SENATE BILL NO. 11

INTRODUCED BY MAZUREK

IN THE SENATE

JANUARY 5, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON JUDICIARY.
JANUARY 8, 1987	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
JANUARY 9, 1987	PRINTING REPORT.
JANUARY 12, 1987	SECOND READING, DO PASS.
JANUARY 13, 1987	ENGROSSING REPORT.
JANUARY 14, 1987	THIRD READING, PASSED.
	TRANSMITTED TO HOUSE.
IN	THE HOUSE
FEBRUARY 4, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON JUDICIARY.
MARCH 3, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 5, 1987	SECOND READING, CONCURRED IN.
MARCH 6, 1987	THIRD READING, CONCURRED IN. AYES, 94; NOES, 0.
	RETURNED TO SENATE.
TN	THE SENATE

IN THE SENATE

MARCH 7, 1987 RECEIVED FROM HOUSE.

SENT TO ENROLLING.

12 13

15

16

1	SENATE BILL NO. 11
2	INTRODUCED BY MAZUREK
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE UNIFORM
5	TRANSFERS TO MINORS ACT TO PROVIDE THAT CUSTODIAL PROPERTY
6	IS CREATED WHEN A SECURITY IS TRANSFERRED TO A CUSTODIAL
7	ACCOUNT; AND AMENDING SECTION 72-26-603, MCA."
8	
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
LO	Section 1. Section 72-26-603, MCA, is amended to read:
11	"72-26-603. Manner of creating custodial property and
L 2	effecting transfer designation of initial custodian
L3	control. (1) Custodial property is created and a transfer is
. 4	made whenever:
L5	(a) an uncertificated security or a certificated
L 6	security in registered form is either:
L 7	(i) registered in the name of the transferor, an adult
18	other than the transferor, or a trust company, followed in
19	substance by the words: "as custodian for (name of
20	minor) under the Montana Uniform Transfers to Minors Act";
21	or
22	(ii) delivered if in certificated form, or any document
23	necessary for the transfer of an uncertificated security is
24	delivered, together with any necessary endorsement to an
25	adult other than the transferor or to a trust company as

1	custodian,	accompa	nied by	an	instrument	in	substantially	the
2	form set for	orth in	subsect i	ion	(2);			

- (b) money is paid or delivered or a security held in the name of a broker, financial institution, or its nominee is transferred to a broker or financial institution for credit to an account in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act";
- (c) the ownership of a life or endowment insurance 10 11 policy or annuity contract is either:
- (i) registered with the issuer in the name of the transferor, an adult other than the transferor, or a trust 14 company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act": or
- (ii) assigned in a writing delivered to an adult other 17 18 than the transferor or to a trust company whose name in the assignment is followed in substance by the words: "as 19 custodian for (name of minor) under the Montana 21 Uniform Transfers to Minors Act";
- 22 (d) an irrevocable exercise of a power of appointment 23 or an irrevocable present right to future payment under a contract is the subject of a written notification delivered 24 to the payor, issuer, or other obligor that the right is 25

LC 0040/01 LC 0040/01

transferred to the transferor, an adult other than the transferor, or a trust company, whose name in the notification is followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act";

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

- (e) an interest in real property is recorded in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act":
- (f) a certificate of title issued by a department or agency of a state or of the United States which evidences title to tangible personal property is either:
- (i) issued in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act"; or
- (ii) delivered to an adult other than the transferor or to a trust company, endorsed to that person, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act"; or
- 24 (g) an interest in any property not described in 25 subsections (1)(a) through (1)(f) is transferred to an adult

1	other than	the transferor	or to	a trust	company b	y a written
2	instrument	in substantiall	y the	form set	forth in	subsection
3	(2).					

- 4 (2) An instrument in the following form satisfies the 5 requirements of subsections (1)(a)(ii) and (1)(g):
- 6 "TRANSFER UNDER THE MONTANA
- 7 UNIFORM TRANSFERS TO MINORS ACT
- 12 Minors Act, the following: (insert a description of the
- 12 Minors Act, the following: (insert a description or
- 13 custodial property sufficient to identify it).
- 14 Dated:
- 15
- 16 (Signature)
- 17 (name of custodian) acknowledges receipt of
- 18 the property described above as custodian for the minor
- 19 named above under the Montana Uniform Transfers to Minors
- 20 Act.
- 21 Dated:
- 22
- 23 (Signature of Custodian)"
- 24 (3) A transferor shall place the custodian in control25 of the custodial property as soon as practicable."

