

Effective 5/7/2025

Part 8 Duties and Power of Trustee

75B-2-801 Duty to administer trust.

Upon acceptance of a trusteeship, the trustee shall administer the trust expeditiously and in good faith, in accordance with the trust's terms and purposes and the interests of the beneficiaries, and in accordance with this chapter.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-802 Duty of loyalty.

- (1) A trustee shall administer the trust solely in the interests of the beneficiaries.
- (2) Subject to the rights of persons dealing with or assisting the trustee as provided in Section 75B-2-1012, a sale, encumbrance, or other transaction involving the investment or management of trust property entered into by the trustee for the trustee's own personal account or which is otherwise affected by a conflict between the trustee's fiduciary and personal interests is voidable by a beneficiary affected by the transaction unless:
 - (a) the transaction was authorized by the terms of the trust;
 - (b) the transaction was approved by the court;
 - (c) the beneficiary did not commence a judicial proceeding within the time allowed by Section 75B-2-1005;
 - (d) the beneficiary consented to the trustee's conduct, ratified the transaction, or released the trustee in compliance with Section 75B-2-1009; or
 - (e) the transaction involves a contract entered into or claim acquired by the trustee before the person became or contemplated becoming trustee.
- (3) A sale, encumbrance, or other transaction involving the investment or management of trust property is presumed to be affected by a conflict between personal and fiduciary interests if the sale, encumbrance, or other transaction is entered into by the trustee with:
 - (a) the trustee's spouse;
 - (b) the trustee's descendants, siblings, parents, or the spouses of the trustee's descendants, siblings, or parents;
 - (c) an agent of the trustee, including but not limited to an attorney, accountant, or financial advisor; or
 - (d) a corporation or other person or enterprise in which the trustee, or a person that owns a significant interest in the trustee, has an interest that might affect the trustee's best judgment.
- (4) A transaction between a trustee and a beneficiary that does not concern trust property but that occurs during the existence of the trust or while the trustee retains significant influence over the beneficiary and from which the trustee obtains an advantage is voidable by the beneficiary unless the trustee establishes that the transaction was fair to the beneficiary.
- (5) A transaction not concerning trust property in which the trustee engages in the trustee's individual capacity involves a conflict between personal and fiduciary interests if the transaction concerns an opportunity properly belonging to the trust.
- (6)
 - (a) An investment by a trustee in securities of an investment company or investment trust to which the trustee, or its affiliate, provides services in a capacity other than as trustee is

not presumed to be affected by a conflict between personal and fiduciary interests if the investment complies with the prudent investor rule of Section 75B-2-901.

- (b) The trustee may be compensated by the investment company or investment trust for providing those services out of fees charged to the trust.
- (7)
- (a) In voting shares of stock or in exercising powers of control over similar interests in other forms of enterprise, the trustee shall act in the best interests of the beneficiaries.
 - (b) If the trust is the sole owner of a corporation or other form of enterprise, the trustee shall elect or appoint directors or other managers who will manage the corporation or enterprise in the best interests of the beneficiaries.
- (8) This section does not preclude the following actions by the trustee:
- (a) an agreement between the trustee and a beneficiary relating to the appointment or compensation of the trustee;
 - (b) payment of reasonable compensation to the trustee;
 - (c) a transaction between a trust and another trust, decedent's estate, conservatorship, or guardianship of which the trustee is a fiduciary or in which a beneficiary has an interest;
 - (d) a deposit of trust money in a regulated financial service institution operated by the trustee;
 - (e) an advance by the trustee of money for the protection of the trust;
 - (f) collecting, holding, and retaining trust assets received from a trustor until, in the judgment of the trustee, disposition of the assets should be made, even though the assets include an asset in which the trustee is personally interested;
 - (g) acquiring an undivided interest in a trust asset in which the trustee, in any trust capacity, holds an undivided interest;
 - (h) borrowing money to be repaid from the trust assets or otherwise;
 - (i) advancing money to be repaid from the assets or otherwise;
 - (j) employing a person, including an attorney, an auditor, an investment adviser, or an agent, even if the person is associated with the trustee:
 - (i) to advise or assist the trustee in the performance of the trustee's administrative duties or perform any act of administration, whether or not discretionary; or
 - (ii) to act without independent investigation upon the person's recommendations;
 - (k) if a governing instrument or order requires or authorizes investment in United States government obligations, investing in those obligations, either directly or in the form of securities or other interests, in any open-end or closed-end management type investment company or investment trust registered under the provisions of the Investment Company Act of 1940, 15 U.S.C. Sections 80a-1 through 80a-64 if:
 - (i) the portfolio of the investment company or investment trust is limited to United States government obligations, and repurchase agreements are fully collateralized by United States government obligations; and
 - (ii) the investment company or investment trust takes delivery of the collateral for any repurchase agreement either directly or through an authorized custodian.
- (9) The court may appoint a special fiduciary to make a decision with respect to any proposed transaction that might violate this section if entered into by the trustee.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-803 Impartiality.

