CHAPTER 29

Trust Companies

**SECTION 21‑29‑90.** Affiliated trust company defined.

 (A) For the purposes of this section, an “affiliated trust company” is a trust company that is owned by the bank which has designated it as an agent or is owned, directly or indirectly, by the same bank holding company that owns, directly or indirectly, the bank which has designated it as an agent.

 (B) Any bank is authorized to designate an affiliated trust company as its agent for the performance of all acts, obligations, and responsibilities of the bank with respect to any fiduciary or other services generally rendered by bank trust departments. In that event, the bank remains fully responsible and liable with respect to all actions of the affiliated trust company as if performed by the bank itself. No such agency relationship:

 (1) may be considered an impermissible delegation of responsibility or duty by the bank; or

 (2) constitutes a resignation or disqualification of the bank as fiduciary or a relinquishment of trust powers by the bank.

HISTORY: 1987 Act No. 106, Section 1.

RESEARCH REFERENCES

Treatises and Practice Aids

Bogert ‑ the Law of Trusts and Trustees Section 136, Trust Companies as Trustees.