25

5

7

10 11

17

18

19

20

21 22

23 24

25

APPROVED BY COMMITTEE ON JUDICIARY

1	SENATE BILL NO. 11
2	INTRODUCED BY MAZUREK
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE UNIFORM
5	TRANSFERS TO MINORS ACT TO PROVIDE THAT CUSTODIAL PROPERTY
6	IS CREATED WHEN A SECURITY IS TRANSFERRED TO A CUSTODIAL
7	ACCOUNT; AND AMENDING SECTION 72-26-603, MCA."
8	
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
L O	Section 1. Section 72-26-603, MCA, is amended to read:
11	"72-26-603. Manner of creating custodial property and
12	effecting transfer designation of initial custodian
13	control. (1) Custodial property is created and a transfer is
14	made whenever:
15	(a) an uncertificated security or a certificated
16	security in registered form is either:
17	(i) registered in the name of the transferor, an adult
18	other than the transferor, or a trust company, followed in
19	substance by the words: "as custodian for (name of
20	minor) under the Montana Uniform Transfers to Minors Act";
21	or
22	(ii) delivered if in certificated form, or any document
23	necessary for the transfer of an uncertificated security is
24	delivered, together with any necessary endorsement to an

adult other than the transferor or to a trust company as

1	custodian, accompanied by an instrument in substantially the
2	form set forth in subsection (2);
3	(b) money is paid or delivered or a security held i

- n the name of a broker, financial institution, or its nominee is transferred to a broker or financial institution for credit to an account in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act ": (c) the ownership of a life or endowment insurance
- 12 (i) registered with the issuer in the name of the 13 transferor, an adult other than the transferor, or a trust 14 company, followed in substance by the words: "as custodian 15 for (name of minor) under the Montana Uniform 16 Transfers to Minors Act": or

policy or annuity contract is either:

- (ii) assigned in a writing delivered to an adult other than the transferor or to a trust company whose name in the assignment is followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act";
- (d) an irrevocable exercise of a power of appointment or an irrevocable present right to future payment under a contract is the subject of a written notification delivered to the payor, issuer, or other obligor that the right is

- transferred to the transferor, an adult other than the transferor, or a trust company, whose name in the notification is followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act";
- 6 (e) an interest in real property is recorded in the
 7 name of the transferor, an adult other than the transferor,
 8 or a trust company, followed in substance by the words: "as
 9 custodian for (name of minor) under the Montana
 10 Uniform Transfers to Minors Act";
- 11 (f) a certificate of title issued by a department or 12 agency of a state or of the United States which evidences 13 title to tangible personal property is either:

15

16 17

18

- (i) issued in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act"; or
- 19 (ii) delivered to an adult other than the transferor or
 20 to a trust company, endorsed to that person, followed in
 21 substance by the words: "as custodian for (name of
 22 minor) under the Montana Uniform Transfers to Minors Act";
 23 or
- 24 (g) an interest in any property not described in 25 subsections (1)(a) through (1)(f) is transferred to an adult

1	other than the transferor of to a trust company by a written
2	instrument in substantially the form set forth in subsection
3	(2).
4	(2) An instrument in the following form satisfies the
5	requirements of subsections (1)(a)(ii) and (1)(g):
6	"TRANSFER UNDER THE MONTANA
7	UNIFORM TRANSFERS TO MINORS ACT
8	I, (name of transferor or name and
9	representative capacity if a fiduciary) hereby transfer to
10	(name of custodian), as custodian for
11	(name of minor) under the Montana Uniform Transfers to
12	Minors Act, the following: (insert a description of the
13	custodial property sufficient to identify it).
14	Dated:
l 5	***************************************
16	(Signature)
17	(name of custodian) acknowledges receipt of
18	the property described above as custodian for the minor
L9	named above under the Montana Uniform Transfers to Minors
20	Act.
21	Dated:
22	
23	(Signature of Custodian)"

of the custodial property as soon as practicable."