If a trust has two or more beneficiaries, the trustee shall act impartially in investing, managing, and distributing the trust property, giving due regard to the beneficiaries' respective interests.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-804 Prudent administration.

- (1) A trustee shall administer the trust as a prudent person would, by considering the purposes, terms, distributional requirements, and other circumstances of the trust.
- (2) In satisfying this standard, the trustee shall exercise reasonable care, skill, and caution.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-805 Costs of administration.

In administering a trust, the trustee may incur only costs that are reasonable in relation to the trust property, the purposes of the trust, and the skills of the trustee.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-806 Trustee's skills.

A trustee who is named trustee in reliance upon the trustee's representation that the trustee has special skills or expertise, shall use those special skills or expertise.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-807 Control and protection of trust property.

A trustee shall take reasonable steps to take control of and protect the trust property.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-808 Recordkeeping and identification of trust property.

- (1) A trustee shall keep adequate records of the administration of the trust.
- (2) A trustee shall keep trust property separate from the trustee's own property.
- (3) Except as otherwise provided in Subsection (4), a trustee shall cause the trust property to be designated so that the interest of the trust, to the extent feasible, appears in records maintained by a party other than a trustee or beneficiary.
- (4) If the trustee maintains records clearly indicating the respective interests, a trustee may invest as a whole the property of two or more separate trusts.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-809 Enforcement and defense of claims.

A trustee shall take reasonable steps to enforce claims of the trust and to defend claims against the trust.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-810 Collecting trust property.

A trustee shall take reasonable steps to compel a former trustee or other person to deliver trust property to the trustee, and to redress a breach of trust known to the trustee to have been committed by a former trustee, unless the terms of the trust provide otherwise.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-811 Duty to inform and report.

