



General Assembly

January Session, 2019

Raised Bill No. 7104

LCO No. 3815



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

AN ACT CONCERNING ADOPTION OF THE CONNECTICUT UNIFORM TRUST CODE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2019*) This section and sections
2 2 to 98, inclusive, of this act may be cited as the "Connecticut Uniform
3 Trust Code".

4 Sec. 2. (NEW) (*Effective October 1, 2019*) (a) Sections 1 to 98, inclusive,
5 of this act apply to express trusts, whether testamentary or inter vivos,
6 and to trusts created pursuant to a statute, judgment or decree that
7 requires the trust to be administered in the manner of an express trust.

8 (b) Except as expressly set forth in sections 1 to 98, inclusive, of this
9 act, sections 1 to 98, inclusive, of this act do not apply to a charitable
10 trust as defined in subdivision (7) of section 3 of this act.

11 (c) Sections 1 to 98, inclusive, of this act do not apply to statutory
12 trusts created pursuant to chapter 615 of the general statutes.

13 Sec. 3. (NEW) (*Effective October 1, 2019*) As used in sections 1 to 98,
14 inclusive, of this act:

15 (1) "Action", with respect to an act of a trustee, includes a failure to
16 act.

17 (2) "Ascertainable standard" means a standard relating to an
18 individual's health, education, support or maintenance within the
19 meaning of Section 2041(b)(1)(A) or 2514(c)(1) of the Internal Revenue
20 Code of 1986, or any subsequent corresponding internal revenue code
21 of the United States, as amended from time to time, as in effect on
22 October 1, 2019, or as later amended.

23 (3) "Beneficiary" means a person that (A) has a present or future
24 beneficial interest in a trust, vested or contingent; or (B) in a capacity
25 other than that of trustee, holds a power of appointment over trust
26 property. "Beneficiary" does not include an appointee under a power
27 of appointment until the power is exercised and the trustee has
28 knowledge of the exercise and the identity of the appointee.

29 (4) "Breach of trust" includes a violation by a trust director or trustee
30 of a duty imposed on the director or trustee by the terms of the trust,
31 sections 1 to 98, inclusive, of this act or law of this state other than
32 sections 1 to 98, inclusive, of this act pertaining to trusts.

33 (5) "Directed trust" means a trust for which the terms of the trust
34 grant a power of direction.

35 (6) "Directed trustee" means a trustee that is subject to a trust
36 director's power of direction.

37 (7) "Charitable trust" means a trust, or part of a trust, created (A) for
38 a charitable purpose described in section 26 of this act; and (B) when
39 property is dedicated for a charitable purpose, whether the dedication
40 is by written instrument, declaration, deed, pledge, judgment or
41 decree.

42 (8) "Current beneficiary" means a beneficiary that, on the date the
43 beneficiary's qualification is determined, is a distributee or permissible
44 distributee of trust income or principal.

45 (9) "Conservator of the estate" means a person appointed by the
46 court to administer the estate of an adult individual.

47 (10) "Environmental law" means a federal, state or local law, rule,
48 regulation or ordinance relating to protection of the environment.

49 (11) "Conservator of the person" means a person appointed by the
50 court to make decisions regarding the support, care, education, health
51 and welfare of an adult individual and includes a conservator of the
52 person of an adult, but does not include a guardian ad litem.

53 (12) "Court" means a court of this state having jurisdiction over the
54 matter pursuant to sections 15 and 16 of this act or a court of another
55 state having jurisdiction under the law of the other state.

56 (13) "Guardian" means a person appointed by the court pursuant to
57 part V of chapter 802h of the general statutes.

58 (14) "Inter vivos trust" means a trust that is not a testamentary trust.

59 (15) "Interests of the beneficiaries" means the beneficial interests
60 provided in the terms of the trust.

61 (16) "Jurisdiction", with respect to a geographic area, includes a state
62 or country.

63 (17) "Mandatory distribution" means distribution of income or
64 principal that the trustee is required to make to a beneficiary under the
65 terms of the trust, including a distribution upon termination of the
66 trust. "Mandatory distribution" does not include a distribution subject
67 to the exercise of the trustee's discretion, regardless of whether the
68 terms of the trust (A) include a support or other standard to guide the
69 trustee in making distribution decisions; or (B) provide that the trustee
70 "may" or "shall" make discretionary distributions, including
71 distributions pursuant to a support or other standard.

72 (18) "Person" means an individual, corporation, statutory or
73 business trust, estate, trust, partnership, limited liability company,

74 association, joint venture, court, government, governmental
75 subdivision, agency or instrumentality, public corporation or any other
76 legal or commercial entity.

77 (19) "Power of direction" means a power over a trust granted to a
78 person by the terms of the trust to the extent the power is exercisable
79 while the person is not serving as a trustee. "Power of direction"
80 includes a power over the investment, management, or distribution of
81 trust property or other matters of trust administration, but does not
82 include the powers described in subsection (b) of section 5 of this act.

83 (20) "Power of withdrawal" means a presently exercisable general
84 power of appointment other than a power exercisable only upon
85 consent of the trustee or a person holding an adverse interest.

86 (21) "Property" means anything that may be the subject of
87 ownership, whether real or personal and whether legal or equitable, or
88 any interest therein.

89 (22) "Qualified beneficiary" means a beneficiary that, on the date the
90 beneficiary's qualification is determined: (A) Is a distributee or
91 permissible distributee of trust income or principal; (B) would be a
92 distributee or permissible distributee of trust income or principal if the
93 interests of the distributees described in subparagraph (A) of this
94 subdivision terminated on such date without causing the trust to
95 terminate; or (C) would be a distributee or permissible distributee of
96 trust income or principal if the trust terminated on such date.

