

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

Section 1. The act of May 26, 1949 (P. L. 1828), known as the "Fiduciaries Investment Act of 1949," is amended by adding after section 5, a new section to read:

Section 5.1. Obligations of Governmental Organizations Existing Pursuant to the Laws of Pennsylvania, Other States and the District of Columbia.—Obligations of any authority, commission or similar governmental organization existing pursuant to the laws of this Commonwealth or the laws of any other state or of the District of Columbia shall be authorized investments if purchased or retained in the exercise of that degree of judgment and care, under circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income to be derived therefrom as well as the probable safety of their capital. The authorization to make and retain investments pursuant to this section 5.1 shall be in addition to, and independent of, authorizations to make investments pursuant to other provisions of this act and requirements applicable under other provisions of this act shall not affect investments also authorized by this section 5.1.

APPROVED—The 6th day of January, A. D. 1966.

WILLIAM W. SCRANTON

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No. 514

AN ACT

SB 1211

Amending the act of May 26, 1949 (P. L. 1828), entitled "An act concerning the investment powers and duties of guardians, committees, trustees, and other fiduciaries, except personal representatives, and prescribing the nature and kind of investments which may be made and retained by such fiduciaries," further providing for investments in bonds or obligations secured by mortgages.

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

Section 1. Subclauses (iii) and (iv) of clause (3) of section 7, act of May 26, 1949 (P. L. 1828), known as the "Fiduciaries Investment Act of 1949," are amended to read:

Section 7. Mortgages.—One or more bonds or other obligations secured by one or more mortgages, or in connection with which the obligor gives one or more mortgages to indemnify the insurer of the obligation, shall be an authorized investment if—

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(3) Other Mortgages. At the date of the acquisition or of any extension of the mortgage it shall meet the following requirements:

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(iii) The unpaid principal amount of the obligations shall not exceed [two-thirds] four-fifths of the fair value of the real estate as fixed by two persons familiar with real estate values in the vicinity who shall have actually inspected it and shall so certify in a written appraisal preserved among the records of the fiduciary;

(iv) The principal debt evidenced by the obligations shall be payable in not more than five years after the date of acquisition by the fiduciary, or be amortized within a period of not exceeding [twenty] thirty years from the date of the acquisition in [installments totalling in each year not less than three per centum thereof;] substantially equal payments at successive intervals of not more than one year each and in an amount sufficient to pay the principal debt and interest thereon within the term of the loan;

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APPROVED—The 6th day of January, A. D. 1966.

WILLIAM W. SCRANTON

No. 515

AN ACT

HB 1634

Enabling certain counties of the Commonwealth to covenant with land owners for preservation of land in farm, forest, water supply, or open space uses.

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