- (1)
 - (a) Except to the extent the terms of the trust provide otherwise, a trustee shall keep the qualified beneficiaries of the trust reasonably informed about the administration of the trust and of the material facts necessary for the qualified beneficiaries to protect the qualified beneficiaries' interests.
 - (b) Unless unreasonable under the circumstances, and unless otherwise provided by the terms of the trust a trustee shall promptly respond to a qualified beneficiary's request for information related to the administration of the trust.
- (2) Except to the extent the terms of the trust provide otherwise, a trustee:
 - (a) upon request of a qualified beneficiary, shall promptly furnish to the beneficiary a copy of the portions of the trust instrument which describe or affect the beneficiary's interest;
 - (b) within 60 days after accepting a trusteeship, shall notify the qualified beneficiaries of the acceptance and of the trustee's name, address, and telephone number;
 - (c) within 60 days after the date the trustee acquires knowledge of the creation of an irrevocable trust, or the date the trustee acquires knowledge that a formerly revocable trust has become irrevocable, whether by the death of the settlor or otherwise, shall notify the qualified beneficiaries of the trust's existence, of the identity of the settlor or settlors, of the right to request a copy of the trust instrument, and of the right to a trustee's report as provided in Subsection (3); and
 - (d) shall notify the qualified beneficiaries in advance of any change in the method or rate of the trustee's compensation.
- (3)
 - (a) A trustee shall send to the qualified beneficiaries who request it, at least annually and at the termination of the trust, a report of the trust property, liabilities, receipts, and disbursements, including the amount of the trustee's compensation or a fee schedule or other writing showing how the trustee's compensation was determined, a listing of the trust assets and, if feasible, the trust assets' respective market values.
 - (b) Upon a vacancy in a trusteeship, unless a cotrustee remains in office, a report must be sent to the qualified beneficiaries by the former trustee, unless the terms of the trust provide otherwise.
 - (c) A personal representative, conservator, or guardian may send the qualified beneficiaries a report on behalf of a deceased or incapacitated trustee.
- (4)
 - (a) A qualified beneficiary may waive the right to a trustee's report or other information otherwise required to be furnished under this section.
 - (b) A beneficiary, with respect to future reports and other information, may withdraw a waiver previously given.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-812 Discretionary powers -- Tax savings.

- (1) Notwithstanding the breadth of discretion granted to a trustee in the terms of the trust, including the use of such terms as "absolute," "sole," or "uncontrolled," the trustee shall exercise a

discretionary power in good faith and in accordance with the terms and purposes of the trust and the interests of the beneficiaries.

- (2) Subject to Subsection (4), and unless the terms of the trust expressly indicate that a requirement described in this section does not apply:
 - (a) a person other than a settlor who is a beneficiary and trustee of a trust that confers on the trustee a power to make discretionary distributions to or for the trustee's personal benefit may exercise the power only in accordance with an ascertainable standard relating to the trustee's individual health, education, support, or maintenance within the meaning of Subsection 2041(b)(1)(A) or 2514(c)(1) of the Internal Revenue Code of 1986, as in effect on May 1, 2004; and
 - (b) a trustee may not exercise a power to make discretionary distributions to satisfy a legal obligation of support that the trustee personally owes another person.
- (3)
 - (a) A power whose exercise is limited or prohibited by Subsection (2) may be exercised by a majority of the remaining trustees whose exercise of the power is not so limited or prohibited.
 - (b) If the power of all trustees is so limited or prohibited, the court may appoint a special fiduciary with authority to exercise the power.
- (4) Subsection (2) does not apply to:
 - (a) a power held by the settlor's spouse who is the trustee of a trust for which a marital deduction, as defined in Subsection 2056(b)(5) or 2523(e) of the Internal Revenue Code of 1986, as in effect on May 1, 2004, was previously allowed;
 - (b) any trust during any period that the trust may be revoked or amended by the trust's settlor; or
 - (c) a trust if contributions to the trust qualify for the annual exclusion under Subsection 2503(c) of the Internal Revenue Code of 1986, as in effect on May 1, 2004.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-812.5 Discretionary power -- Decanting a trust.

- (1) As used in this section:
 - (a) "Current income beneficiary" means the same as that term is defined in Section 75A-5-102.
 - (b) "Decanting power" means the power of a trustee as described in Subsection (2)(a):
 - (i) to distribute income or principal from a first trust to a second trust; or
 - (ii) to modify the terms of a first trust.
 - (c) "First trust" means a trust over which a trustee exercises discretion to distribute income or principal to, or for the benefit of, a beneficiary.
 - (d) "General power to change the trustees" means a beneficiary may, whether alone or in concert with other persons:
 - (i) name the beneficiary as a trustee; or
 - (ii) remove a trustee and replace that trustee with a new trustee who is:
 - (A) the beneficiary; or
 - (B) a related or subordinate party, as defined in Section 672(c) of the Internal Revenue Code, of the beneficiary.
 - (e) "Restricted trustee" means a trustee of the first trust if:
 - (i) the trustee is also a beneficiary of the first trust; or
 - (ii) a beneficiary of the first trust holds a general power to change the trustees of the first trust.
 - (f) "Second trust" means:
 - (i) a trust to which a distribution of income or principal from a first trust is made to the trustee of the trust under Subsection (2)(a)(i); or

