

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.

IN THE SENATE

MARCH 7, 1987	RECEIVED FROM HOUSE. SENT TO ENROLLING.
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1 SENATE BILL NO. 11
2 INTRODUCTION BY MAZUREK

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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:

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
25 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";

10 (c) the ownership of a life or endowment insurance
11 policy or annuity contract is either:

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

17 (ii) assigned in a writing delivered to an adult other
18 than the transferor or to a trust company whose name in the
19 assignment is followed in substance by the words: "as
20 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
24 contract is the subject of a written notification delivered
25 to the payor, issuer, or other obligor that the right is



1 transferred to the transferor, an adult other than the
2 transferor, or a trust company, whose name in the
3 notification is followed in substance by the words: "as
4 custodian for (name of minor) under the Montana
5 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:

14 (i) issued in the name of the transferor, an adult
15 other than the transferor, or a trust company, followed in
16 substance by the words: "as custodian for (name of
17 minor) under the Montana Uniform Transfers to Minors Act";
18 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 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 of the
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 control
25 of the custodial property as soon as practicable."

APPROVED BY COMMITTEE
ON JUDICIARY

1 SENATE BILL NO. 11
2 INTRODUCED BY MAZUREK

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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
25 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";

10 (c) the ownership of a life or endowment insurance
11 policy or annuity contract is either:

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

17 (ii) assigned in a writing delivered to an adult other
18 than the transferor or to a trust company whose name in the
19 assignment is followed in substance by the words: "as
20 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
24 contract is the subject of a written notification delivered
25 to the payor, issuer, or other obligor that the right is



1 transferred to the transferor, an adult other than the
2 transferor, or a trust company, whose name in the
3 notification is followed in substance by the words: "as
4 custodian for (name of minor) under the Montana
5 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:

14 (i) issued in the name of the transferor, an adult
15 other than the transferor, or a trust company, followed in
16 substance by the words: "as custodian for (name of
17 minor) under the Montana Uniform Transfers to Minors Act";
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20 to a trust company, endorsed to that person, followed in
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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
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4 (2) An instrument in the following form satisfies the
5 requirements of subsections (1)(a)(ii) and (1)(g):

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8 I, (name of transferor or name and
9 representative capacity if a fiduciary) hereby transfer to
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11 (name of minor) under the Montana Uniform Transfers to
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14 Dated:
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16 (Signature)

17 (name of custodian) acknowledges receipt of
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19 named above under the Montana Uniform Transfers to Minors
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24 (3) A transferor shall place the custodian in control
25 of the custodial property as soon as practicable."

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