Public Law 976 CHAPTER 947

August 3, 1956
[H. R. 11090]

AN ACT

Concerning gifts of securities to minors in the District of Columbia.

Gifts of securities to minors in D. C.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) with respect to the District of Columbia, any adult person may make a gift of securities to a person who has not attained the age of 21 years on the date of the gift (hereinafter referred to as the "minor") in the following manner:

Registration.

(1) Securities, if in registered form, shall be registered by the donor in his own name or in the name of any adult member of the minor's family or in the name of any guardian of the minor, followed by the words "as custodian, for

_____,
(Name of minor)

a minor, under the laws of the District of Columbia", and the securities shall be delivered to the person in whose name they are thus registered as custodian. If the securities are thus registered in the name of the donor as custodian such registration shall of itself constitute the delivery required by this section.

Delivery; deed of gift.

(2) Securities, if in bearer form, shall be delivered by the donor to any adult member of the minor's family, other than the donor, or to any guardian of the minor, accompanied by a deed of gift duly acknowledged in substantially the following form, signed by the donor and the person designated therein as custodian:

DEED OF GIFT UNDER THE LAWS OF THE DISTRICT OF COLUMBIA

I, _____ do hereby deliver to
(Name of donor)
_____, as custodian for
(Name of custodian)
_____, a minor, under the
(Name of minor)
laws of the District of Columbia, the following security(ies): Principal amount $_____, of the_____
(Description of security)
_____. Serial number of security _____.
or
Certificate No. _____, representing _____ shares of the
_____ stock of _____.
(Class or type of stock) (Name of company)

_____
(Signature of donor)

I, _____, do hereby acknowl-
(Name of custodian)
edge receipt of the above described security(ies).

_____
(Signature of custodian)

Dated: _____.

(b) The person designated as a custodian under this section is hereinafter called "the custodian".

SEC. 2. A gift made in the manner prescribed in the first section of this Act shall be irrevocable and shall convey to the minor indefeasibly vested legal title to the securities thus delivered, but no guardian of the person or property of the minor shall have any rights, duties or authority with respect to any property held at any time by the cus-

todian under the authority of this Act unless said guardian shall himself be or become custodian in accordance herewith.

Management, etc., by custodian.

SEC. 3. (a) The custodian shall hold, manage, invest and reinvest the property held by him as custodian, including any unexpended income therefrom, as hereinafter provided. He shall collect the income therefrom and apply so much or the whole thereof and so much or the whole of the other property held by him as custodian as he may deem advisable for the support, maintenance, education and general use and benefit of the minor, in such manner, at such time or times, and to such extent as the custodian in his absolute discretion may deem suitable and proper, without court order, without regard to the duty of any person to support the minor and without regard to any other funds which may be applicable or available for the purpose. To the extent that property held by the custodian and the income thereof is not so expended, it shall be delivered or paid over to the minor upon the minor's attaining the age of twenty-one years, and in the event that the minor dies before attaining the age of twenty-one years it shall thereupon be delivered or paid over to the estate of the minor.

(b) The custodian may sell, exchange, convert, or otherwise dispose of any and all of the securities or other property held by him in such manner and at such time or times, for such prices and upon such terms as he may deem advisable; he shall have the power in his sole and absolute discretion to retain any and all securities delivered to him within the meaning and under the authority of this Act without reference to the statutes relating to permissible investments by fiduciaries; he shall invest the minor's property in such securities as would be acquired by prudent men of discretion and intelligence who are seeking a reasonable income and the preservation of their capital without reference to the statutes relating to permissible investments by fiduciaries or hold part or all of the same in one or more bank accounts in his name as such custodian; he may vote in person or by general or limited proxy with respect to any securities held by him; he may consent directly or through a committee or other agent to the reorganization, consolidation, dissolution or liquidation of any corporations, the securities of which may be held by him, or to the sale, lease, pledge or mortgage of any property by or to any such corporation.

(c) In addition to the foregoing rights, powers, and duties with respect to any securities or other property held by the custodian, the custodian, in his name as such custodian, shall have all the powers of management which a guardian of the property of the minor would have.

(d) The custodian may execute and deliver any and all instruments in writing which he may deem advisable to carry out any of the foregoing powers. No issuer of securities, transfer agent, registrar, or bank, or other person acting on the instructions of any person purporting to be a custodian or donor, shall be responsible for determining whether any person has been duly designated as a custodian under this Act, or whether any purchase, sale, or transfer to or by any person as custodian is in accordance with or authorized by this Act, or shall be obliged to inquire into the validity under this Act of any instrument or instructions executed or given by a person purporting to act as custodian or donor, or be bound to see to the application by any person purporting to act as custodian of any money or other property paid or delivered to him. All registered securities held by the custodian from time to time shall be registered in his name followed by the words "as custodian for

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(Name of minor)

a minor under the laws of the District of Columbia". All other property held by the custodian for the minor under the authority of this Act shall be kept separate and distinct from the custodian's own personal funds and property and shall be maintained at all times in such a manner as to identify it clearly as the minor's property held by the custodian under the authority of this Act.

Reimbursement.