- (ii) a trust that is modified under Subsection (2)(a)(ii).
- (2)
- (a) If a trustee has discretion under the terms of a trust instrument to distribute income or principal to, or for the benefit of, a beneficiary of a trust, the trustee may:
 - (i) distribute part or all of the income or principal to a trust governed by a trust instrument that is separate from the trust instrument of the first trust; or
 - (ii) modify the terms of the trust instrument of the first trust.
 - (b) A trustee may not exercise the decanting power if the terms of the trust instrument for the first trust expressly prohibit the trustee from:
 - (i) distributing part or all of the income or principal to a trust governed by a trust instrument that is separate from the trust instrument of the first trust; or
 - (ii) modifying the terms of the trust instrument of the first trust.
 - (c) Before a trustee exercises the decanting power to modify the terms of the trust instrument of a first trust, the trustee shall notify all beneficiaries of the trust, in writing, at least 20 days before the day on which the trustee exercises the decanting power.
- (3) Before a trustee exercises the decanting power, the trustee shall determine whether distribution or modification is necessary or desirable after taking into account:
- (a) the purposes of the first trust;
 - (b) the terms and conditions of the second trust; and
 - (c) the consequences of the distribution.
- (4) A trustee may only exercise the decanting power if the second trust has a beneficiary that is a beneficiary of the first trust to or for whom:
- (a) a trustee has discretion to distribute income or principal from the first trust; or
 - (b) a trustee may distribute income or principal in the future from the first trust at a time, or upon the happening of an event, that is specified in the trust instrument of the first trust.
- (5) Except as provided in Subsection (6), a restricted trustee may not exercise the decanting power if the distribution would have the effect of:
- (a) benefiting the restricted trustee as a beneficiary of the first trust, unless the distribution is limited to an ascertainable standard based on or related to health, education, maintenance, or support;
 - (b) increasing the distributions that can be made from the second trust to a restricted trustee, or to a beneficiary holding a general power to change the trustees of the first trust, compared to the distributions that can be made to the restricted trustee, or to the beneficiary holding a general power to change the trustees, under the first trust, unless the distribution is limited to an ascertainable standard based on or related to health, education, maintenance, or support; or
 - (c) removing restrictions on a discretionary distribution imposed by the trust instrument of the first trust, unless the trust instrument of the second trust limits distributions of income or principal from the second trust to:
 - (i) an ascertainable standard based on or related to the health, education, maintenance, or support of a beneficiary; or
 - (ii) a trust described in 42 U.S.C. Sec. 1396p(d)(4).
- (6) Subsection (5) limits a restricted trustee's exercise of the decanting power only if:
- (a) at least one restricted trustee is a United States citizen or domiciliary under the Internal Revenue Code;
 - (b) at least one beneficiary holding a general power to change the trustees of the first trust is a United States citizen or domiciliary under the Internal Revenue Code; or

