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DIVISION 9. TRUST LAW [15000 - 19530] (*Division 9 enacted by Stats. 1990, Ch. 79.*)

PART 4. TRUST ADMINISTRATION [16000 - 16504] (*Part 4 enacted by Stats. 1990, Ch. 79.*)

CHAPTER 1. Duties of Trustees [16000 - 16105] (*Chapter 1 enacted by Stats. 1990, Ch. 79.*)

ARTICLE 1. Trustee's Duties in General [16000 - 16015] (*Article 1 enacted by Stats. 1990, Ch. 79.*)

16000. On acceptance of the trust, the trustee has a duty to administer the trust according to the trust instrument and, except to the extent the trust instrument provides otherwise, according to this division.

(*Enacted by Stats. 1990, Ch. 79.*)

16001. (a) Except as provided in subdivision (b), the trustee of a revocable trust shall follow any written direction acceptable to the trustee given from time to time (1) by the person then having the power to revoke the trust or the part thereof with respect to which the direction is given or (2) by the person to whom the settlor delegates the right to direct the trustee.

(b) If a written direction given under subdivision (a) would have the effect of modifying the trust, the trustee has no duty to follow the direction unless it complies with the requirements for modifying the trust.

(*Enacted by Stats. 1990, Ch. 79.*)

16002. (a) The trustee has a duty to administer the trust solely in the interest of the beneficiaries.

(b) It is not a violation of the duty provided in subdivision (a) for a trustee who administers two trusts to sell, exchange, or participate in the sale or exchange of trust property between the trusts, if both of the following requirements are met:

(1) The sale or exchange is fair and reasonable with respect to the beneficiaries of both trusts.

(2) The trustee gives to the beneficiaries of both trusts notice of all material facts related to the sale or exchange that the trustee knows or should know.

(*Enacted by Stats. 1990, Ch. 79.*)

16003. If a trust has two or more beneficiaries, the trustee has a duty to deal impartially with them and shall act impartially in investing and managing the trust property, taking into account any differing interests of the beneficiaries.

(*Amended by Stats. 1995, Ch. 63, Sec. 1. Effective January 1, 1996.*)

16004. (a) The trustee has a duty not to use or deal with trust property for the trustee's own profit or for any other purpose unconnected with the trust, nor to take part in any transaction in which the trustee has an interest adverse to the beneficiary.

(b) The trustee may not enforce any claim against the trust property that the trustee purchased after or in contemplation of appointment as trustee, but the court may allow the trustee to be reimbursed from trust property the amount that the trustee paid in good faith for the claim.

(c) A transaction between the trustee and a beneficiary which occurs during the existence of the trust or while the trustee's influence with the beneficiary remains and by which the trustee obtains an advantage from the beneficiary is presumed to be a violation of the trustee's fiduciary duties. This presumption is a presumption

affecting the burden of proof. This subdivision does not apply to the provisions of an agreement between a trustee and a beneficiary relating to the hiring or compensation of the trustee.

(Enacted by Stats. 1990, Ch. 79.)

16004.5. (a) A trustee may not require a beneficiary to relieve the trustee of liability as a condition for making a distribution or payment to, or for the benefit of, the beneficiary, if the distribution or payment is required by the trust instrument.

(b) This section may not be construed as affecting the trustee's right to:

(1) Maintain a reserve for reasonably anticipated expenses, including, but not limited to, taxes, debts, trustee and accounting fees, and costs and expenses of administration.

(2) Seek a voluntary release or discharge of a trustee's liability from the beneficiary.

(3) Require indemnification against a claim by a person or entity, other than a beneficiary referred to in subdivision (a), which may reasonably arise as a result of the distribution.

(4) Withhold any portion of an otherwise required distribution that is reasonably in dispute.

(5) Seek court or beneficiary approval of an accounting of trust activities.

(Added by Stats. 2003, Ch. 585, Sec. 1. Effective January 1, 2004.)

16005. The trustee of one trust has a duty not to knowingly become a trustee of another trust adverse in its nature to the interest of the beneficiary of the first trust, and a duty to eliminate the conflict or resign as trustee when the conflict is discovered.

(Enacted by Stats. 1990, Ch. 79.)