97 (23) "Revocable", as applied to a trust, means revocable by the
98 settlor without the consent of the trustee or a person holding an
99 adverse interest.

100 (24) "Settlor" means a person, including a testator, that creates or
101 contributes property to a trust. If more than one person creates or
102 contributes property to a trust, each person is a settlor of the portion of
103 the trust property attributable to such person's contribution, except to
104 the extent another person has the power to revoke or withdraw such

105 portion and as otherwise provided in section 40 of this act.

106 (25) "Spendthrift provision" means a term of a trust that restrains
107 both voluntary and involuntary transfer of a beneficiary's interest.

108 (26) "State" means a state of the United States, the District of
109 Columbia, Puerto Rico, the United States Virgin Islands or any
110 territory or insular possession subject to the jurisdiction of the United
111 States, and includes an Indian tribe or band recognized by federal law
112 or formally acknowledged by a state.

113 (27) "Terms of a trust" means: (A) The manifestation of the settlor's
114 intent regarding a trust's provisions as:

115 (i) Expressed in the trust instrument; or

116 (ii) Established by other evidence that would be admissible in a
117 judicial proceeding; or

118 (B) The trust's provisions, as established, determined or amended
119 by:

120 (i) A trustee or trust director in accordance with applicable law;

121 (ii) Court order; or

122 (iii) A nonjudicial settlement agreement under section 11 of this act.

123 (28) "Testamentary trust" means a trust created under a will and,
124 unless otherwise expressly provided, any trust established pursuant to
125 an order of the Probate Court.

126 (29) "Trust director" means a person that is granted a power of
127 direction by the terms of a trust to the extent the power is exercisable
128 while the person is not serving as a trustee, provided a person is a trust
129 director whether or not the terms of the trust refer to the person as a
130 trust director and whether or not the person is a beneficiary or settlor
131 of the trust.

132 (30) "Trust instrument" means any instrument executed by the
133 settlor, including a will establishing or creating a testamentary trust,
134 that contains terms of the trust, including any amendments thereto. In
135 the case of a charitable trust, "trust instrument" means any written
136 instrument by which property is dedicated for a charitable purpose
137 described in section 26 of this act.

138 (31) "Trustee" includes an original, additional and successor trustee
139 and a cotrustee.

140 Sec. 4. (NEW) (*Effective October 1, 2019*) (a) Subject to subsection (b)
141 of this section, for the purposes of sections 1 to 98, inclusive, of this act,
142 a person has knowledge of a fact if the person (1) has actual
143 knowledge of the fact; (2) has received a notice or notification of the
144 fact; or (3) from all the facts and circumstances known to the person at
145 the time in question, has reason to know the fact.

146 (b) An organization that conducts activities through employees has
147 notice or knowledge of a fact involving a trust only from the time the
148 information was received by an employee having responsibility to act
149 for the trust, or from the time the information would have been
150 brought to the employee's attention if the organization had exercised
151 reasonable diligence. An organization exercises reasonable diligence if
152 it maintains reasonable routines for communicating significant
153 information to the employee having responsibility to act for the trust
154 and there is reasonable compliance with the routines. Reasonable
155 diligence does not require an employee of the organization to
156 communicate information unless the communication is part of the
157 individual's regular duties or the individual knows a matter involving
158 the trust would be materially affected by the information.

159 Sec. 5. (NEW) (*Effective October 1, 2019*) (a) Except as provided in the
160 terms of the trust, sections 1 to 98, inclusive, of this act govern the
161 duties and powers of a trustee, relations among trustees and the rights
162 and interests of a beneficiary.

163 (b) The terms of a trust prevail over each provision of sections 1 to

164 98, inclusive, of this act except: (1) The requirements for creating a
165 trust; (2) the duty of a trustee to act in good faith and in accordance
166 with the terms and purposes of the trust; (3) the requirement of section
167 25 of this act that a trust have a purpose that is lawful and not contrary
168 to public policy; (4) the power of the court to modify or terminate a
169 trust under sections 31 to 37, inclusive, of this act; (5) the power of the
170 court under section 45 of this act to require, dispense with, modify or
171 terminate a bond; (6) the power of the court under section 51 of this act
172 to adjust a trustee's compensation specified in the terms of the trust
173 that is unreasonably low or high; (7) the duty under subdivisions (2)
174 and (3) of subsection (b) of section 63 of this act to notify each qualified
175 beneficiary of an irrevocable trust who has attained twenty-five years
176 of age, or the designated representative of the qualified beneficiary, if
177 any, of the existence of the trust, of the identity of the trustee, and of
178 the right of the qualified beneficiary to request a trustee's report; (8)
179 the duty under subsection (a) of section 63 of this act to respond to the
180 request of a qualified beneficiary of an irrevocable trust or the
181 designated representative of the qualified beneficiary, if any, for a
182 trustee's report and other information reasonably related to the
183 administration of a trust and the effect of an exculpatory term under
184 section 73 of this act; (9) the rights under sections 75 to 78, inclusive, of
185 this act of a person other than a trustee or beneficiary; (10) periods of
186 limitation for commencing a judicial proceeding; (11) the power of the
187 court to take the action and exercise the jurisdiction necessary in the
188 interests of justice; (12) the jurisdiction of the court as provided in
189 sections 15 and 16 of this act; and (13) the provisions of sections 1 to 83,
190 inclusive, of this act dealing with judicial supervision of testamentary
191 trusts.