- (c) the first trust owns property that would be subject to United States estate or gift taxes if owned free of the trust by:
 - (i) the restricted trustee of the first trust if there is a restricted trustee of the first trust; or
 - (ii) the beneficiary holding a general power to change the trustees of the first trust if there is a beneficiary holding a general power to change the trustees of the first trust.
- (7) If a trust contribution has been treated as a gift qualifying for the exclusion from the gift tax described in Section 2503(b) of the Internal Revenue Code, the trust instrument for the second trust shall provide that the beneficiary's remainder interest must vest no later than the day on which the remainder interest would have vested under the terms of the trust instrument for the first trust.
- (8) A trustee's exercise of the decanting power as described in Subsection (2):
 - (a) may not reduce an income interest of a current income beneficiary of:
 - (i) a trust for which a marital deduction has been taken for federal tax purposes under Section 2056 or 2523 of the Internal Revenue Code or for state tax purposes under a comparable state law;
 - (ii) a charitable remainder trust under Section 664 of the Internal Revenue Code; or
 - (iii) a grantor retained annuity or unitrust trust under Section 2702 of the Internal Revenue Code;
 - (b) does not apply to property of a trust that is subject to a power of withdrawal held by a beneficiary of the trust to whom, or for the benefit of whom, the trustee has authority to distribute income or principal, unless after the distribution of income or principal under Subsection (4) the beneficiary's power of withdrawal is unchanged with respect to the property of a trust;
 - (c) is not prohibited by:
 - (i) a spendthrift clause in the first trust; or
 - (ii) a clause in the trust instrument of the first trust that prohibits amendment or revocation of the trust;
 - (d) is an exercise of a power of appointment; and
 - (e) may not be exercised in a manner that would cause the decanting power to be a general power of appointment as described in Section 2041 or 2514 of the Internal Revenue Code.
- (9)
 - (a) This section does not preclude the trust instrument of a second trust from granting a power of appointment to a beneficiary of the second trust that is a beneficiary of the first trust.
 - (b) A power of appointment described in Subsection (9)(a) may include the power to appoint trust property to the holder of the power of appointment, the holder's creditors, the holder's estate, the creditors of the holder's estate, or any other person regardless of whether that person is a beneficiary of the second trust.
- (10) This section applies to a trust administered under the laws of this state, including a trust whose governing jurisdiction is transferred to this state.

Enacted by Chapter 338, 2025 General Session

75B-2-813 General powers of trustee.

- (1) A trustee, without authorization by the court, may exercise:
 - (a) powers conferred by the terms of the trust; or
 - (b) except as limited by the terms of the trust:
 - (i) all powers over the trust property that an unmarried competent owner has over individually owned property;

- (ii) any other powers appropriate to achieve the proper investment, management, and distribution of the trust property; and
 - (iii) any other powers conferred by this chapter.
- (2) The exercise of a power is subject to the fiduciary duties prescribed by this part.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-814 Specific powers of trustee.

- (1) Without limiting the authority conferred by Section 75B-2-813, a trustee may:
- (a) collect trust property and accept or reject additions to the trust property from a settlor or any other person;
 - (b) acquire or sell property, for cash or on credit, at public or private sale;
 - (c) exchange, partition, or otherwise change the character of trust property;
 - (d) deposit trust money in an account in a regulated financial service institution;
 - (e) borrow money, with or without security from any financial institution, including a financial institution that is serving as a trustee or one of the financial institution's affiliates, and mortgage or pledge trust property for a period within or extending beyond the duration of the trust;
 - (f) with respect to an interest in a proprietorship, partnership, limited liability company, business trust, corporation, or other form of business or enterprise, continue the business or other enterprise and take any action that may be taken by shareholders, members, or property owners, including merging, dissolving, or otherwise changing the form of business organization or contributing additional capital;
 - (g) with respect to stocks or other securities, exercise the rights of an absolute owner, including the right to:
 - (i) vote, or give proxies to vote, with or without power of substitution, or enter into or continue a voting trust agreement;
 - (ii) hold a security in the name of a nominee or in other form without disclosure of the trust so that title may pass by delivery;
 - (iii) pay calls, assessments, and other sums chargeable or accruing against the securities, and sell or exercise stock subscription or conversion rights; and
 - (iv) deposit the securities with a depositary or other regulated financial service institution;
 - (h) with respect to an interest in real property, construct, or make ordinary or extraordinary repairs to, alterations to, or improvements in, buildings or other structures, demolish improvements, raze existing or erect new party walls or buildings, subdivide or develop land, dedicate land to public use or grant public or private easements, and make or vacate plats and adjust boundaries;
 - (i) enter into a lease for any purpose as lessor or lessee, including a lease or other arrangement for exploration and removal of natural resources, with or without the option to purchase or renew, for a period within or extending beyond the duration of the trust;
 - (j) grant an option involving a sale, lease, or other disposition of trust property or acquire an option for the acquisition of property, including an option exercisable beyond the duration of the trust, and exercise an option so acquired;
 - (k) insure the property of the trust against damage or loss and insure the trustee, the trustee's agents, and beneficiaries against liability arising from the administration of the trust;
 - (l) abandon or decline to administer property of no value or of insufficient value to justify its collection or continued administration;
 - (m) with respect to possible liability for violation of environmental law:

- (i) inspect or investigate property the trustee holds or has been asked to hold, or property owned or operated by an organization in which the trustee holds or has been asked to hold an interest, for the purpose of determining the application of environmental law with respect to the property;
- (ii) take action to prevent, abate, or otherwise remedy any actual or potential violation of any environmental law affecting property held directly or indirectly by the trustee, whether taken before or after the assertion of a claim or the initiation of governmental enforcement;
- (iii) decline to accept property into trust or disclaim any power with respect to property that is or may be burdened with liability for violation of environmental law;
- (iv) compromise claims against the trust which may be asserted for an alleged violation of environmental law; and
- (v) pay the expense of any inspection, review, abatement, or remedial action to comply with environmental law;
- (n) pay or contest any claim, settle a claim by or against the trust, and release, in whole or in part, a claim belonging to the trust;
- (o) pay taxes, assessments, compensation of the trustee and of employees and agents of the trust, and other expenses incurred in the administration of the trust;
- (p) exercise elections with respect to federal, state, and local taxes;
- (q) select a mode of payment under any employee benefit or retirement plan, annuity, or life insurance payable to the trustee, exercise rights thereunder, including exercise of the right to indemnification for expenses and against liabilities, and take appropriate action to collect the proceeds;
- (r) make loans out of trust property, including loans to a beneficiary on terms and conditions the trustee considers to be fair and reasonable under the circumstances, and the trustee has a lien on future distributions for repayment of those loans;
- (s) pledge trust property to guarantee loans made by others to the beneficiary;
- (t) appoint a trustee to act in another jurisdiction with respect to trust property located in the other jurisdiction, confer upon the appointed trustee all of the powers and duties of the appointing trustee, require that the appointed trustee furnish security, and remove any trustee so appointed;
- (u) pay an amount distributable to a beneficiary who is under a legal disability or who the trustee reasonably believes is incapacitated, by paying the amount directly to the beneficiary or applying it for the beneficiary's benefit, or by:
 - (i) paying the amount to the beneficiary's conservator or, if the beneficiary does not have a conservator, the beneficiary's guardian;
 - (ii) paying the amount to the beneficiary's custodian under Title 75A, Chapter 8, Uniform Transfers to Minors Act;
 - (iii) if the trustee does not know of a conservator, guardian, custodian, or custodial trustee, paying the amount to an adult relative or other person having legal or physical care or custody of the beneficiary, to be expended on the beneficiary's behalf; or
 - (iv) managing the amount as a separate fund on the beneficiary's behalf, subject to the beneficiary's continuing right to withdraw the distribution;
- (v) on distribution of trust property or the division or termination of a trust, make distributions in divided or undivided interests, allocate particular assets in proportionate or disproportionate shares, value the trust property for those purposes, and adjust for resulting differences in valuation;
- (w) resolve a dispute concerning the interpretation of the trust or its administration by mediation, arbitration, or other procedure for alternative dispute resolution;