16006. The trustee has a duty to take reasonable steps under the circumstances to take and keep control of and to preserve the trust property.

(Enacted by Stats. 1990, Ch. 79.)

16007. The trustee has a duty to make the trust property productive under the circumstances and in furtherance of the purposes of the trust.

(Enacted by Stats. 1990, Ch. 79.)

16009. The trustee has a duty to do the following:

(a) To keep the trust property separate from other property not subject to the trust.

(b) To see that the trust property is designated as property of the trust.

(Enacted by Stats. 1990, Ch. 79.)

16010. The trustee has a duty to take reasonable steps to enforce claims that are part of the trust property.

(Enacted by Stats. 1990, Ch. 79.)

16011. The trustee has a duty to take reasonable steps to defend actions that may result in a loss to the trust.

(Enacted by Stats. 1990, Ch. 79.)

16012. (a) The trustee has a duty not to delegate to others the performance of acts that the trustee can reasonably be required personally to perform and may not transfer the office of trustee to another person nor delegate the entire administration of the trust to a cotrustee or other person.

(b) In a case where a trustee has properly delegated a matter to an agent, cotrustee, or other person, the trustee has a duty to exercise general supervision over the person performing the delegated matter.

(c) This section does not apply to investment and management functions under Section 16052.

(Amended by Stats. 1995, Ch. 63, Sec. 3. Effective January 1, 1996.)

16013. If a trust has more than one trustee, each trustee has a duty to do the following:

(a) To participate in the administration of the trust.

(b) To take reasonable steps to prevent a cotrustee from committing a breach of trust or to compel a cotrustee to redress a breach of trust.

(Enacted by Stats. 1990, Ch. 79.)

16014. (a) The trustee has a duty to apply the full extent of the trustee's skills.

(b) If the settlor, in selecting the trustee, has relied on the trustee's representation of having special skills, the trustee is held to the standard of the skills represented.

(Enacted by Stats. 1990, Ch. 79.)

16015. The provision of services for compensation by a regulated financial institution or its affiliates in the ordinary course of business either to a trust of which it also acts as trustee or to a person dealing with the trust is not a violation of the duty provided in Section 16002 or 16004. For the purposes of this section, "affiliate" means a corporation that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with another domestic or foreign corporation.

(Enacted by Stats. 1990, Ch. 79.)



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ARTICLE 2. Trustee's Standard of Care [16040 - 16042] (*Article 2 enacted by Stats. 1990, Ch. 79.*)

16040. (a) The trustee shall administer the trust with reasonable care, skill, and caution under the circumstances then prevailing that a prudent person acting in a like capacity would use in the conduct of an enterprise of like character and with like aims to accomplish the purposes of the trust as determined from the trust instrument.

(b) The settlor may expand or restrict the standard provided in subdivision (a) by express provisions in the trust instrument. A trustee is not liable to a beneficiary for the trustee's good faith reliance on these express provisions.

(c) This section does not apply to investment and management functions governed by the Uniform Prudent Investor Act, Article 2.5 (commencing with Section 16045).

(*Amended by Stats. 1995, Ch. 63, Sec. 4. Effective January 1, 1996.*)

16041. A trustee's standard of care and performance in administering the trust is not affected by whether or not the trustee receives any compensation.

(*Enacted by Stats. 1990, Ch. 79.*)

16042. (a) Notwithstanding the requirements of this article, Article 2.5 (commencing with Section 16045), and the terms of the trust, all trust funds that come within the custody of the public guardian who is appointed as trustee of the trust pursuant to Section 15660.5 may be deposited or invested in the same manner, and would be subject to the same terms and conditions, as a deposit or investment by the public administrator of funds in the estate of a decedent pursuant to Article 3 (commencing with Section 7640) of Chapter 4 of Part 1 of Division 7.

(b) Upon the deposit or investment of trust property pursuant to subdivision (a), the public guardian shall be deemed to have met the standard of care specified in this article and Article 2.5 (commencing with Section 16045) with respect to this trust property.

(*Added by Stats. 1997, Ch. 93, Sec. 4. Effective January 1, 1998.*)



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ARTICLE 2.5. Uniform Prudent Investor Act [16045 - 16054] (*Article 2.5 added by Stats. 1995, Ch. 63, Sec. 6.*)

16045. This article, together with subdivision (a) of Section 16002 and Section 16003, constitutes the prudent investor rule and may be cited as the Uniform Prudent Investor Act.