(3) A transferor shall place the custodian in control

24

3

S

7

10

11

12

1.3

14

15

16

17

18

19

20

21

22

23

24

25

1	SENATE BILL NO. 11
2	INTRODUCED BY MAZUREK
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE UNIFORM
5	TRANSFERS TO MINORS ACT TO PROVIDE THAT CUSTODIAL PROPERTY
6	IS CREATED WHEN A SECURITY IS TRANSFERRED TO A CUSTODIAL
7	ACCOUNT; AND AMENDING SECTION 72-26-603, MCA."
8	
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
.0	Section 1. Section 72-26-603, MCA, is amended to read:
.1	"72-26-603. Manner of creating custodial property and
. 2	effecting transfer designation of initial custodian
. 3	control. (1) Custodial property is created and a transfer is
4	made whenever:
. 5	(a) an uncertificated security or a certificated
.6	security in registered form is either:
.7	(i) registered in the name of the transferor, an adult
.8	other than the transferor, or a trust company, followed in
.9	substance by the words: "as custodian for (name of
20	minor) under the Montana Uniform Transfers to Minors Act";
21	or
22	(ii) delivered if in certificated form, or any document
23	necessary for the transfer of an uncertificated security is
24	delivered, together with any necessary endorsement to an

adult other than the transferor or to a trust company as

custodian, accompanied by an instrument in substantially the form set forth in subsection (2);

- (b) money is paid or delivered or a security held in the name of a broker, financial institution, or its nominee is transferred to a broker or financial institution for credit to an account in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act";
- (i) registered with the issuer in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act"; or

policy or annuity contract is either:

(c) the ownership of a life or endowment insurance

- (ii) assigned in a writing delivered to an adult other than the transferor or to a trust company whose name in the assignment is followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act";
- (d) an irrevocable exercise of a power of appointment or an irrevocable present right to future payment under a contract is the subject of a written notification delivered to the payor, issuer, or other obligor that the right is

transferred to the transferor, an adult other than the transferor, or a trust company, whose name in the notification is followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act";

(e) an interest in real property is recorded in the

(e) an interest in real property is recorded in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act":

7

8

9

10

14

15

16

17

18

- 11 (f) a certificate of title issued by a department or 12 agency of a state or of the United States which evidences 13 title to tangible personal property is either:
 - (i) issued in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act"; or
- 19 (ii) delivered to an adult other than the transferor or
 20 to a trust company, endorsed to that person, followed in
 21 substance by the words: "as custodian for (name of
 22 minor) under the Montana Uniform Transfers to Minors Act";
 23 or
- 24 (g) an interest in any property not described in 25 subsections (1)(a) through (1)(f) is transferred to an adult

other than the transferor or to a trust company by a written 1 instrument in substantially the form set forth in subsection 2 3 (2). (2) An instrument in the following form satisfies the 4 requirements of subsections (1)(a)(ii) and (1)(g): "TRANSFER UNDER THE MONTANA 6 UNIFORM TRANSFERS TO MINORS ACT 7 I, {name of transferor or name representative capacity if a fiduciary) hereby transfer to (name of custodian), as custodian for 10 (name of minor) under the Montana Uniform Transfers to 11 Minors Act, the following: (insert a description of the 12 custodial property sufficient to identify it). 13 14 Dated: 15 16 (Signature) (name of custodian) acknowledges receipt of 17 the property described above as custodian for the minor 18 named above under the Montana Uniform Transfers to Minors 19 20 Act. 21 Dated: 22 (Signature of Custodian)" 23

-End-

of the custodial property as soon as practicable."

