

524.1007 Succession of fiduciary accounts to another financial institution.

1. A state bank or other entity authorized to act in a fiduciary capacity may enter into an agreement for the succession of any fiduciary accounts with one or more other banks or trust companies, including trust companies organized under the laws of another state, that are authorized to act in a fiduciary capacity under the laws of this state, the laws of another state, or a national bank to the extent permitted by the laws of the United States. In the agreement, the succeeding bank or trust company may agree to succeed the relinquishing bank or trust company as a fiduciary 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 or trust company 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.

2. The relinquishing bank or trust company shall provide, at least twenty days preceding the effective date for the succession of the fiduciary accounts, notice of the pending succession, as required by [chapter 633](#), [633A](#), [633B](#), or any other applicable chapter, to all persons shown in the records of the relinquishing bank or trust company to have a beneficial interest in the fiduciary accounts or entitled to notice or an accounting under the terms of the will, trust instrument, or other governing instrument of the fiduciary account, [chapter 633](#), [633A](#), or [633B](#), or other applicable statute under which the relinquishing bank or trust company has been operating as a fiduciary. In order to account for unknown or prospective appointments, the relinquishing bank or trust company 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 or trust company, and the notice must be published on the relinquishing bank or trust company's internet site for at least twenty days preceding the effective date of the agreement for the succession of fiduciary accounts. For any fiduciary accounts that are employee benefit plans, the relinquishing bank or trust company may satisfy [this subsection](#) by sending the required notice to the plan sponsors.

3. Following the publication and notice described in [this section](#), the succeeding bank or trust company shall, on the effective date of the agreement for the succession of fiduciary accounts and without further notice, approval, or authorization, succeed to the relinquishing bank or trust company 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 or trust company is released from the fiduciary duties under the fiduciary accounts and shall discontinue its exercise of fiduciary powers over the fiduciary accounts. Notice of such fiduciary succession shall be filed of record for each parcel of real estate in this state subject to such fiduciary succession unless all of the fiduciary accounts held by the relinquishing bank or trust company are subject to the agreement for succession of fiduciary accounts, in which case the relinquishing bank or trust company shall file notice of the succession in the county recorder's office of all counties in which the fiduciary accounts of the relinquishing bank or trust company owned real estate prior to the effective date of the agreement. [This subsection](#) does not absolve a relinquishing bank or trust company from liabilities arising out of a breach of fiduciary duty occurring prior to the effective date of the succession to fiduciary accounts.

4. 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](#) and any other applicable provision governing the removal of a fiduciary.

5. The privilege of succeeding to fiduciary accounts that is extended to a state bank or trust company by [this section](#) is also extended on the same terms and conditions to a national

bank organized under 12 U.S.C. §21 et seq. to engage generally in the banking business, and to out-of-state banks and trust companies that are authorized to serve as a fiduciary in this state pursuant to [section 633.64](#).

6. For a fiduciary account governed by Iowa law, a relinquishing bank or trust company may transfer the situs of the fiduciary account to a jurisdiction other than Iowa if the will, trust instrument, or other governing instrument of the fiduciary account so provides, if all persons interested in the fiduciary account consent to the transfer, or as otherwise authorized by applicable law.

[84 Acts, ch 1167, §1](#); [96 Acts, ch 1056, §11](#); [2022 Acts, ch 1062, §97](#)