

633.2102 Requirements for validity.

1. A trust is created only if all of the following elements are satisfied:
 - a.* The settlor was competent and indicated an intention to create a trust.
 - b.* The same person is not the sole trustee and sole beneficiary.
 - c.* The trust has a definite beneficiary or a beneficiary who will be definitely ascertained within the period of the applicable rule against perpetuities, unless the trust is a charitable trust, an honorary trust, or a trust for pets.
 - d.* The trustee has duties to perform.
2. A power in a trustee to select a beneficiary from an indefinite class is valid. If the power is not exercised within a reasonable time, the power fails and the property passes to the person or persons who would have taken the property had the power not been conferred.
3. A trust is not merged or invalid because a person, including but not limited to the settlor of the trust, is or may become the sole trustee and the sole holder of the present beneficial interest in the trust, provided that one or more other persons hold a beneficial interest in the trust, whether such interest be vested or contingent, present or future, and whether created by express provision of the instrument or as a result of reversion to the settlor's estate.

99 Acts, ch 125, §9, 109; 2002 Acts, ch 1107, §2; 2003 Acts, ch 95, §9