

No. 1984-217

## AN ACT

HB 2453

Amending the act of November 30, 1965 (P.L.847, No.356), entitled "An act relating to and regulating the business of banking and the exercise by corporations of fiduciary powers; affecting persons engaged in the business of banking and corporations exercising fiduciary powers and affiliates of such persons; affecting the shareholders of such persons and the directors, trustees, officers, attorneys and employes of such persons and of the affiliates of such persons; affecting national banks located in the Commonwealth; affecting persons dealing with persons engaged in the business of banking, corporations exercising fiduciary powers and national banks; conferring powers and imposing duties on the Banking Board, on certain departments and officers of the Commonwealth and on courts, prothonotaries, clerks and recorders of deeds; providing penalties; and repealing certain acts and parts of acts," providing for the transfer of fiduciary accounts.

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

Section 1. The act of November 30, 1965 (P.L.847, No.356), known as the Banking Code of 1965, is amended by adding a section to read:

**Section 408. Transfer of Fiduciary Accounts**

*(a) Definitions—The definitions set forth in section 115(a) shall also apply to this section.*

*(b) Transfer of accounts—With the prior written approval of, and in accordance with the terms and conditions of transfer prescribed by, the department, and upon completion of the notice procedures of subsection (c) without objection, a Pennsylvania bank holding company may cause the transfer of one or more of the fiduciary accounts of one or more of the institutions or trust companies controlled by such bank holding company to either:*

*(i) another of such institutions or trust companies; or*

*(ii) a newly formed trust company or institution also controlled by such bank holding company.*

*(c) Notice procedure—Prior to effecting a transfer of one or more fiduciary accounts under subsection (b), a Pennsylvania bank holding company shall cause notice that such a transfer will take place to be given to the settlor of the account, or if the settlor is deceased, to persons who are readily ascertainable as beneficiaries of the account by their receipt of statements of the account. Such notice shall also be given to any co-fiduciary of the account. If the persons or their legal representatives or guardians, in the case of minor children or incompetents, to whom the notice required by this subsection has been given, do not make written objection to the institution or trust company then acting as fiduciary of the account or to the holding company which issued the notice within 15 days of the date the notice was mailed, then the holding company may complete the transfer of the account.*

*(d) Effect of transfer—If a Pennsylvania bank holding company completes a transfer as described in subsections (b) and (c), the institution or trust company to which the fiduciary accounts of the other institutions or trust companies have been transferred shall be automatically substituted by reason of such transfer as fiduciary of all accounts held in that capacity by such transferring institutions or trust companies, without further action and without any order or decree of any court or public officer and shall have all the rights and be subject to all the obligations of such transferring institutions or trust companies as fiduciary.*

Section 2. This act shall take effect immediately.

APPROVED—The 18th day of December, A. D. 1984.

DICK THORNBURGH