may be invested, and any investment thereof
made in accordance with any such special direction shall be
legal, and no executor, administrator, guardian, curator, com-
mittee, trustee, or other fiduciary, shall be held liable for any
loss resulting in any such case.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

E. P. McGee
Chairman Senate Committee

J. M. Walker
Chairman House Committee

Originated in the House of Delegates

Takes effect from passage

Charles Foote
Clerk of the Senate

Alfred Millard
Clerk of the House of Delegates

Joseph F. T. Tidwell
President of the Senate

James T. Thomas
Speaker House of Delegates

The within........................................this the........................................

day of........................................, 1933.

........................................... Governor.
I certify that the foregoing act, having been presented to the Governor for his approval, and not having been returned by him to the House of the Legislature in which it originated within the time prescribed by the constitution of the state, has become a law without his approval.

This the 17th day of March, 1939.

[Signature]

SECRETARY OF STATE