192 Sec. 6. (NEW) (*Effective October 1, 2019*) The common law of trusts
193 and principles of equity supplement sections 1 to 109, inclusive, of this
194 act, except to the extent modified by sections 1 to 109, inclusive, of this
195 act or another statute of this state. The provisions of sections 1 to 109,
196 inclusive, of this act expressly applying to charitable trusts apply only
197 to supplement Connecticut common law of charitable trusts. No

198 provision in sections 1 to 109, inclusive, of this act or title 45a of the
199 general statutes shall be applied or construed to alter or diminish any
200 charitable interest or purpose or any condition or restriction related to
201 a charitable interest or purpose.

202 Sec. 7. (NEW) (*Effective October 1, 2019*) The meaning and effect of
203 the terms of a trust are determined by: (1) The law of the jurisdiction
204 designated in the terms of the trust, unless the designation of the
205 jurisdiction's law is contrary to a strong public policy of the
206 jurisdiction having the most significant relationship to the matter at
207 issue; or (2) in the absence of a controlling designation in the terms of
208 the trust, the law of the jurisdiction having the most significant
209 relationship to the matter at issue.

210 Sec. 8. (NEW) (*Effective October 1, 2019*) (a) Without precluding other
211 means for establishing a sufficient connection with the designated
212 jurisdiction, terms of a trust designating the principal place of
213 administration of the trust are valid and controlling if: (1) A trustee's
214 principal place of business is located in, or a trustee is a resident of, the
215 designated jurisdiction; (2) a trust director's principal place of business
216 is located in, or a trust director is a resident of, the designated
217 jurisdiction; or (3) all or part of the administration occurs in the
218 designated jurisdiction.

219 (b) A trustee is under a continuing duty to administer the trust at a
220 place appropriate to its purposes, its administration and the interests
221 of the beneficiaries.

222 (c) Without precluding the right of the court to order, approve or
223 disapprove a transfer, and except as set forth in subsection (e) of this
224 section, in furtherance of the duty prescribed in subsection (b) of this
225 section, a trustee may transfer the trust's principal place of
226 administration to another state or to a jurisdiction outside of the
227 United States.

228 (d) A change in the principal place of administration of a trust from
229 this state to another jurisdiction does not, by itself, deprive the courts

230 of this state of jurisdiction over the trust.

231 (e) The trustee may not transfer the principal place of
232 administration of a charitable trust to a jurisdiction outside of the
233 United States. The trustee of a testamentary trust may not transfer the
234 principal place of administration without approval of the Probate
235 Court having jurisdiction over the testamentary trust.

236 (f) The trustee shall notify the qualified beneficiaries of a proposed
237 transfer of a trust's principal place of administration not less than sixty
238 days prior to the date of initiating the transfer. The notice of proposed
239 transfer shall include:

240 (1) The name of the jurisdiction to which the principal place of
241 administration is to be transferred;

242 (2) The address and telephone number at the new location at which
243 the trustee can be contacted;

244 (3) An explanation of the reason for the proposed transfer; and

245 (4) The date on which the proposed transfer is anticipated to occur.

246 (g) In connection with a transfer of the trust's principal place of
247 administration, the trustee may transfer some or all of the trust
248 property to a successor trustee designated in the terms of the trust or
249 appointed pursuant to section 47 of this act.

250 Sec. 9. (NEW) (*Effective October 1, 2019*) (a) Notice to a person under
251 sections 1 to 109, inclusive, of this act or the sending of a document to a
252 person under sections 1 to 109, inclusive, of this act shall be
253 accomplished in a manner reasonably suitable under the circumstances
254 and likely to result in receipt of the notice or document. Permissible
255 methods of notice or for sending a document include first-class mail,
256 personal delivery, delivery to the person's last known place of
257 residence or place of business, or, if the person has consented in
258 advance to receive notices or documents by electronic message, a
259 properly directed electronic message.

260 (b) Notice otherwise required under sections 1 to 109, inclusive, of
261 this act or a document otherwise required to be sent under sections 1 to
262 109, inclusive, of this act need not be provided to a person whose
263 identity or location is unknown to and not reasonably ascertainable by
264 the trustee.

265 (c) Notice under sections 1 to 109, inclusive, of this act or the
266 sending of a document under sections 1 to 109, inclusive, of this act
267 may be waived by the person to be notified or to be sent the document.

268 (d) Notice of a judicial proceeding shall be given as provided in the
269 applicable rules of court.

270 Sec. 10. (NEW) (*Effective October 1, 2019*) (a) Whenever notice to
271 qualified beneficiaries of a trust is required under sections 1 to 109,
272 inclusive, of this act, the trustee shall also give notice to: (1) A
273 representative designated under section 19 of this act to receive notices
274 on the beneficiary's behalf; and (2) any other beneficiary who sent the
275 trustee a request for notice.

276 (b) A charitable organization expressly designated to receive
277 distributions under the terms of a charitable trust has the rights of a
278 qualified beneficiary under sections 1 to 109, inclusive, of this act if the
279 charitable organization, on the date the charitable organization's
280 qualification is being determined: (1) Is a distributee or permissible
281 distributee of trust income or principal; (2) would be a distributee or
282 permissible distributee of trust income or principal upon termination
283 of the interests of other distributees or permissible distributees then
284 receiving or eligible to receive distributions; or (3) would be a
285 distributee or permissible distributee of trust income or principal if the
286 trust terminated on such date.

287 (c) The Attorney General has the rights of a qualified beneficiary
288 with respect to a charitable trust if (1) the trust's principal place of
289 administration in this state; or (2) either the primary charitable
290 beneficiary or the intended charitable benefit is located in this state.

