

CHAPTER 602
(House Bill 825)

AN ACT concerning

Estates and Trusts – Fiduciaries – Prudent Investor Rule

FOR the purpose of establishing a prudent investor standard in this State to govern the actions of certain fiduciaries under certain circumstances; establishing guidelines for the investment and management of assets as a prudent investor; establishing factors to be considered in determining whether certain fiduciaries have acted properly; defining certain terms; providing for the application of this Act; and generally relating to the conduct of certain fiduciaries under a prudent investor standard.

BY adding to

Article – Estates and Trusts
Section 15-101(k) and 15-114
Annotated Code of Maryland
(1991 Replacement Volume and 1993 Supplement)

BY repealing and reenacting, with amendments,

Article – Estates and Trusts
Section 13-312(b)
Annotated Code of Maryland
(1991 Replacement Volume and 1993 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Estates and Trusts

15-101.

(K) "TRUST COMPANY" HAS THE MEANING STATED IN § 1-101 OF THIS ARTICLE.

15-114.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "FIDUCIARY" MEANS:

(I) A ~~CORPORATE FIDUCIARY~~ TRUST COMPANY;

(II) AN INVESTMENT ADVISOR THAT IS CONTROLLED BY OR IS UNDER COMMON CONTROL WITH A ~~CORPORATE FIDUCIARY~~ TRUST COMPANY; OR