24

25

(3) A transferor shall place the custodian in control

50th Legislature

SB 0011/02

SB 0011/02

1	SENATE BILL NO. 11
2	INTRODUCED BY MAZUREK
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE UNIFORM
5	TRANSFERS TO MINORS ACT TO PROVIDE THAT CUSTODIAL PROPERTY
6	IS CREATED WHEN A SECURITY IS TRANSPERRED TO A CUSTODIAL
7	ACCOUNT; AND AMENDING SECTION 72-26-603, MCA."
8	
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10	Section 1. Section 72-26-603, MCA, is amended to read:
11	"72-26-603. Manner of creating custodial property and
12	effecting transfer designation of initial custodian
13	control. (1) Custodial property is created and a transfer is
14	made whenever:
15	(a) an uncertificated security or a certificated
16	security in registered form is either:
17	(i) registered in the name of the transferor, an adult
18	other than the transferor, or a trust company, followed in
19	substance by the words: "as custodian for (name of
20	minor) under the Montana Uniform Transfers to Minors Act";
21	or
22	(ii) delivered if in certificated form, or any document
23	necessary for the transfer of an uncertificated security is
24	delivered, together with any necessary endorsement to an
2.5	adult other than the transferor or to a trust company as

1	custodian, accompanied by an instrument in substantially the
2	form set forth in subsection (2);
3	(b) money is paid or delivered or a security held in
4	the name of a broker, financial institution, or its nominee
5	is transferred to a broker or financial institution for
6	credit to an account in the name of the transferor, an adult
7	other than the transferor, or a trust company, followed in
8	substance by the words: "as custodian for (name of
9	minor) under the Montana Uniform Transfers to Minors Act";
0	(c) the ownership of a life or endowment insurance
1	policy or annuity contract is either:
2	(i) registered with the issuer in the name of the
3	transferor, an adult other than the transferor, or a trust
4	company, followed in substance by the words: "as custodian
5	for (name of minor) under the Montana Uniform
6	Transfers to Minors Act"; or
7	(ii) assigned in a writing delivered to an adult other
8	than the transferor or to a trust company whose name in the
9	assignment is followed in substance by the words: "as
0	custodian for (name of minor) under the Montana
1	Uniform Transfers to Minors Act";
2	(d) an irrevocable exercise of a power of appointment
3	or an irrevocable present right to future payment under a
4	contract is the subject of a written notification delivered
5	to the payor, issuer, or other obligor that the right is
	gac the right is

1	transferred	to	the	tran	sfero	r, a	n adı	ult	other	than	the
2	transferor,	or	a ti	ust	compa	any,	whose	e 1	name	in	the
3	notification	is	foll	owed	in	subs	tance	рÀ	the w	ords:	"as
4	custodian fo	r		(nai	me of	min	or) (undei	r the	Mont	ana
5	Uniform Trans	sfer:	s to N	(inor:	s Act	";					

(e) an interest in real property is recorded in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act";

7

8

10

11

12

13

14

15 16

17 18

20

21

22

23

- (f) a certificate of title issued by a department or agency of a state or of the United States which evidences title to tangible personal property is either:
- (i) issued in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act"; or
- 19 (ii) delivered to an adult other than the transferor or to a trust company, endorsed to that person, followed in substance by the words: "as custodian for (name of minor) under the Montana Uniform Transfers to Minors Act"; or
- 24 (g) an interest in any property not described in 25 subsections (1)(a) through (1)(f) is transferred to an adult

1	other than the transferor or to a trust company by a written
2	instrument in substantially the form set forth in subsection
3	(2).
4	(2) An instrument in the following form satisfies the
5	requirements of subsections (1)(a)(ii) and (1)(g):
6	"TRANSFER UNDER THE MONTANA
7	UNIFORM TRANSFERS TO MINORS ACT
8	I, (name of transferor or name and
9	representative capacity if a fiduciary) hereby transfer to
10	(name of custodian), as custodian for
11	(name of minor) under the Montana Uniform Transfers to
12	Minors Act, the following: (insert a description or the
13	custodial property sufficient to identify it).
1.4	Dated:
15	
16	(Signature)
17	(name of custodian) acknowledges receipt of
18	the property described above as custodian for the minor
19	named above under the Montana Uniform Transfers to Minors
20	Act.
21	Dated:
22	
23	(Signature of Custodian)"
24	(3) A transferor shall place the custodian in control

of the custodial property as soon as practicable."