291 (d) A person appointed to enforce a trust created for (1) the care of
292 an animal under section 45a-489a of the general statutes, as amended
293 by this act, or (2) another noncharitable purpose as provided in section
294 29 of this act, has the rights of a qualified beneficiary under sections 1
295 to 109, inclusive, of this act.

296 (e) A charitable organization shall be granted the rights of a
297 qualified beneficiary under this section only if its interest in a
298 charitable trust is not otherwise subject to any power of appointment,
299 removal or any other power of termination on the date that its
300 qualification is otherwise determined under this section.

301 Sec. 11. (NEW) (*Effective October 1, 2019*) (a) For the purposes of this
302 section, "interested persons" means persons whose consent would be
303 required in order to achieve a binding settlement were the settlement
304 to be approved by the court.

305 (b) Except as provided in subsections (c) and (e) of this section,
306 interested persons may enter into a binding, nonjudicial settlement
307 agreement with respect to any matter involving an inter vivos trust.

308 (c) A nonjudicial settlement agreement is valid only to the extent it
309 does not violate a material purpose of the trust and includes terms and
310 conditions that could be properly approved by the court under
311 sections 1 to 109, inclusive, of this act or other applicable law.

312 (d) Matters that may be resolved by a nonjudicial settlement
313 agreement include: (1) The interpretation or construction of the terms
314 of the trust; (2) the approval of a trustee's report or accounting; (3)
315 direction to a trustee to refrain from performing a particular act or the
316 grant to a trustee of any necessary or desirable power; (4) the
317 resignation or appointment of a trustee and the determination of a
318 trustee's compensation; (5) transfer of a trust's principal place of
319 administration; and (6) liability of a trustee for an action relating to the
320 trust.

321 (e) A nonjudicial settlement agreement may not modify or terminate

322 an irrevocable trust. Such a modification or termination may be
323 accomplished only under the provisions of sections 30 to 37, inclusive,
324 of this act.

325 (f) An interested person may request the court to approve a
326 nonjudicial settlement agreement to determine whether the
327 representation as provided in sections 17 to 21, inclusive, of this act
328 was adequate and to determine whether the agreement contains terms
329 and conditions the court could have properly approved.

330 Sec. 12. (NEW) (*Effective October 1, 2019*) A trustee has an insurable
331 interest in the life of an individual insured under a life insurance
332 policy that is owned by the trustee or that designates the trust itself as
333 the owner if, on the date the policy is issued:

334 (1) The insured is: (A) A settlor of the trust; or (B) an individual in
335 whom a settlor of the trust has, or would have had if living at the time
336 the policy was issued, an insurable interest; and

337 (2) The life insurance proceeds are primarily for the benefit of one or
338 more trust beneficiaries that have: (A) An insurable interest in the life
339 of the insured; or (B) a substantial interest engendered by love and
340 affection in the continuation of the life of the insured and, if not
341 already included under subdivision (1) of this section, who are: (i)
342 Related within the third degree or closer, as measured by the law of
343 this state for determining degrees of relation, either by blood or law, to
344 the insured; or (ii) stepchildren of the insured.

345 Sec. 13. (NEW) (*Effective October 1, 2019*) (a) A testamentary trust is
346 subject to continuing judicial supervision.

347 (b) An inter vivos trust is not subject to continuing judicial
348 supervision.

349 Sec. 14. (NEW) (*Effective October 1, 2019*) (a) If a trustee accepts
350 trusteeship of a trust having its principal place of administration in this
351 state or moves the principal place of administration to this state, the

352 trustee submits personally to the jurisdiction of the courts of this state
353 regarding any matter involving the trust.

354 (b) With respect to their interests in the trust, the beneficiaries of a
355 trust having its principal place of administration in this state are
356 subject to the jurisdiction of the courts of this state regarding any
357 matter involving the trust. If a beneficiary accepts a distribution from
358 such a trust, the beneficiary submits personally to the jurisdiction of
359 the courts of this state regarding any matter involving the trust.

360 (c) This section shall not preclude other methods of obtaining
361 jurisdiction over a trustee, beneficiary or other person receiving
362 property from the trust.

363 (d) Notwithstanding the provisions of subsections (a) to (c),
364 inclusive, of this section, the courts of this state have jurisdiction over
365 the trustee of a charitable trust if either the primary charitable
366 beneficiary or the intended charitable benefit is located in this state.

367 Sec. 15. (NEW) (*Effective October 1, 2019*) (a) Except as provided in
368 subsections (b) and (c) of this section, the Probate Court has original
369 exclusive jurisdiction relating to testamentary trusts to:

370 (1) Determine the validity of the will establishing the trust pursuant
371 to subdivision (2) of subsection (a) of section 45a-98 of the general
372 statutes, as amended by this act;

373 (2) Compel a trustee to account pursuant to subdivision (6) of
374 subsection (a) of section 45a-98 of the general statutes, as amended by
375 this act;

376 (3) Approve a trustee's account pursuant to sections 45a-175 to 45a-
377 179, inclusive, of the general statutes, as amended by this act, or
378 proposed final distribution pursuant to section 45a-481 of the general
379 statutes;

380 (4) Approve the settlement of a disputed claim pursuant to section
381 45a-151 of the general statutes;

382 (5) Approve the sale of personal property pursuant to section 45a-
383 163 of the general statutes;

384 (6) Approve the sale or mortgage of real property pursuant to
385 section 45a-164 of the general statutes;

386 (7) Remove or accept the resignation of a trustee pursuant section 48
387 of this act or subsection (b) of section 49 of this act;

388 (8) Appoint a successor trustee in the event of a vacancy or
389 anticipated vacancy pursuant to section 47 of this act;

390 (9) Order a trustee to furnish a probate bond pursuant to section 45
391 of this act;

