

SUMMARY STATEMENT

Frizzell v. DeYoung

No. 44975

The Idaho Supreme Court reversed the Kootenai County district court's order dismissing Donald Frizzell's complaint against Edwin and Darlene DeYoung. Frizzell and the DeYoungs were parties to an existing trust, with Edwin serving as trustee and Frizzell and Darlene as beneficiaries. In an attempt to modify certain terms of the trust and resolve issues related to the administration of the trust, Frizzell and the DeYoungs entered into an agreement pursuant to the Trust and Estate Dispute Resolution Act (TEDRA) under Idaho Code section 15-8-101. Two years later, Frizzell filed suit against the DeYoungs alleging Edwin was breaching the TEDRA agreement and his fiduciary duty. The district court granted the DeYoungs' motion to dismiss based on provisions in the TEDRA agreement that purported to hold Edwin harmless for any actions taken in his role as trustee. The district court also stated Frizzell was bound by the TEDRA agreement to pursue nonjudicial dispute resolution, rather than file a lawsuit for Edwin's breach of duty.

On appeal, the Supreme Court held that the provisions purporting to exculpate Edwin from liability for future negligence and breaches of fiduciary duty were void as against public policy. The Supreme Court also held that Frizzell's complaint was not barred by TEDRA, as neither TEDRA nor the parties' TEDRA agreement required Frizzell to submit to nonjudicial dispute resolution before initiating the judicial process. Accordingly, the district court's order dismissing Frizzell's complaint was reversed and the case remanded.