(*Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.*)

16046. (a) Except as provided in subdivision (b), a trustee who invests and manages trust assets owes a duty to the beneficiaries of the trust to comply with the prudent investor rule.

(b) The settlor may expand or restrict the prudent investor rule by express provisions in the trust instrument. A trustee is not liable to a beneficiary for the trustee's good faith reliance on these express provisions.

(*Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.*)

16047. (a) A trustee shall invest and manage trust assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the trust. In satisfying this standard, the trustee shall exercise reasonable care, skill, and caution.

(b) A trustee's investment and management decisions respecting individual assets and courses of action must be evaluated not in isolation, but in the context of the trust portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the trust.

(c) Among circumstances that are appropriate to consider in investing and managing trust assets are the following, to the extent relevant to the trust or its beneficiaries:

- (1) General economic conditions.
- (2) The possible effect of inflation or deflation.
- (3) The expected tax consequences of investment decisions or strategies.
- (4) The role that each investment or course of action plays within the overall trust portfolio.
- (5) The expected total return from income and the appreciation of capital.
- (6) Other resources of the beneficiaries known to the trustee as determined from information provided by the beneficiaries.
- (7) Needs for liquidity, regularity of income, and preservation or appreciation of capital.
- (8) An asset's special relationship or special value, if any, to the purposes of the trust or to one or more of the beneficiaries.

(d) A trustee shall make a reasonable effort to ascertain facts relevant to the investment and management of trust assets.

(e) A trustee may invest in any kind of property or type of investment or engage in any course of action or investment strategy consistent with the standards of this chapter.

(*Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.*)

16048. In making and implementing investment decisions, the trustee has a duty to diversify the investments of the trust unless, under the circumstances, it is prudent not to do so.

(Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.)

16049. Within a reasonable time after accepting a trusteeship or receiving trust assets, a trustee shall review the trust assets and make and implement decisions concerning the retention and disposition of assets, in order to bring the trust portfolio into compliance with the purposes, terms, distribution requirements, and other circumstances of the trust, and with the requirements of this chapter.

(Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.)

16050. In investing and managing trust assets, a trustee may only incur costs that are appropriate and reasonable in relation to the assets, overall investment strategy, purposes, and other circumstances of the trust.

(Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.)

16051. Compliance with the prudent investor rule is determined in light of the facts and circumstances existing at the time of a trustee's decision or action and not by hindsight.

(Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.)

16052. (a) A trustee may delegate investment and management functions as prudent under the circumstances. The trustee shall exercise prudence in the following:

(1) Selecting an agent.

(2) Establishing the scope and terms of the delegation, consistent with the purposes and terms of the trust.

(3) Periodically reviewing the agent's overall performance and compliance with the terms of the delegation.

(b) In performing a delegated function, an agent has a duty to exercise reasonable care to comply with the terms of the delegation.

(c) Except as otherwise provided in Section 16401, a trustee who complies with the requirements of subdivision (a) is not liable to the beneficiaries or to the trust for the decisions or actions of the agent to whom the function was delegated.

(d) By accepting the delegation of a trust function from the trustee of a trust that is subject to the law of this state, an agent submits to the jurisdiction of the courts of this state.

(Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.)

16053. The following terms or comparable language in the provisions of a trust, unless otherwise limited or modified, authorizes any investment or strategy permitted under this chapter: "investments permissible by law for investment of trust funds," "legal investments," "authorized investments," "using the judgment and care under the circumstances then prevailing that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital," "prudent man rule," "prudent trustee rule," "prudent person rule," and "prudent investor rule."

(Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.)

16054. This article applies to trusts existing on and created after its effective date. As applied to trusts existing on its effective date, this article governs only decisions or actions occurring after that date.

(Added by Stats. 1995, Ch. 63, Sec. 6. Effective January 1, 1996.)



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CHAPTER 1. Duties of Trustees [16000 - 16105] (*Chapter 1 enacted by Stats. 1990, Ch. 79.*)

ARTICLE 3. Trustee's Duty to Report Information and Account to Beneficiaries [16060 - 16069] (*Article 3 enacted by Stats. 1990, Ch. 79.*)

16061. Except as provided in Section 16069, on reasonable request by a beneficiary, the trustee shall report to the beneficiary by providing requested information to the beneficiary relating to the administration of the trust relevant to the beneficiary's interest.

