



# BULLETIN

NO. B-90-2

TO: Chief Executive Officers of All State-Chartered  
Banks and Examining Personnel

RE: Trust Powers/Pre-Need Funeral Accounts

DATE: April 24, 1990

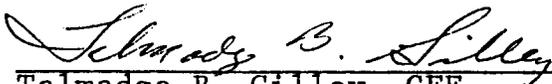
The Department of Financial Institutions reminds state-chartered banks that trust powers are required to accept or establish the following types of accounts authorized by the corresponding statutes:

Pre-need funeral accounts (T.C.A. Section 62-5-401 et. seq.)  
Cemetery care accounts (T.C.A. Section 45-2-301 et. seq.)  
Pre-need cemetery merchandise and services accounts  
(T.C.A. Section 46-2-401 et. seq.)

If a state-chartered bank is servicing these accounts without having trust powers, it must either obtain trust powers or divest itself of these accounts. Additionally, state-chartered banks are reminded that even if their trust activities are limited to servicing these accounts, the bank must still note on all call reports, examinations, questionnaires, etc. that the bank has, and is, exercising trust powers.

Furthermore, should the Directorate of your institution elect to commence the exercise of fiduciary powers which were originally granted in the Bank's charter, but are presently not exercised, please provide this office with written advance notification prior to the commencement of such powers.

Any inquiries pertaining to this matter may be directed to Trust Examiner, Vivian Scruggs, or Staff Attorney, Roger Thomas.

  
Talmadge B. Gilley, CFE  
Commissioner