

637.605 Interested trustee requirements to convert or change computation method.

An interested trustee may proceed to take action under section 637.604 if all of the following apply:

1. The trustee adopts a written policy for the trust as follows:
 - a. In the case of a trust being administered as an income trust, requiring that future distributions from the trust will be unitrust amounts rather than net income.
 - b. In the case of a trust being administered as a total return unitrust, requiring that future distributions from the trust will be net income rather than unitrust amounts.
 - c. Requiring that the method used to determine the fair market value of the trust will be changed as stated in the policy.
2. The trustee appoints a disinterested person who, in the person's sole discretion, but acting in a fiduciary capacity, determines for the trustee the method to be used in determining the fair market value of the trust, and which assets, if any, are to be excluded in determining the unitrust amount.
3. The trustee sends written notice of the trustee's intention to take any action described in section 637.604, along with copies of such written policy, this subchapter, and the determination of the disinterested person to all of the following persons:
 - a. The trustor of the trust, if living.
 - b. All living persons who are currently receiving or eligible to receive distributions of income of the trust.
 - c. All living persons who would receive principal of the trust if the trust were to terminate at the time of the giving of such notice, without regard to the exercise of any power of appointment or, if the trust does not provide for its termination, all living persons who would receive or be eligible to receive distributions of income or principal of the trust if the persons identified in paragraph "b" were deceased.
 - d. All persons named in the governing instrument as adviser to or protector of the trust.
4. At least one person receiving notice under subsection 3, paragraphs "b" and "c", is legally competent.
5. No person receiving the notice described in subsection 3 objects, by written instrument delivered to the trustee, to the proposed action of the trustee within sixty days of receipt of such notice.

2002 Acts, ch 1086, §9, 21; 2003 Acts, ch 44, §105; 2003 Acts, ch 108, §111

Referred to in §637.604, 637.613