(Amended by Stats. 2010, Ch. 621, Sec. 3. (SB 202) Effective January 1, 2011.)



PROBATE CODE - PROB

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ARTICLE 3. Trustee's Duty to Report Information and Account to Beneficiaries [16060 - 16069] (*Article 3 enacted by Stats. 1990, Ch. 79.*)

16061.5. (a) A trustee shall provide a true and complete copy of the terms of the irrevocable trust, or irrevocable portion of the trust, to each of the following:

- (1) Any beneficiary of the trust who requests it, and to any heir of a deceased settlor who requests it, when a revocable trust or any portion of a revocable trust becomes irrevocable because of the death of one or more of the settlors of the trust, when a power of appointment is effective or lapses upon the death of a settlor under the circumstances described in paragraph (3) of subdivision (a) of Section 16061.7, or because, by the express terms of the trust, the trust becomes irrevocable within one year of the death of a settlor because of a contingency related to the death of one or more of the settlors of the trust.
 - (2) Any beneficiary of the trust who requests it, whenever there is a change of trustee of an irrevocable trust.
 - (3) If the trust is a charitable trust subject to the supervision of the Attorney General, to the Attorney General, if requested, when a revocable trust or any portion of a revocable trust becomes irrevocable because of the death of one or more of the settlors of the trust, when a power of appointment is effective or lapses upon the death of a settlor under the circumstances described in paragraph (3) of subdivision (a) of Section 16061.7, or because, by the express terms of the trust, the trust becomes irrevocable within one year of the death of a settlor because of a contingency related to the death of one or more of the settlors of the trust, and whenever there is a change of trustee of an irrevocable trust.
- (b) The trustee shall, for purposes of this section, rely upon any final judicial determination of heirship. However, the trustee shall have discretion to make a good faith determination by any reasonable means of the heirs of a deceased settlor in the absence of a final judicial determination of heirship known to the trustee.

(Amended by Stats. 2010, Ch. 621, Sec. 4. (SB 202) Effective January 1, 2011.)



PROBATE CODE - PROB

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16061.7. (a) A trustee shall serve a notification by the trustee as described in this section in the following events:

(1) When a revocable trust or any portion thereof becomes irrevocable because of the death of one or more of the settlors of the trust, or because, by the express terms of the trust, the trust becomes irrevocable within one year of the death of a settlor because of a contingency related to the death of one or more of the settlors of the trust.

(2) Whenever there is a change of trustee of an irrevocable trust.

(3) Whenever a power of appointment retained by a settlor is effective or lapses upon death of the settlor with respect to an inter vivos trust which was, or was purported to be, irrevocable upon its creation. This paragraph shall not apply to a charitable remainder trust. For purposes of this paragraph, "charitable remainder trust" means a charitable remainder annuity trust or charitable remainder unitrust as defined in Section 664(d) of the Internal Revenue Code.

(4) The duty to serve the notification by the trustee pursuant to this subdivision is the duty of the continuing or successor trustee, and any one cotrustee may serve the notification.

(b) The notification by the trustee required by subdivision (a) shall be served on each of the following:

(1) Each beneficiary of the irrevocable trust or irrevocable portion of the trust, subject to the limitations of Section 15804.

(2) Each heir of the deceased settlor, if the event that requires notification is the death of a settlor or irrevocability within one year of the death of the settlor of the trust by the express terms of the trust because of a contingency related to the death of a settlor.

(3) If the trust is a charitable trust subject to the supervision of the Attorney General, to the Attorney General.

(c) A trustee shall, for purposes of this section, rely upon any final judicial determination of heirship, known to the trustee, but the trustee shall have discretion to make a good faith determination by any reasonable means of the heirs of a deceased settlor in the absence of a final judicial determination of heirship known to the trustee.

(d) The trustee need not provide a copy of the notification by trustee to any beneficiary or heir (1) known to the trustee but who cannot be located by the trustee after reasonable diligence or (2) unknown to the trustee.

(e) The notification by trustee shall be served by any of the methods described in Section 1215 to the last known address.

