

524.1008 Succession of fiduciary accounts to an independent bank.

1. *a.* A state bank authorized to act in a fiduciary capacity may enter into an agreement for the succession of fiduciary accounts with a trust company subsidiary authorized by the superintendent pursuant to [section 524.802](#), [subsection 12](#), paragraph “*b*”, or one or more other state or national banks that are located in this state and authorized to act in a fiduciary capacity. In the agreement, the succeeding bank or trust company subsidiary may agree to succeed the relinquishing bank as a fiduciary with respect to those fiduciary accounts which are designated in the agreement. The designation of accounts may be by general class or description and may include fiduciary accounts subject and not subject to court administration and fiduciary accounts to arise in the future under wills, trusts, court orders, or other documents under which the relinquishing bank is named as a fiduciary or is named to become a fiduciary upon the death of a testator or settlor or upon the happening of any other subsequent event. The agreement shall provide that one of the following applies:

(1) That the succeeding bank or trust company subsidiary maintain one or more employees or agents at the office of the relinquishing bank in order to facilitate the continued servicing of the designated fiduciary accounts.

(2) That the relinquishing bank act as an agent of the succeeding bank or trust company subsidiary with respect to the fiduciary accounts that are subject to the agreement, and the relinquishing bank as an agent may perform services other than fiduciary services with respect to those accounts.

b. If the relinquishing bank is an agent under the alternative specified in paragraph “*a*”, subparagraph (2), then the relinquishing bank shall disclose to its customers that it is acting as an agent of the succeeding bank or trust company subsidiary. The relinquishing bank shall mail a notice of the succession to all persons having an interest in a fiduciary account at their last known address, and shall publish a notice of the succession to fiduciary accounts in a newspaper published in the county of the principal place of business of the relinquishing bank. After the publication, the succeeding bank or trust company subsidiary shall, without further notice, approval or authorization succeed the relinquishing bank as to the fiduciary accounts and the fiduciary powers, rights, privileges, duties, and liabilities for the fiduciary accounts. On the effective date of the succession to fiduciary accounts, the relinquishing bank is released from fiduciary duties under the fiduciary accounts and shall discontinue its exercise of trust powers to the fiduciary accounts. [This subsection](#) does not absolve a relinquishing bank from liabilities arising out of a breach of fiduciary duty occurring prior to the succession of fiduciary accounts.

2. Within sixty days after the mailing and publication of the notice, a person with an interest in a fiduciary account included within the notice and agreement required by [subsection 1](#) may apply to the district court in the county in which the notice is published for the appointment of a new fiduciary on the ground that the succeeding fiduciary will adversely affect the administration of the fiduciary account. After notice to all interested parties and a hearing on the issues, the court may appoint a new fiduciary to replace the succeeding fiduciary if it finds that the substitution of the succeeding fiduciary will adversely affect the administration of the account and that the appointment of a new fiduciary would be in the best interests of the beneficiaries of the fiduciary account. [This subsection](#) is in addition to [section 633.65](#) governing the removal of a fiduciary.

3. A bank shall not agree to relinquish fiduciary accounts to or act as an agent of more than one succeeding fiduciary at any one time.

4. The privilege of succeeding to fiduciary accounts that is extended to a state bank or trust company subsidiary by [subsection 1](#) is also extended on the same terms and conditions to a national bank located in this state and organized under 12 U.S.C. §21.

[84 Acts, ch 1167, §2; 96 Acts, ch 1056, §12; 2013 Acts, ch 90, §160](#)