

VIRGINIA ACTS OF ASSEMBLY -- 1998 SESSION

CHAPTER 392

An Act to amend and reenact §§ 26-48 and 26-51 of the Code of Virginia, relating to appointment of new trustee.

[S 321]

Approved April 12, 1998

Be it enacted by the General Assembly of Virginia:

1. That §§ 26-48 and 26-51 of the Code of Virginia are amended and reenacted as follows:

§ 26-48. Court may appoint trustee in place of one dead, resigned, etc.

When a trustee in a will, deed or other writing (1) dies, (2) becomes incapable of executing the trust on account of physical or mental disability or confinement in prison, (3) removes beyond the limits of the Commonwealth, (4) declines to accept the trust, (5) having accepted, resigns the same, as he may be allowed to do, (6) if ~~such trustee be~~ *is* a corporation, ~~be and such corporation is~~ *is* adjudicated a bankrupt, or for any reason ~~lose~~ *loses* its charter, or (7) for any *other* good cause shown, the circuit court of the county, ~~or the circuit, corporation or other court of the city in which such will was admitted to probate, or such deed or other writing is or might have been recorded, or if the trustee is a corporation, in which its principal office in the Commonwealth is located, or in which the trustee resides, or the judge thereof in vacation, may on motion of any party interested, and upon satisfactory evidence of such death, incapacity, confinement, removal, declination, resignation, bankruptcy, loss of charter, or of such other good cause, appoint a trustee or trustees in place of the trustee or trustees named in such instrument.~~

In addition, the court may appoint a substitute corporate trustee whenever a corporate trustee removes the management function over an existing trust which was previously managed in the Commonwealth to a jurisdiction outside of the Commonwealth if the court finds that the management of such trust after such removal results in good cause for the substitution of such trustee. A corporate trustee that maintains a place of business in the Commonwealth where one or more trust officers are available on a regular basis for personal contact with trust customers or beneficiaries shall not be deemed to have removed such management function.

~~Where the only courts of record in a city are a corporation court and a circuit court and both have the same clerk, then each of said courts shall have all the powers herein provided and any such decree or order of substitution heretofore made by such city, corporation, or city circuit court is hereby validated.~~

§ 26-51. Who to execute the trust until new trustee appointed.

~~Until such appointment is made under § 26-48, If~~ the personal representative of a deceased sole trustee or of a deceased trustee who at the time of his death was the only trustee qualified to act, or if there ~~be~~ *is* more than one trustee, and one or more but less than all of them have died, resigned, or become incapable of executing the trust on account of physical or mental disability or confinement in prison or other institution, or ~~removed~~ *removal* from the Commonwealth *of themselves*, or declined to accept the trust, the remaining trustee or trustees, shall execute the trust, or so much thereof as remained unexecuted at the death, removal, declination, or resignation aforesaid, or at the time such incapacity came into being (whether the trust subject ~~be~~ *is* real or personal property) *until an appointment is made pursuant to § 26-48 unless the instrument creating the trust directs otherwise, or some other trustee be is* appointed for the purpose by a *circuit court of chancery* having jurisdiction of the case. *In the case of removal of the trust management function by a corporate trustee, the corporate trustee shall continue to execute the trust until such time as an appointment is made pursuant to § 26-48.*

This section and §§ 26-48 through 26-50 shall not apply to any case provided for by § 55-29.