

from property given to him accrued from the date it became distributable to him.

(3) Residuary Gift. All income from real and personal property earned during the administration of a trust and not payable to others shall be distributed pro rata among the income beneficiaries of any continuing trust of a residuary share and other persons entitled to residuary shares of the trust.

Section 3. This act shall take effect immediately.

APPROVED—The 22d day of December, A. D. 1965.

WILLIAM W. SCRANTON

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No. 481

AN ACT

SB 877

Amending the act of April 18, 1949 (P. L. 512), entitled "An act relating to the administration and distribution of decedents' estates, trust estates, minors' estates and absentees' estates, both as to real and personal property, and the procedure relating thereto; including the disposition of such estates or portions thereof and the determination of title thereto without the appointment of a fiduciary in certain cases; the appointment, bond, removal and discharge of fiduciaries of such estates, their powers, duties and liabilities; the rights of persons dealing with such fiduciaries, and the rights of persons claiming an interest in such estates or in property distributed therefrom whether as claimants or distributees, and containing provisions concerning guardians of the person of minors, the powers, duties and liabilities of sureties and of foreign fiduciaries, the abatement, survival and control of actions and rights of action, and the presumption of death; and also generally dealing with the jurisdiction, powers and procedure of the orphans' court and of the register of wills in all matters relating to fiduciaries," protecting the vested interests of grantees of, or holders of a lien on, the real property of the decedent in certain circumstances.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 547, act of April 18, 1949 (P. L. 512), known as the "Fiduciaries Act of 1949," is amended to read:

Section 547. Title of Purchaser.—If the personal representative has given such bond, if any, as shall be required in accordance with this act, any sale, mortgage, or exchange by him, whether pursuant to a decree or to the exercise of a testamentary power or of a power under this act, shall pass the full title of the decedent therein, unless otherwise specified, discharged from the lien of legacies, from liability for all debts and obligations of the decedent, from all liabilities incident

to the administration of the decedent's estate, and from all claims of distributees and of persons claiming in their right, except that—

(1) no such sale, mortgage or exchange by a personal representative shall divest the interest of a grantee of, or a holder of a lien on, real property of the decedent who has acquired such interest for value under a prior recorded document from or through those entitled to the interest of the decedent in the real property by will or by intestacy, either—

(i) more than one year after the death of the decedent when no letters theretofore have been issued in the Commonwealth upon the decedent's estate; or

(ii) within such year if no letters upon the decedent's estate have been issued in the Commonwealth during that year, unless the sale by the personal representative is made under section 543 for the purpose of divesting a lien existing at decedent's death; and

(2) only a sale under section 543 shall divest liens of record at the time of the decedent's death.

Persons dealing with the personal representative shall have no obligation to see to the proper application of the cash or other assets given in exchange for the property of the estate. Any sale or exchange by a personal representative pursuant to a decree under section 543 shall have the effect of a judicial sale [as to the discharge of liens], but the court may decree a sale or exchange freed and discharged from the lien of any mortgage otherwise preserved from discharge by existing law, if the holder of such mortgage shall consent by writing filed in the proceeding. No such sale, mortgage, exchange, or conveyance shall be prejudiced by the terms of any will or codicil thereafter probated or by the subsequent revocation of the letters of the personal representative who made the sale, mortgage, exchange, or conveyance, if the person dealing with the personal representative did so in good faith.

Section 2. This act shall take effect immediately.

APPROVED—The 22d day of December, A. D. 1965.

WILLIAM W. SCRANTON