WEST VIRGINIA LEGISLATURE
SECOND REGULAR SESSION, 1992

ENROLLED

Com. Sub. for
HOUSE BILL No. 4050

(By Delegates Rutledge & Cooper)

Passed Feb. 26, 1992

In Effect Ninety Days From Passage
AN ACT to amend article six, chapter forty-four of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section nine, relating to investment of fiduciary assets by a bank or trust company in mutual funds; permitting investments in mutual fund companies which receive other services by the bank or trust company; and investments of fiduciary assets in time deposits of the bank or trust company.

Be it enacted by the Legislature of West Virginia:

That article six, chapter forty-four of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new section, designated section nine, to read as follows:

ARTICLE 6. INVESTMENTS BY FIDUCIARIES.

§44-6-9. Investment of trust assets in mutual funds; investments in mutual fund companies otherwise served by the bank; investment of trust assets in time deposits.

1 (a) A bank or trust company qualified and acting in a fiduciary capacity in this state may, in the exercise of its investment discretion or at the direction of another
person authorized to direct investment of funds held by
the bank or trust company as fiduciary, invest and
reinvest trust assets in mutual funds which are the
securities of an open-end or closed-end management
investment company or investment trust registered
under the Investment Company Act of 1940 (15 U.S.C.
Section 80a-1, et seq.), as amended: Provided, That the
portfolio of such investment company or investment
trust does not consist of investments prohibited by the
governing fiduciary instrument.

(b) The fact that a bank or trust company or an
affiliate of the same provides services to an investment
company or investment trust, including, but not limited
to, services as an investment advisor, custodian, transfer
agent, registrar, sponsor, distributor, manager or
otherwise, and is receiving reasonable compensation for
those services, does not preclude such bank or trust
company from investing or reinvesting in mutual funds
which are the securities of the open-end or closed-end
management investment trust registered under the
Investment Company Act of 1940 (15 U.S.C. Section 80a-
1, et seq.), as amended. Such bank or trust company or
affiliate thereof is entitled to receive fiduciary fees with
respect to such assets. For such services the bank or
trust company or affiliate thereof shall also be entitled
to the normal fiduciary fee.

(c) A bank or trust company qualified and acting in
a fiduciary capacity in this state may, in the exercise
of its investment discretion or at the direction of another
person authorized to direct investment of funds held by
the bank or trust company as fiduciary, invest and
reinvest trust assets in time deposits, including certifi-
cates of deposit, of the bank or trust company in
accordance with the provisions of subdivision (f), section
two, of this article: Provided, That such investments are
authorized by the governing fiduciary instrument.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
Chairman Senate Committee

[Signature]
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker of the House of Delegates

The within is approved this the 5th day of March, 1992.

[Signature]
Governor