

HOUSE No. 5430

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, May 5, 1987.

The committee on Banks and Banking, to whom was referred the petition (accompanied by bill, House, No. 1460) of Michael F. Flaherty and another relative to the use of collective investment funds and common trust funds, reports recommending that the accompanying bill (House, No. 5430) ought to pass.

For the committee,

THOMAS M. FINNERAN.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Seven.

AN ACT CONCERNING THE USE OF COLLECTIVE INVESTMENT FUNDS AND COMMON TRUST FUNDS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Section 3 of Chapter 167G of the General Laws, as appearing
2 in the 1984 Official Edition, is hereby amended by adding after
3 subsection 10 the following subsection: —

4 10-A. Any association or corporation authorized to do a
5 banking business and to exercise trust powers in the common-
6 wealth may invest funds which it holds in a fiduciary capacity in
7 any collective investment fund or common trust fund established
8 by any affiliate of such association or corporation as defined in
9 subsection (e) of section one of chapter one hundred sixty-seven
10 A; and any such association or corporation may invest in any
11 collective investment fund or common trust fund established by
12 it pursuant to the provisions of this chapter or chapter two
13 hundred and three A funds held by any such affiliate in a fiduciary
14 capacity; provided, that any such investment is not prohibited by
15 the instrument, judgment, decree or order creating such fiduciary
16 relationship.