

## Notification Rules in the California Probate Code, Trust Law

16060 The trustee has a duty to keep the beneficiaries of the trust reasonably informed of the trust and its administration. (1991)

16060.5 The terms of the trust shall include the written trust instrument of an irrevocable trust or those provisions of a written trust instrument that describe or affect an irrevocable portion of a trust: signatures, amendments, disclaimers, and any directions or instructions to the trustee that affect the administration or disposition of the trust (1997)

16061.5 (a)When a revocable trust becomes irrevocable, the trustee shall provide a true and complete copy of the terms of the irrevocable trust to any beneficiary of the trust who requests it and to any heir of a deceased settlor who requests it. (b)Heirship is by final judicial determination. However trustee shall have discretion to make a good faith determination of heir if no judicial determination. (1997)

16061.7 service of notification:

1. When a revocable trust or any portion becomes irrevocable.
  2. Change of trustees of an irrevocable trust.
  3. Served by mail to the last known address or personal delivery.
  4. Not later than 60 days following the occurrence of the event requiring service or 60 days following the trustee's becoming aware of the existence of a person entitled to receive notification by trustee. If trusteeship is vacant, 60 days begin with the commencement of the new trustee.
  5. The notification shall contain the following:
    - a.) Identity of the settlor and the date of execution of the trust instrument.
    - b.) Name, mailing address, and telephone number of each trustee of the trust.
    - c.) Physical location address for the principal place of administration of the trust.
    - d.) Notice of right to a true and complete copy of the terms of the trust.
    - e.) A warning in at least 10-point boldface type in a separate paragraph:
 

“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 day \_\_\_\_\_ on which a copy of the terms of the trust is mailed or personally delivered to \_\_\_\_\_ you in response to your request during that 120-day period, whichever is later.”
    - f.) A trustee who fails to serve the notification by trustee as required by this section shall be responsible for all damages, including attorney's fees and costs, caused by the failure.
    - g.) It is against public policy to waive this notice. Any waiver is void.
- (1997)

16061.8 The persons receiving notice have 120 days from the date of notification if served or 60 days from mailed or personally delivery to bring an action to contest the trust. (1997)

Uniform Principal and Income Act (California Probate Code 16300-16315)

PRINCIPAL:

Stock.....>  
Sale of, Produces Capital Gains not Earnings

Real Estate.....>  
Sale of Produces Capital Gains not Earnings

Bank Accounts.....>

Installment Note, Principal Payments.....>

Income in Respect of a Decedent, accrued DOD

(See Probate Code for more)

INCOME:

Dividends  
By Definition- Come from Earnings

Rental Income

Interest Income

Interest Earned on the Note

Earnings accruing after Death

Uniform Prudent Investor Act (California Probate Code 16045-16054)

16046 A trustee who invests and manages trust assets owes a duty to the beneficiaries of the trust to comply with the prudent investor rule. The settlor may expand or restrict the prudent investor rule by express provisions in the trust instrument.

16047 \_\_\_\_ Among circumstances that are appropriate to consider in investing and managing trust assets are: general economic conditions, possible effect of inflation or deflation, expected tax consequences of investment decisions or strategies, the role that each investment or course of action plays within the overall trust portfolio, the expected total return from income and the appreciation of capital, other resources of the beneficiaries known to the trustee, an asset's special relationship or special value\_\_\_\_

16048 Diversification; duty of trustee; exception