



**THE ATTORNEY GENERAL
OF TEXAS**

GERALD C. MANN
~~XXXXXXXXXXXXXXXXXXXX~~
ATTORNEY GENERAL

AUSTIN 11, TEXAS

Honorable A. J. Lockett
County Attorney
Comal County
New Braunfels, Texas

Dear Sir:

Opinion No. 0-1778
Re: Shares of stock in federal
savings and loan associations
are expressly authorized by
Article 881a, Sec. 24, as
investments for administra-
tors, executors, guardians,
trustees and other fiduciaries.

We are pleased to reply to your letter of February 3, 1940, addressed to Gerald C. Mann, wherein you request an opinion of this department on "the validity of shares in Federal Savings and Loan Associations as investments for guardians, administrators, trustees, and other fiduciaries."

Article 842a, of the Revised Civil Statutes of Texas, to which you refer, leaves the matter in considerable doubt inasmuch as it refers only to "mortgages, bonds, debentures, notes, collateral trust certificates, and other such evidences of indebtedness." Fortunately, however, any doubt on this question has been removed by Senate Bill No. 13, enacted by the Regular Session of the 46th Legislature, Acts, 1939, which appears as Article 881a, Section 24, of Vernon's Annotated Texas Statutes, 1925, as amended. This Article reads in part as follows:

"Administrators, executors, guardians, trustees or other fiduciaries, may in such capacity for a named beneficiary, acquire and hold shares or share accounts in any building and loan association organized under the laws of this State, or in any Federal savings and loan association domiciled in this State, and shall have the same rights and be subject to the same obligations, privileges and remedies as other shareholders and members. . . ."

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By virtue of the express terms of the above quoted statute, you have unquestionably been correct in advising your Probate Judge that shares of stock in a Federal Savings and Loan Association are valid investments for all fiduciaries.

Yours very truly

ATTORNEY GENERAL OF TEXAS

s/ walter R. Koch

By

Walter R. Koch
Assistant

APPROVED FEB. 8, 1940
S/ Gerald C. Mann
ATTORNEY GENERAL OF TEXAS

WRK:CO/cge

APPROVED OPINION COMMITTEE
By EWB, Chairman