

286.3-212 Deposit of securities with district federal reserve bank by bank acting as fiduciary or custodian for fiduciary -- Accounting and crediting of deposits.

- (1) Notwithstanding any other provision of law, any bank, when acting as a fiduciary or when holding securities as custodian for a fiduciary, is authorized to deposit, or arrange for the deposit, with the federal reserve bank in its district of any securities, the principal and interest of which the United States or any department, agency or instrumentality thereof has agreed to pay, or has guaranteed payment, to be credited to one (1) or more accounts on the books of said federal reserve bank in the name of such bank, to be designated fiduciary for safekeeping accounts, to which account other similar securities may be credited. A bank so depositing securities with a federal reserve bank shall be subject to such rules and regulations with respect to the making and maintenance of such deposit as, in the case of a bank organized under the laws of this state, the commissioner, and, in the case of the national banking associations, the comptroller of the currency, may from time to time issue. The records of such bank shall at all times show the ownership of the securities held in such account. Ownership of, and other interests in, the securities credited to such account may be transferred by entries on the books of said federal reserve bank without physical delivery of any securities. A bank acting as custodian for a fiduciary shall, on demand by the fiduciary, certify in writing to the fiduciary the securities so deposited by such bank with such federal reserve bank for the account of such fiduciary. A fiduciary shall, on demand by any party, to its accounting or on demand by the attorney for such party, certify in writing to such party the securities deposited by such fiduciary with such federal reserve bank for its account as such fiduciary.
- (2) This section shall apply to any fiduciary, and any custodian for fiduciaries, acting on June 21, 1974, or who thereafter may act regardless of the date of the agreement, instrument or court order by which it is appointed.
- (3) As used in this section, "fiduciary" includes an executor, administrator, trustee under any trust, express, implied, resulting or constructive, guardian, conservator, receiver, trustee in bankruptcy, assignee for the benefit of creditors, partner, agent, officer of a corporation, public or private, public officer or any other person acting in a fiduciary capacity for any person, trust or estate.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 632, effective July 15, 2010. -- Amended 1984 Ky. Acts ch. 324, sec. 22, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 141, sec. 83, effective July 1, 1982. -- Created 1974 Ky. Acts h. 193, sec. 1.

Formerly codified as KRS 287.212.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286.

Note: 1980 Ky. Acts ch. 396, sec. 88 would have amended this section effective July 1, 1982. However, 1980 Ky. Acts ch. 396 was repealed by 1982 Ky. Acts ch. 141, sec. 146, also effective July 1, 1982.