392 (10) Recover on a probate bond for breach of fiduciary duty
393 pursuant to sections 45a-144 and 45a-145 of the general statutes;

394 (11) Assume jurisdiction of a trust pursuant to subsection (b) of
395 section 45a-477 of the general statutes, as amended by this act;

396 (12) Order distribution of a decedent's estate or testamentary trust to
397 the beneficiaries of an inoperative trust pursuant to section 45a-482 of
398 the general statutes, as amended by this act;

399 (13) Authorize a trustee to disclaim an interest pursuant to section
400 45a-579 of the general statutes;

401 (14) Authorize a trustee to combine two or more trusts or divide a
402 trust into two or more separate trusts pursuant to section 38 of this act;

403 (15) Terminate a charitable trust pursuant to section 45a-520 of the
404 general statutes, as amended by this act; and

405 (16) Approve, compel or prohibit a trustee's action or provide
406 instruction to a trustee.

407 (b) The Superior Court and the Probate Court have concurrent
408 original jurisdiction relating to testamentary trusts to:

409 (1) Determine title or rights of possession and use in and to any real,
410 tangible or intangible property that constitutes or may constitute
411 property of a trust, including the rights and obligations of a beneficiary
412 of the trust pursuant to section 45a-98 of the general statutes, as
413 amended by this act;

414 (2) Determine the validity and construe the meaning and effect of a
415 trust pursuant to section 45a-98 of the general statutes, as amended by
416 this act;

417 (3) Apply the doctrine of cy pres or approximation pursuant to
418 section 45a-98 of the general statutes, as amended by this act;

419 (4) Reform a trust to qualify for the marital deduction pursuant to
420 section 45a-485 of the general statutes, as amended by this act;

421 (5) Reform a trust to qualify for the charitable deduction pursuant to
422 section 45a-519 of the general statutes;

423 (6) Reform a charitable remainder unitrust pursuant to section 45a-
424 521 of the general statutes, as amended by this act;

425 (7) Authorize transfer of the principal place of administration of a
426 trust to another jurisdiction pursuant to section 8 of this act; and

427 (8) Modify or terminate a noncharitable trust pursuant to sections
428 31, 32, 35, 36 and 37 of this act.

429 (c) The Superior Court has sole original jurisdiction relating to
430 testamentary trusts with respect to:

431 (1) A proceeding relating to a testamentary trust that the court
432 consolidates with another proceeding involving the same trust over
433 which the Superior Court has original jurisdiction; and

434 (2) Any matter over which the Superior Court has statutory or
435 common law jurisdiction or has powers or remedies that are not
436 available to the Probate Court.

437 (d) The Superior Court has original jurisdiction over all matters
438 relating to inter vivos trusts. The Probate Court has concurrent original
439 jurisdiction with the Superior Court relating to inter vivos trusts to:

440 (1) Compel a trustee to account pursuant to subdivision (6) of
441 subsection (a) of section 45a-98 of the general statutes, as amended by
442 this act;

443 (2) Approve a trustee's account pursuant to section 45a-175 of the
444 general statutes;

445 (3) Remove a trustee pursuant to subsection (b) of section 49 of this
446 act;

447 (4) Appoint a successor trustee in the event of a vacancy or
448 anticipated vacancy pursuant to section 47 or 102 of this act and
449 subsection (g) of section 105 of this act;

450 (5) Recover on a probate bond for breach of fiduciary duty pursuant
451 to sections 45a-144 and 45a-145 of the general statutes;

452 (6) Authorize a trustee to disclaim an interest pursuant to section
453 45a-579 of the general statutes;

454 (7) Authorize a trustee to combine two or more trusts or divide a
455 trust into two or more separate trusts pursuant to section 38 of this act;

456 (8) Terminate a charitable trust pursuant to section 45a-520 of the
457 general statutes, as amended by this act;

458 (9) Determine title or rights of possession and use in and to any real,
459 tangible or intangible property that constitutes or may constitute
460 property of a trust, including the rights and obligations of any
461 beneficiary of the trust pursuant to section 45a-98 of the general
462 statutes, as amended by this act;

463 (10) Determine the validity and construe the meaning and effect of a
464 trust pursuant to section 45a-98 of the general statutes, as amended by

465 this act;

466 (11) Apply the doctrine of cy pres or approximation pursuant to
467 section 45a-98 of the general statutes, as amended by this act;

468 (12) Reform a trust to achieve the settlor's tax objectives pursuant to
469 section 37 of this act;

470 (13) Authorize transfer of the principal place of administration of a
471 trust to another jurisdiction pursuant to section 8 of this act; and

472 (14) Modify or terminate a noncharitable trust pursuant to sections
473 31, 32, 35, 36 and 37 of this act.

474 (e) With respect to a matter over which the court has jurisdiction,
475 the court may hear and decide a trustee's request for instructions or for
476 approval of action or a party's request to compel or prohibit an action
477 by a trustee.

478 Sec. 16. (NEW) (*Effective October 1, 2019*) (a) Process for a proceeding
479 in the Superior Court concerning a trust shall be returnable as
480 provided in chapter 890 of the general statutes.

481 (b) A petition to commence a proceeding in a Probate Court
482 concerning a testamentary trust shall be filed with:

483 (1) The court that admitted the settlor's will to probate; or

484 (2) If the trust was established pursuant to a court order, the court
485 that issued the order or the court to which the trust was subsequently
486 transferred pursuant to rules of procedure adopted by the Supreme
487 Court under section 45a-78 of the general statutes.

