
By: **Delegates Rosenberg, Grosfeld, Hurson, and Billings**

Introduced and read first time: February 4, 1998

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Estates and Trusts - Successor Corporate Fiduciary - Notice of Substitution**

3 FOR the purpose of authorizing a notice of substitution of a successor corporate
4 fiduciary to be delivered by first-class mail under certain circumstances; and
5 generally relating to successor corporate fiduciaries.

6 BY repealing and reenacting, with amendments,
7 Article - Estates and Trusts
8 Section 15-1A-04
9 Annotated Code of Maryland
10 (1991 Replacement Volume and 1997 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Article - Estates and Trusts**

14 15-1A-04.

15 (a) When a successor fiduciary is substituted under this subtitle, the successor
16 fiduciary shall [send] GIVE notice to the following persons [at the person's last
17 known address]:

18 (1) Each cofiduciary of the successor fiduciary;

19 (2) Each surviving settlor of a trust;

20 (3) Each person who, alone or in conjunction with others, has the power
21 to remove any corporate fiduciary; and

22 (4) (i) Except as provided in subparagraph (ii) of this paragraph, each
23 beneficiary of a trust, estate, or fund with respect to which a substitution of corporate
24 fiduciary under this title is made.

1 (ii) In the case of a trust described in 26 U.S.C. § 401(a), notice
2 shall be given to the employer or employee organization responsible for the
3 maintenance of the trust.

4 (b) [The] WITHIN 30 DAYS BEFORE OR AFTER SUBSTITUTION OF THE
5 SUCCESSOR FIDUCIARY, THE notice required under subsection (a) of this section shall
6 be:

7 (1) (I) Personally delivered [or mailed];

8 (II) MAILED by registered mail, postage prepaid, return receipt
9 requested, [within 30 days before or after substitution of the successor fiduciary] TO
10 THE PERSON'S LAST KNOWN ADDRESS; OR

11 (III) MAILED BY FIRST-CLASS MAIL, POSTAGE PREPAID, TO THE
12 PERSON'S LAST KNOWN ADDRESS, IF THE PERSON HAS CONSENTED IN WRITING TO
13 DELIVERY BY FIRST-CLASS MAIL; and

14 (2) Published once a week in 3 successive weeks in one or more
15 newspapers of general circulation published in the county in which the principal place
16 of business of the successor fiduciary is located.

17 (c) The notice required under subsection (a) of this section shall contain:

18 (1) The name of the predecessor corporate fiduciary;

19 (2) The name of the successor fiduciary;

20 (3) The effective date of substitution of the successor fiduciary; and

21 (4) A statement of the rights and procedures available under subsection
22 (d) of this section.

23 (d) (1) In this subsection, "interested party" means a person who:

24 (i) Is entitled to notice under subsection (a) of this section; and

25 (ii) Has an interest in the trust, estate, or fund that is the subject of
26 a complaint filed under this subsection.

27 (2) A person entitled to notice under subsection (a) of this section who
28 objects to the appointment of the successor fiduciary may, within 60 days after
29 substitution of the successor fiduciary, file a complaint for removal of the successor
30 fiduciary in the circuit court for the county in which the principal place of business of
31 the successor fiduciary is located.

32 (3) After notice to all interested parties and a hearing, the court may
33 appoint a new fiduciary to replace the successor fiduciary if it finds that substitution
34 of the successor fiduciary under § 15-1A-02 of this subtitle will adversely affect
35 administration of the trust, estate, or fund and that appointment of a new fiduciary
36 will be in the best interests of the plaintiff and all other interested parties.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 1998.