



**DBF GUIDANCE FOR GEORGIA STATE-CHARTERED BANKS, BANK HOLDING  
COMPANIES, CREDIT UNIONS, AND TRUST COMPANIES**

**TO:** Supervision Staff

**CC:** Georgia State-Chartered Banks Exercising Fiduciary Powers; Trust Companies

**FROM:** Melissa Sneed  
Deputy Commissioner for Supervision

**SUBJECT:** VOTING OF OWN BANK OR OWN BANK HOLDING COMPANY STOCK HELD  
IN FIDUCIARY CAPACITY

**DATE:** March 10, 2025

---

O.C.G.A. §§ 7-1-436(c) and 14-2-721(c) permits a bank or corporation to vote any shares, including its own shares, held by it in a fiduciary capacity. It is the policy of this Department that all banks and trust companies exercising fiduciary powers should, through their respective Board of Directors, adopt a specific policy regarding the voting of own bank or own bank holding company stock which is held in a fiduciary capacity. These internal policies should cover steps that will be taken to avoid any actual or potential conflict of interest. In a co-fiduciary situation, it may be appropriate for the bank or trust company to permit voting of the stock by the co-fiduciary. A problem does not automatically result when a bank or trust company fiduciary votes its own stock, if it represents the best interests of the trust beneficiary. However, a beneficiary could assert that the bank or trust company did not act in the best interests of the beneficiary but rather voted the stock for its own corporate purposes. These risks and the fact that fiduciaries are frequently subject to litigation by beneficiaries are the basis for the Department's requirement that a bank trust department or trust company have a firm policy regarding the voting of its own stock held in a fiduciary capacity prior to any action being taken which could present future problems.

It will continue to be the responsibility of examiners to review the individual situations in each trust department and internal policies and safeguards to determine whether a conflict of interest appears to exist. Examiners should routinely request copies of all trust policies at the beginning of each examination and should review these policies and discuss with trust department management. If a situation is deemed to be creating a potential conflict of interest, appropriate comments should be made by the examiner in the Report of Examination.