488 (c) A petition to commence a proceeding in a Probate Court
489 concerning an inter vivos trust shall be filed with the court for the
490 probate district:

491 (1) Where the principal place of administration of the trust is
492 located;

493 (2) Where a trustee or successor trustee resides or has a place of
494 business;

495 (3) Where a trust asset is maintained or evidence of intangible
496 property held by the trust is situated;

497 (4) Where the settlor resides;

498 (5) If the settlor is deceased, where the settlor's will was admitted to
499 probate or that granted administration of the settlor's estate, or where
500 the settlor resided immediately before death; or

501 (6) If a trust has no trustee, where a beneficiary resides or, if the
502 beneficiary is not an individual, where the beneficiary has a place of
503 business.

504 Sec. 17. (NEW) (*Effective October 1, 2019*) (a) Notice to a person who
505 may represent and bind another person under this section and sections
506 18 to 21, inclusive, of this act has the same effect as if notice were given
507 directly to the other person.

508 (b) The consent of a person who may represent and bind another
509 person under this section and sections 18 to 21, inclusive, of this act is
510 binding on the person represented unless the person represented
511 objects to the representation before the consent would otherwise have
512 become effective.

513 (c) Except as provided in section 41 of this act, a person that,
514 pursuant to this section and sections 18 to 21, inclusive, of this act, may
515 represent a settlor who lacks capacity may receive notice and give a
516 binding consent on the settlor's behalf.

517 (d) This section and sections 18 to 21, inclusive, of this act, shall
518 apply to all judicial proceedings and all nonjudicial settlements,
519 agreements or actions (1) under sections 1 to 109, inclusive, of this act;
520 and (2) under any other provisions of the general statutes pertaining to
521 trust matters. As used in this subsection, "trust matters" means (A) any
522 property or interest in property held as part of a trust; (B) actions by or

523 against a trust or by or against the trustee of the trust, in its capacity as
524 trustee; (C) proceedings for the interpretation of a document creating a
525 trust or other instrument pursuant to which property is held by a
526 trustee; (D) accountings, whether intermediate or final, of any trustee;
527 and (E) any other matter concerning the administration of a trust. Any
528 reference to a trust in this section and sections 45a-487b to 45a-487f,
529 inclusive, of the general statutes, includes both testamentary and inter
530 vivos trusts.

531 (e) As used in this section, "represent" shall not be construed to
532 permit a person who has not been admitted as an attorney pursuant to
533 section 51-80 of the general statutes to serve as legal counsel for any
534 other person in any matter arising under sections 1 to 109, inclusive, of
535 this act.

536 Sec. 18. (NEW) (*Effective October 1, 2019*) To the extent there is no
537 conflict of interest between the holder of a power of appointment and a
538 person represented with respect to the particular question or dispute:
539 (1) The sole holder or all coholders of a power of appointment,
540 whether or not presently exercisable, represent the potential
541 appointees; and (2) the sole holder or all coholders of a power of
542 revocation or a general power of appointment, including one in the
543 form of a power of amendment, represent the takers in default of the
544 exercise of the power.

545 Sec. 19. (NEW) (*Effective October 1, 2019*) (a) To the extent there is no
546 conflict of interest between the representative and the person
547 represented or among those being represented with respect to a
548 particular question or dispute: (1) A conservator may represent and
549 bind the estate that the conservator controls; (2) a conservator of the
550 person may, with court approval, represent and bind the conserved
551 person if a conservator of the estate has not been appointed; (3) an
552 agent having authority to do so may represent and bind the principal;
553 (4) a trustee may represent and bind the beneficiaries of the trust; (5)
554 an executor or administrator of a decedent's estate may represent and
555 bind persons interested in the estate; and (6) if a guardian of the estate

556 has not been appointed, a parent may represent and bind the parent's
557 minor or unborn child.

558 (b) Unless otherwise represented, a minor, an incapacitated or
559 unborn individual, or a person whose identity or location is unknown
560 and not reasonably ascertainable, may be represented by and bound
561 by another person having a substantially identical interest with respect
562 to the particular question or dispute, but only to the extent there is no
563 conflict of interest between the representative and the person being
564 represented.

565 Sec. 20. (NEW) (*Effective October 1, 2019*) (a) If the court determines
566 that an interest is not represented pursuant to sections 17 to 21,
567 inclusive, of this act, or that the otherwise available representation may
568 be inadequate, the court may appoint a guardian ad litem to receive
569 notice, give consent, and otherwise represent, bind and act on behalf of
570 a minor, an incapacitated or unborn individual, or a person whose
571 identity or location is unknown. A guardian ad litem may be
572 appointed to represent several persons or interests.

573 (b) A guardian ad litem may act on behalf of the individual
574 represented with respect to any matter arising under sections 1 to 109,
575 inclusive, of this act, whether or not a judicial proceeding concerning
576 the trust is pending.

577 (c) In making decisions in any matter, a guardian ad litem may
578 consider the general benefit accruing to the living members of the
579 individual's family.

580 Sec. 21. (NEW) (*Effective October 1, 2019*) (a) If specifically nominated
581 in the trust instrument, one or more persons may be designated to
582 represent and bind a beneficiary and receive a notice, information, an
583 accounting or a report on behalf of the beneficiary. The trust
584 instrument may authorize a person or persons, other than a trustee of
585 the trust, to designate one or more persons to represent and bind a
586 beneficiary and receive any notice, information, accounting or report.

587 (b) Except as otherwise provided in sections 1 to 98, inclusive, of
588 this act, a person designated, as provided in subdivision (1) of
589 subsection (c) of this section, may not represent and bind a beneficiary
590 while the person is serving as trustee.

