

CHAPTER 52

TERMINATION OF TRUST

Original Senate file No. 55

AN ACT to create W.S. 4-8-112; and to amend W.S. 4-8-101(a) by creating a new paragraph (iv) and 4-8-103(c) by creating a new paragraph (xxvi) and by renumbering (xxvi) as (xxvii) relating to trusts; providing for the termination of trusts as specified; providing a procedure; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 4-8-112 is created to read:

4-8-112. Termination of trust; exception.

(a) If the fair market value of a trust is less than twenty-five thousand dollars (\$25,000.00), the trustee may terminate the trust by the following procedure:

(i) The trustee shall determine a plan of distribution that agrees, as nearly as possible, with the trust's dispositive plan;

(ii) The trustee shall give notice to all interested persons of his intent to distribute the assets in accordance with the plan unless an interested person objects within twenty (20) days after the date of the notice;

(iii) If no objection is received within twenty (20) days after the date of the notice, the trustee shall proceed to distribute the trust assets in accordance with the plan;

(iv) If the trustee receives a written objection to the plan within twenty (20) days of the date of the notice, the trustee shall not distribute the assets of the trust, but may then petition the court for an order authorizing distribution in accordance with the plan. The court shall have plenary authority to approve, modify or reject the trustee's petition.

(b) The existence of a spendthrift or similar provision shall not effect the trustee's powers under this section unless the trust instrument specifically provides that the trustee shall not have the power to terminate the trust.

Section 2. W.S. 4-8-101(a) by creating a new paragraph (iv) and 4-8-103(c) by creating a new paragraph (xxvi) and by renumbering (xxvi) as (xxvii) are amended to read:

4-8-101. Definitions.

(a) As used in this act:

(iv) "THIS ACT" MEANS W.S. 4-8-101 THROUGH 4-8-112.

4-8-103. Powers and duties generally of trustee.

(c) A trustee has the power, subject to subsections (a) and (b):

(xxvi) TO TERMINATE A TRUST PURSUANT TO W.S. 4-8-112;

~~(xxvi)~~(xxvii) To execute and deliver all instruments which will accomplish or facilitate the exercise of the powers vested in the trustee.

Section 3. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

Approved February 18, 1993.