(f) The notification by trustee shall be served not later than 60 days following the occurrence of the event requiring service of the notification by trustee, or 60 days after the trustee became aware of the existence of a person entitled to receive notification by trustee, if that person was not known to the trustee on the occurrence of the event requiring service of the notification. If there is a vacancy in the office of the trustee on the date of the occurrence of the event requiring service of the notification by trustee, or if that event causes a vacancy, then the 60-day period for service of the notification by trustee commences on the date the new trustee

commences to serve as trustee.

(g) The notification by trustee shall contain the following information:

(1) The identity of the settlor or settlors of the trust and the date of execution of the trust instrument.

(2) The name, address, and telephone number of each trustee of the trust.

(3) The address of the physical location where the principal place of administration of the trust is located, pursuant to Section 17002.

(4) Any additional information that may be expressly required by the terms of the trust instrument.

(5) A notification that the recipient is entitled, upon reasonable request to the trustee, to receive from the trustee a true and complete copy of the terms of the trust.

(h) If the notification by the trustee is served because a revocable trust or any portion of it has become irrevocable because of the death of one or more settlors of the trust, or because, by the express terms of the trust, the trust becomes irrevocable within one year of the death of a settlor because of a contingency related to the death of one or more of the settlors of the trust, the notification by the trustee shall also include a warning, set out in a separate paragraph in not less than 10-point boldface type, or a reasonable equivalent thereof, that states as follows:

"You may not bring an action to contest the trust more than 120 days from the date this notification by the trustee is served upon you or 60 days from the date on which a copy of the terms of the trust is delivered to you during that 120-day period, whichever is later."

(i) Any waiver by a settlor of the requirement of serving the notification by trustee required by this section is against public policy and shall be void.

(j) A trustee may serve a notification by trustee in the form required by this section on any person in addition to those on whom the notification by trustee is required to be served. A trustee is not liable to any person for serving or for not serving the notice on any person in addition to those on whom the notice is required to be served. A trustee is not required to serve a notification by trustee if the event that otherwise requires service of the notification by trustee occurs before January 1, 1998.

(Amended by Stats. 2017, Ch. 319, Sec. 87. (AB 976) Effective January 1, 2018.)



PROBATE CODE - PROB

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ARTICLE 3. Trustee's Duty to Report Information and Account to Beneficiaries [16060 - 16069] (*Article 3 enacted by Stats. 1990, Ch. 79.*)

- 16062.** (a) Except as otherwise provided in this section and in Section 16064, the trustee shall account at least annually, at the termination of the trust, and upon a change of trustee, to each beneficiary to whom income or principal is required or authorized in the trustee's discretion to be currently distributed.
- (b) A trustee of a living trust created by an instrument executed before July 1, 1987, is not subject to the duty to account provided by subdivision (a).
- (c) A trustee of a trust created by a will executed before July 1, 1987, is not subject to the duty to account provided by subdivision (a), except that if the trust is removed from continuing court jurisdiction pursuant to Article 2 (commencing with Section 17350) of Chapter 4 of Part 5, the duty to account provided by subdivision (a) applies to the trustee.
- (d) Except as provided in Section 16064, the duty of a trustee to account pursuant to former Section 1120.1a of the Probate Code (as repealed by Chapter 820 of the Statutes of 1986), under a trust created by a will executed before July 1, 1977, which has been removed from continuing court jurisdiction pursuant to former Section 1120.1a, continues to apply after July 1, 1987. The duty to account under former Section 1120.1a may be satisfied by furnishing an account that satisfies the requirements of Section 16063.
- (e) Any limitation or waiver in a trust instrument of the obligation to account is against public policy and shall be void as to any sole trustee who is either of the following:
- (1) A disqualified person as defined in former Section 21350.5 (as repealed by Chapter 620 of the Statutes of 2010).
 - (2) Described in subdivision (a) of Section 21380, but not described in Section 21382.
- (*Amended by Stats. 2016, Ch. 86, Sec. 250. (SB 1171) Effective January 1, 2017.*)



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DIVISION 9. TRUST LAW [15000 - 19530] (*Division 9 enacted by Stats. 1990, Ch. 79.*)

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CHAPTER 1. Duties of Trustees [16000 - 16105] (*Chapter 1 enacted by Stats. 1990, Ch. 79.*)

ARTICLE 4. Duties With Regard to Discretionary Powers [16080 - 16082] (*Article 4 enacted by Stats. 1990, Ch. 79.*)

16080. Except as provided in Section 16081, a discretionary power conferred upon a trustee is not left to the trustee's arbitrary discretion, but shall be exercised reasonably.