591 (c) Except as otherwise provided in sections 1 to 98, inclusive, of this
592 act, a person designated, as provided in subdivision (1) of this
593 subsection, may not represent and bind another beneficiary if the
594 person designated also is a beneficiary, unless:

595 (1) The person was named by the settlor; or

596 (2) The person is the beneficiary's spouse or a grandparent or
597 descendant of a grandparent of the beneficiary or the beneficiary's
598 spouse.

599 (d) A person designated, as provided in subdivision (1) of
600 subsection (c) of this section, is not liable to the beneficiary whose
601 interests are represented, or to anyone claiming through that
602 beneficiary, for any actions or omissions to act made in good faith.

603 Sec. 22. (NEW) (*Effective October 1, 2019*) A trust may be created by:
604 (1) Transfer of property to another person as trustee during the
605 settlor's lifetime, by deed or otherwise, or by will or other disposition
606 taking effect upon the settlor's death; (2) declaration by the owner of
607 property that the owner holds identifiable property as trustee; (3)
608 exercise of a power of appointment or distribution in favor of a trustee;
609 (4) transfer of property pursuant to a statute or judgment that requires
610 property to be administered in the manner of an express trust,
611 including, but not limited to, (A) a trust created by the guardian of the
612 estate of a minor or by the conservator of an estate; or (B) a trust
613 described in 42 USC 1396p (d)(4), as amended from time to time; or (5)
614 court order.

615 Sec. 23. (NEW) (*Effective October 1, 2019*) (a) A trust is created only if:

616 (1) The settlor has capacity to create a trust;

617 (2) The settlor indicates an intention to create the trust;

618 (3) The trust has a definite beneficiary or is (A) a charitable trust; (B)
619 a trust for the care of an animal, as provided in section 45a-489a of the
620 general statutes, as amended by this act; or (C) a trust for a
621 noncharitable purpose under section 29 of this act; and

622 (4) The trustee has duties to perform.

623 (b) A beneficiary is definite if the beneficiary can be ascertained now
624 or in the future, subject to any applicable rule against perpetuities.

625 (c) A power in a trustee to select a beneficiary from an indefinite
626 class is valid. If the power is not exercised within a reasonable time,
627 the power fails and the property subject to the power passes to the
628 persons who would have taken the property had the power not been
629 conferred. With respect to a charitable trust, if no default beneficiary is
630 named in the trust instrument, the property subject to the power
631 passes to one or more charitable purposes or beneficiaries that the
632 court selects. The selection shall be consistent with the settlor's
633 intention to the extent it can be ascertained.

634 (d) The settlor's power to create or contribute to a trust may be
635 exercised by (1) an agent under a power of attorney only to the extent
636 expressly authorized to create or contribute property to a trust; or (2) a
637 conservator of the estate as authorized by the court.

638 (e) A charitable trust is created if the donor makes a gift with a
639 charitable intent.

640 Sec. 24. (NEW) (*Effective October 1, 2019*) An inter vivos trust is
641 validly created if its creation complies with (1) the law of the
642 jurisdiction in which the trust instrument was executed; or (2) the law
643 of the jurisdiction in which, at the time of creation: (A) The settlor was
644 domiciled, had a place of abode or was a national; (B) a trustee was
645 domiciled or had a place of business; or (C) any trust property was
646 located.

647 Sec. 25. (NEW) (*Effective October 1, 2019*) A trust may be created only
648 to the extent its purposes are lawful and not contrary to public policy.

649 Sec. 26. (NEW) (*Effective October 1, 2019*) (a) A charitable trust may
650 be created for the relief of poverty, the advancement of education or
651 religion, the promotion of health, governmental or municipal purposes
652 or other purposes the achievement of which are beneficial to the
653 community consistent with the provisions of sections 45a-514 and 47-2
654 of the general statutes.

655 (b) If the terms of a charitable trust do not indicate a particular
656 charitable purpose or beneficiary and if the trustee is not given
657 discretion to select the charitable beneficiaries consistent with the
658 provisions of section 45a-515 of the general statutes, the court may
659 select one or more charitable purposes or beneficiaries. The selection
660 shall be consistent with the settlor's intention to the extent it can be
661 ascertained.

662 (c) The settlor of a charitable trust, or a person designated by the
663 settlor who would not otherwise have standing, may maintain a
664 proceeding to enforce the trust only to the extent specified in the trust
665 instrument.

666 (d) If a charitable trust whose purposes are set forth in a trust
667 instrument is converted to a corporation, limited liability company,
668 benefit corporation or other entity, the governing instrument of the
669 new entity must recite the charitable purposes of the original trust
670 instrument.

671 Sec. 27. (NEW) (*Effective October 1, 2019*) A trust or a provision of a
672 trust is void to the extent its creation was induced by fraud, duress or
673 undue influence.

674 Sec. 28. (NEW) (*Effective October 1, 2019*) Except as required by any
675 provision of the general statutes other than sections 1 to 109, inclusive,
676 of this act, a trust need not be evidenced by a written trust instrument,
677 but the creation and terms of an oral trust, other than a charitable trust,

678 may be established only by clear and convincing evidence.

679 Sec. 29. (NEW) (*Effective October 1, 2019*) Except as otherwise
680 provided in the general statutes, the following rules apply to a trust
681 created pursuant to this section:

682 (1) A trust may be created for a noncharitable purpose without a
683 definite or definitely ascertainable beneficiary or for a noncharitable
684 but otherwise valid purpose to be selected by the trustee. The trust
685 may not be enforced for more than ninety years.

686 (2) A trust authorized by this section may be enforced by a person
687 appointed in the terms of the trust or, if no person is appointed, by a
688 person appointed by the court.