- (x) prosecute or defend an action, claim, or judicial proceeding in any jurisdiction to protect trust property and the trustee in the performance of the trustee's duties;
 - (y) sign and deliver contracts and other instruments that are useful to achieve or facilitate the exercise of the trustee's powers; and
 - (z) on termination of the trust, exercise the powers appropriate to finalize the administration of the trust and distribute the trust property to the persons entitled to the trust.
- (2) A trustee may delegate investment and management functions that a prudent trustee of comparable skills could properly delegate under the circumstances.
- (a) The trustee shall exercise reasonable care, skill, and caution in:
 - (i) selecting the agent;
 - (ii) establishing the scope and terms of the delegation consistent with the purposes of the trust; and
 - (iii) periodically reviewing the agent's actions to monitor the agent's performance and compliance with the terms of the delegation.
 - (b) In performing a delegated function, an agent has a duty to the trust to exercise reasonable care to comply with the terms of the delegation.
 - (c) A trustee who complies with the requirements of this Subsection (2) is not liable to the beneficiaries or to the trust for the decisions or actions of the agent to whom the function was delegated.
- (3)
- (a) The trustee may exercise the powers set forth in this section and in the trust either in the name of the trust or in the name of the trustee as trustee, specifically including the right to take title, to encumber or convey assets, including real property, in the name of the trust.
 - (b) This Subsection (3) applies to a trustee's exercise of trust powers.
 - (c) After May 11, 2010, for recording purposes, the name of the trustee, the address of the trustee, and the name and date of the trust, shall be included on all recorded documents affecting real property to which the trust is a party in interest.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-815 Distribution upon termination.

- (1)
- (a) Upon termination or partial termination of a trust, the trustee may send to the beneficiaries a proposal for distribution.
 - (b) The right of any beneficiary to object to the proposed distribution terminates if the beneficiary does not notify the trustee of an objection within 30 days after the proposal was sent but only if the proposal informed the beneficiary of the right to object and of the time allowed for objection.
- (2) Upon the occurrence of an event terminating or partially terminating a trust, the trustee shall proceed expeditiously to distribute the trust property to the persons entitled to the trust property, subject to the right of the trustee to retain a reasonable reserve for the payment of debts, expenses, and taxes.
- (3) A release by a beneficiary of a trustee from liability for breach of trust is invalid to the extent:
- (a) the release was induced by improper conduct of the trustee; or
 - (b) the beneficiary, at the time of the release, did not know or had no reason to know of the beneficiary's rights or of the material facts relating to the breach.

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-816 Recitals when title to real property is in trust -- Failure.

- (1) When title to real property is granted to a person as trustee, the terms of the trust may be given either:
 - (a) in the deed of transfer; or
 - (b) in an instrument signed by the grantor and recorded in the same office as the grant to the trustee.
- (2) If the terms of the trust are not made public as required in Subsection (1), a conveyance from the trustee is absolute in favor of purchasers for value who take the property without notice of the terms of the trust.
- (3) The terms of the trust recited in the deed of transfer or the instrument recorded under Subsection (1)(b) shall include:
 - (a) the name of the trustee;
 - (b) the address of the trustee; and
 - (c) the name and date of the trust.
- (4) Any real property titled in a trust that has a restriction on transfer described in Section 75B-1-303 shall include in the title the words "asset protection trust."

Renumbered and Amended by Chapter 310, 2025 General Session

75B-2-817 Marital deduction formulas -- Trusts.

- (1) For estates of decedents dying after December 31, 1981, where a decedent's trust executed before September 13, 1981, contains a formula expressly providing that the decedent's spouse is to receive the maximum amount of property qualifying for the marital deduction allowable by federal law, this formula shall be construed as referring to the unlimited marital deduction allowable by federal law as amended by Section 403(a) of the Economic Recovery Tax Act of 1981.
- (2) The intention of a trustor as expressed in the trust shall control the legal effect of any dispositions made by it for purposes of construing Subsection (1), and the rule of construction of Subsection (1) shall apply unless a contrary intention is indicated by the trust.

Renumbered and Amended by Chapter 310, 2025 General Session