SEC. 4. A person acting as custodian, other than a guardian of the property of the minor, shall receive no compensation for his services but shall be entitled to reimbursement from the property held by him as custodian for the reasonable expenses incurred in the performance of his duties hereunder. A guardian of the property of the minor, when acting as custodian under the authority of this Act, may receive such additional compensation for his services as guardian as he would be entitled to receive if the property held by him as custodian hereunder were held by him in his capacity as guardian, in addition to the other property of the minor held by him in that capacity.

Liability.

SEC. 5. A custodian who is not compensated for acting as such shall be under no obligation to give bond for the faithful performance of his duties and shall not be liable for any losses to the property held by him except such as are the result of his bad faith or intentional wrongdoing or result from his investing the minor's property in a manner other than as prescribed in section 3 (b) of this Act.

Resignation.

SEC. 6. A custodian may resign by (1) executing and duly acknowledging an instrument of resignation designating a successor custodian who is an adult member of the minor's family or a guardian of the minor, (2) delivering such instrument to the successor custodian, (3) causing securities, if in registered form, to be registered in the name of the successor custodian as such, and (4) delivering to the successor custodian such securities so registered together with all other property held by him as custodian.

Death or incapacity of custodian.

SEC. 7. In the event of the death or incapacity of the custodian before the minor attains the age of twenty-one years, if there is a duly appointed and acting general guardian of the property of the minor at the time of such death or incapacity of the custodian, he shall become the successor custodian, but if there is no duly appointed and acting general guardian of the property of the minor at said time, the successor custodian shall be the adult member of the minor's family or a guardian of the minor, designated by will or duly acknowledged instrument of appointment executed by the last acting custodian. If no such designation is made by the last acting custodian, his legal representative may designate in writing an adult member of the minor's family or a guardian of the minor a successor custodian.

Powers of successor custodian.

SEC. 8. Any successor custodian shall have all the rights, powers and duties of a custodian under the authority of this Act.

Action against custodian.

SEC. 9. The next friend or legal representative of a minor, in whose behalf securities are held by a custodian under this Act, or the minor in his own right, no later than one year after reaching twenty-one years of age, shall be entitled to maintain an action in the United States District Court for the District of Columbia against such custodian, or his estate for an accounting and delivery of the securities and unexpended income, in the event of the death, inability, or neglect to act of such custodian.

"Security".

SEC. 10. (a) The term "security" as used in this Act means any note, stock, bond, debenture, evidence of indebtedness, collateral trust certificate, transferable share, voting trust certificate, certificate of deposit for a security or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, temporary or interim certificate for, or warrant or right to subscribe to or purchase, any of the foregoing.

"Registered form".

(b) A security is in "registered form" when its terms specify a person entitled to the security or to the rights it evidences and specify that its transfer may be registered upon books maintained for that purpose by or on behalf of an issuer.

"Bearer form".

(c) A security is in "bearer form" when it runs to bearer according to its terms and not by reason of any endorsement.

(d) The term "member of the minor's family" as used in this Act means the minor's parents, grandparents, brothers, sisters, uncles and aunts, whether of the whole blood or the half blood, or by or through legal adoption.

(e) The term "legal representative" as used in this Act means, as may be appropriate in the circumstances, the executor, administrator, general guardian, or committee (conservator) of the property of the person to whose legal representative reference is made.

(f) A gift made under authority of this Act to a guardian of the minor as custodian shall be deemed to have satisfied the requirements of this Act if the person to whom delivery has been made is either guardian of the person or guardian of the property of the minor, duly appointed in the District of Columbia or in the State, Territory or country where the minor was domiciled at the time of the delivery of the gift.

SEC. 11. This Act shall not be construed as providing an exclusive method for making gifts of securities to minors.

Approved August 3, 1956.

Public Law 977 CHAPTER 948

AN ACT

August 3, 1956
[H. R. 10383]

To provide for the conveyance of certain real property of the United States to the city of Vero Beach, Florida.

Vero Beach, Fla.
Conveyance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is authorized and directed to convey, without consideration, to the city of Vero Beach, Florida, all of the right, title, and interest of the United States in and to certain real property described as follows:

Lots 17, 18, 19, 20, 21, and the south 15 feet of lot 22 of block 48, also known as the city hall block, in the original town of Vero (now city of Vero Beach), Florida, according to plat thereof recorded in the office of the clerk of the circuit court of Saint Lucie County, Florida, situated in Vero Beach, Indian River County, Florida; and also all that part of the alleys shown upon the plat of the above-described property which lie east of lots 6, 7, 8, 9, 10, and 11 of the above-described block; and also all of the alley as shown upon the plat of said above-described block which lies north of the east 25 feet of lot 12 and north of lots 13, 14, 15, and 16 of said above-described block.

SEC. 2. (a) The Administrator of General Services is authorized and directed to convey to the city of Vero Beach, Florida, in consideration of the payment by such city of an amount equal to the fair market value of the property at its highest and best use as determined by said Administrator, all of the right, title, and interest of the United States in and to certain real property described as follows:

Lots 6 to 11, inclusive, block 48, also known as the city hall block, in the original town of Vero (now city of Vero Beach), Florida, according to plat thereof recorded in the office of the clerk of the circuit court of Saint Lucie County, Florida, situated in Vero Beach, Indian River County, Florida.