(*Enacted by Stats. 1990, Ch. 79.*)

16081. (a) Subject to the additional requirements of subdivisions (b), (c), and (d), if a trust instrument confers "absolute," "sole," or "uncontrolled" discretion on a trustee, the trustee shall act in accordance with fiduciary principles and shall not act in bad faith or in disregard of the purposes of the trust.

(b) Notwithstanding the use of terms like "absolute," "sole," or "uncontrolled" by a settlor or a testator, a person who is a beneficiary of a trust that permits the person, either individually or as trustee or cotrustee, to make discretionary distributions of income or principal to or for the benefit of himself or herself pursuant to a standard, shall exercise that power reasonably and in accordance with the standard.

(c) Unless a settlor or a testator clearly indicates that a broader power is intended by express reference to this subdivision, a person who is a beneficiary of a trust that permits the person, as trustee or cotrustee, to make discretionary distributions of income or principal to or for the benefit of himself or herself may exercise that power in his or her favor only for his or her health, education, support, or maintenance within the meaning of Sections 2041 and 2514 of the Internal Revenue Code. Notwithstanding the foregoing and the provisions of Section 15620, if a power to make discretionary distributions of income or principal is conferred upon two or more trustees, the power may be exercised by any trustee who is not a current permissible beneficiary of that power ; and provided further that if there is no trustee who is not a current permissible beneficiary of that power, any party in interest may apply to a court of competent jurisdiction to appoint a trustee who is not a current permissible beneficiary of that power, and the power may be exercised by the trustee appointed by the court.

(d) Subdivision (c) does not apply to either of the following:

(1) Any power held by the settlor of a revocable or amendable trust.

(2) Any power held by a settlor's spouse or a testator's spouse who is the trustee of a trust for which a marital deduction, as defined in Section 21520, has been allowed.

(e) Subdivision (c) applies to any of the following:

(1) Any trust executed on or after January 1, 1997.

(2) Any testamentary trust created under a will executed on or after January 1, 1997.

(3) Any irrevocable trust created under a document executed before January 1, 1997, or any revocable trust executed before that date if the settlor was incapacitated as of that date, unless all parties in interest elect affirmatively not to be subject to the application of subdivision (c) through a written instrument delivered to the trustee. That election shall be made on or before the latest of January 1, 1998, three years after the date on which the trust became irrevocable, or, in the case of a revocable trust where the settlor was incapacitated, three years after the date on which the settlor became incapacitated.

(f) Notwithstanding the foregoing, the provisions of subdivision (c) neither create a new cause of action nor

impair an existing cause of action that, in either case, relates to any power limited by subdivision (c) that was exercised before January 1, 1997.

(g) For purposes of this section, the term "party in interest" means any of the following persons:

(1) If the trust is revocable and the settlor is incapacitated, the settlor's legal representative under applicable law, or the settlor's attorney-in-fact under a durable power of attorney that is sufficient to grant the authority required under subdivision (c) or (e), as applicable.

(2) If the trust is irrevocable, each trustee, each beneficiary then entitled or authorized to receive income distributions from the trust, or each remainder beneficiary who would be entitled to receive notice of a trust proceeding under Section 15804. Any beneficiary who lacks legal capacity may be represented by the beneficiary's legal representative, attorney-in-fact under a durable power of attorney that is sufficient to grant the authority required under subdivision (c) or (e), as applicable, or in the absence of a legal representative or attorney-in-fact, a guardian ad litem appointed for that purpose.

(Amended by Stats. 1996, Ch. 410, Sec. 1. Effective January 1, 1997.)

16082. Except as otherwise specifically provided in the trust instrument, a person who holds a power to appoint or distribute income or principal to or for the benefit of others, either as an individual or as trustee, may not use the power to discharge the legal obligations of the person holding the power.

(Enacted by Stats. 1990, Ch. 79.)