

633.4102 Trustee's bond.

1. A trustee is not required to give a bond to secure performance of the trustee's duties unless one of the following applies:

a. A bond is expressly required by the terms of the trust.

b. A bond is found by the court to be necessary to protect the interests of beneficiaries, regardless of the terms of the trust.

2. If a bond is required, it must be filed, and be in an amount and with sureties and liabilities as the court may order. The court may excuse a requirement of a bond, reduce or increase the amount of a bond, release a surety, or permit the substitution of another bond with the same or different sureties.

3. The amount of a bond otherwise required may be reduced by the value of trust property deposited with a financial institution in a manner that prevents its unauthorized disposition, and by the value of real property which the trustee, by express limitation of power, lacks power to convey without court authorization.

4. Except as otherwise provided by the terms of the trust or ordered by the court, the cost of a bond is charged to the trust.

5. A bank or trust company shall not be required to give a bond, whether or not the terms of the trust require a bond.

99 Acts, ch 125, §37, 109