

SENATE BILL NO. 2325

Introduced by

Senator C. Nelson

1 A BILL for an Act to amend and reenact section 59-02-20 of the North Dakota Century Code,
2 relating to the discharge of a trustee.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 59-02-20 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **59-02-20. Discharge of trustee.**

7 1. A trustee can be discharged from the trustee's trust only as follows:

8 1- a. By the extinction of the trust;

9 2- b. By the completion of the trustee's duties under the trust;

10 3- c. By such means as may be prescribed by the declaration of trust;

11 4- d. By the consent of the beneficiary, if the beneficiary has capacity to contract;

12 5- e. By the judgment of a competent tribunal, in a direct proceeding for that
13 purpose, that the trustee is ~~of unsound mind~~ mentally incompetent; ~~or~~

14 6- f. By the district court for failure to comply with section 30.1-34-02;

15 g. By the district court for material conflict, animosity, or hostility between the
16 trustee and beneficiary;

17 h. By the district court upon criminal indictment or conviction for misappropriation
18 of entrusted property by a fiduciary under section 12.1-23-07; or

19 i. By the district court for any other justifiable reason.

20 2. A trustee may not be reimbursed from trust assets for attorney fees incurred for
21 discharge proceedings pursuant to subdivision e, f, g, h, or i of subsection 1.