

# VIRGINIA BANKERS ASSOCIATION

VBA COMMITTEES

## Agenda

VBA Trust & Wealth Management Committee Meeting  
Friday, March 1, 2024  
10:30 a.m. to 12:00 p.m. | Virtual (Zoom Meeting Information Below)

### *Trust & Wealth Management Committee Mission Statement*

*To provide a venue for collaboration and sharing of ideas to foster a robust Trust and Wealth Management environment in the Commonwealth of Virginia so that Clients benefit by way of expanded competitive services and delivery options; Trust and Wealth Management Executives grow professionally through peer exchange and education; Banks benefit from developing ways to offer Trust and Wealth Management services as part of comprehensive relationships with clients; and the VBA promotes, represents and enhances the bank Trust and Wealth Management industry with the support of state legislative and regulatory officials.*

#### **I. Welcome – Jeff Hassler, Chairman**

#### **II. Corporate Transparency Act and corporate trustee Beneficial Owner reporting**

1. What position are other corporate trustees (that are otherwise exempt under the Corporate Transparency Act (e.g. banks)) taking with regard to reporting beneficial ownership (and/or control) of a reporting company when held via a trust where the corporate trustee is serving a trustee?
2. If others are taking the position that they must file a BOI report because as trustee they have control and/or beneficial ownership over/of a reporting company, what are other corporate fiduciaries reporting and can anyone talk about that process and filing the report? Who is handling the filing and reporting for your company? Whose information is being reported for the trust company (e.g. the members of the discretionary committee, head of the trust department, members of the trust committee)? What information is being reported? Are trust companies requesting a FinCEN Identification Number? If so, who are they using as the applicant for the FinCEN Identification Number?

#### **III. General Assembly Update – Matthew Bruning, EVP, VBA, Government & Member Relations**

#### **IV. Roundtable Discussion**

#### **V. Adjourn**

#### **Zoom Link to Meeting:**

<https://us02web.zoom.us/j/84952070122?pwd=M2pCaIRUOWpCOWhEclZNUFIEd0d3UT09>

Meeting ID: 849 5207 0122

Passcode: 807457

#### **2024 Meeting Dates**

**May 10<sup>th</sup> (in person), September 13<sup>th</sup> (virtual) & November 15<sup>th</sup> (in person)**

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 64.2-732 of the Code of Virginia, relating to modification or termination*  
3 *of uneconomic trust; notice.*

4 [H 332]  
5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That § 64.2-732 of the Code of Virginia is amended and reenacted as follows:**

8 **§ 64.2-732. Modification or termination of uneconomic trust.**

9 A. After notice to the qualified beneficiaries, the trustee of a trust consisting of trust property having  
10 a total value less than \$100,000 may terminate the trust *without court approval* if the trustee concludes  
11 that the value of the trust property is insufficient to justify the cost of administration. *Notice required by*  
12 *this section shall be sent in accordance with § 64.2-707.*

13 B. The court may modify or terminate a trust or remove the trustee and appoint a different trustee if  
14 it determines that the value of the trust property is insufficient to justify the cost of administration.

15 C. Upon termination of a trust under this section, the trustee shall distribute the trust property in a  
16 manner consistent with the purposes of the trust *and may simultaneously utilize the provisions of*  
17 *§ 64.2-779.*

18 D. This section does not apply to an easement for conservation or preservation.

19 E. *Expenses incurred by the trustee incident to the termination of a trust pursuant to this section*  
20 *shall be paid by the trust estate.*

ENROLLED

HB332ER

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SENATE BILL NO. 566

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee for Courts of Justice  
on February 12, 2024)

(Patron Prior to Substitute—Senator Deeds)

A BILL to amend and reenact § 64.2-800 of the Code of Virginia, relating to trusts; release or ratification of trustee by beneficiary.

Be it enacted by the General Assembly of Virginia:

1. That § 64.2-800 of the Code of Virginia is amended and reenacted as follows:

§ 64.2-800. Beneficiary's consent, release, or ratification.

A. A trustee is not liable to a beneficiary for breach of trust if the beneficiary consented to the conduct constituting the breach, released the trustee from liability for the breach, or ratified the transaction constituting the breach, unless:

1. The consent, release, or ratification of the beneficiary was induced by improper conduct of the trustee; or

2. At the time of the consent, release, or ratification, the beneficiary did not know of the beneficiary's rights or of the material facts relating to the breach.

B. A beneficiary shall be deemed to have released a trustee and ratified all actions of a trustee for the administration of the trust if, when the trust terminates or the trustee ceases to serve:

1. The trustee sends the beneficiary the following:

a. A report as described in subsection C of § 64.2-775, for the immediately preceding two years;

b. The amount of any taxes, expenses, or fees, including trustee fees and any reserves, remaining to be paid;

c. Notice that (i) the trust is terminating or that the trustee is ceasing to serve; (ii) if the beneficiary does not object in writing to the trustee within 60 days after the trustee sent the notice and information, the beneficiary shall be deemed to have released the trustee and ratified all actions of the trustee; and (iii) the trustee is unaware of any undisclosed information that could give rise to a claim by the beneficiary; and

d. If the trust is terminating, a description of any trust property or interests reasonably anticipated but not yet received and a proposal for distribution; and

2. The beneficiary does not notify the trustee of the beneficiary's objection in writing within 60 days after the trustee sent the notice and information pursuant to subdivision 1.

C. The provisions of subsection B shall not apply to a transaction pursuant to Article 8.1 (§ 64.2-779.1 et seq.) of Chapter 7.

D. In the event the trustee is not released and his actions ratified pursuant to the process provided by subsection B, the trustee shall not be precluded from obtaining a release of liability by another permitted method.

E. When a trustee complies with the provisions of subsection B, has received no objection or has resolved any objection, and distributes the assets of a terminating trust to a beneficiary or to a successor trustee, such action shall have the same legal and preclusive effect as if a court had entered a final order approving the trustee's final account or approving the trustee's interim accounts. A beneficiary or other party who received the notice and statements and either consented or did not object shall be prohibited from bringing a claim against the trustee.

SENATE SUBSTITUTE

SB566S1