689 (3) Property of a trust authorized by this section may be applied
690 only to its intended use, except to the extent the court determines that
691 the value of the trust property exceeds the amount required for the
692 intended use. Except as otherwise provided in the terms of the trust,
693 property not required for the intended use shall be distributed to (A)
694 the settlor, if then living; or (B) if not living, to the settlor's successors
695 in interest.

696 Sec. 30. (NEW) (*Effective October 1, 2019*) (a) In addition to the
697 methods of termination prescribed by sections 31, 32 and 35 of this act,
698 a noncharitable trust terminates to the extent the trust is revoked or
699 expires pursuant to its terms.

700 (b) A charitable trust may be terminated only in accordance with the
701 provisions of section 33 or 34 of this act or section 45a-520 of the
702 general statutes, as amended by this act.

703 (c) A proceeding to approve or disapprove a proposed modification
704 or termination of a trust under sections 31 to 37, inclusive, of this act or
705 trust combination or division under section 38 of this act may be
706 commenced by a trustee or beneficiary. The settlor of a charitable trust
707 or a person designated by the settlor who would not otherwise have

708 standing may maintain a proceeding to modify the trust under section
709 33 or 34 of this act if the trust instrument expressly grants the settlor or
710 the person the right to do so.

711 (d) The trustee is a necessary party in any proceeding under sections
712 31 to 38, inclusive, of this act. The trustee may appeal any order, denial
713 or decree under sections 31 to 38, inclusive, of this act.

714 Sec. 31. (NEW) (*Effective October 1, 2019*) (a) A noncharitable
715 irrevocable trust may be modified or terminated upon consent of the
716 settlor and all beneficiaries, even if the modification or termination is
717 inconsistent with a material purpose of the trust. A settlor's power to
718 consent to a trust's modification or termination may be exercised by (1)
719 an agent under a power of attorney only to the extent expressly
720 authorized by the power of attorney or the terms of the trust; or (2) the
721 settlor's conservator with the approval of the court supervising the
722 conservatorship.

723 (b) A noncharitable irrevocable trust may be (1) terminated upon
724 consent of all of the beneficiaries if the court concludes that
725 continuance of the trust is not necessary to achieve any material
726 purpose of the trust; and (2) modified upon consent of all of the
727 beneficiaries if the court concludes that modification is not inconsistent
728 with a material purpose of the trust.

729 (c) A spendthrift provision in the terms of the trust is not presumed
730 to constitute a material purpose of the trust.

731 (d) Upon termination of a trust under subsection (a) or (b) of this
732 section, the trustee shall distribute the trust property as agreed by the
733 beneficiaries.

734 (e) If not all of the beneficiaries consent to a proposed modification
735 or termination of the trust under subsection (a) or (b) of this section,
736 the modification or termination may be approved by the court if the
737 court is satisfied that:

738 (1) If all of the beneficiaries had consented, the trust could have
739 been modified or terminated under this section; and

740 (2) The interests of a beneficiary who does not consent will be
741 adequately protected.

742 (f) For purposes of this section, a nonjudicial settlement may permit
743 modification or termination of a provision of an irrevocable trust
744 established under 42 USC 1396p (d)(4)(A) or (C) only if the settlement
745 complies with 42 USC 1396p (d)(4)(A) or (C).

746 Sec. 32. (NEW) (*Effective October 1, 2019*) (a) The court may modify
747 the administrative or dispositive terms of a trust, subject to sections 33
748 and 34 of this section, or terminate a noncharitable trust if, because of
749 circumstances not anticipated by the settlor, modification or
750 termination will further the purposes of the trust. To the extent
751 practicable, the modification shall be made in accordance with the
752 settlor's probable intention.

753 (b) The court may modify the administrative terms of a trust if
754 continuation of the trust on its existing terms would be impracticable
755 or wasteful or impair the trust's administration.

756 (c) Upon termination of a trust under this section, the trustee shall
757 distribute the trust property in a manner consistent with the purposes
758 of the trust as directed by the court.

759 (d) In this section, "circumstances not anticipated by the settlor"
760 does not include a change in the corporate identity of a trustee.

761 (e) The court may, pursuant to this section, permit modification or
762 termination of a provision of an irrevocable trust established under 42
763 USC 1396p (d)(4)(A) or (C) only if the modification or termination
764 complies with the requirements of 42 USC 1396p (d)(4)(A) or (C).

765 Sec. 33. (NEW) (*Effective October 1, 2019*) Except as otherwise
766 provided in section 34 of this act, if a particular charitable purpose
767 becomes unlawful, impracticable, impossible to achieve or wasteful: (1)

768 The trust does not fail, in whole or in part; (2) the trust property does
769 not revert to the settlor or the settlor's successors in interest; and (3) the
770 court may apply cy pres to modify or terminate the trust by directing
771 that the trust property be applied or distributed, in whole or in part, in
772 a manner consistent with the settlor's charitable purposes.

773 Sec. 34. (NEW) (*Effective October 1, 2019*) A provision in the terms of
774 a charitable trust that would result in distribution of the trust property
775 to a noncharitable beneficiary prevails over the power of the court
776 under section 33 of this act to apply cy pres to modify or terminate the
777 trust only if, when the provision takes effect: (1) Except as provided in
778 section 45a-505 of the general statutes, the trust property is to revert to
779 the settlor and the settlor is living; or (2) fewer than twenty-one years
780 have elapsed since the date of the trust's creation.

781 Sec. 35. (NEW) (*Effective October 1, 2019*) (a) After thirty days' notice
782 to the qualified beneficiaries, the trustee of a noncharitable inter vivos
783 trust consisting of trust property having a total value less than two
784 hundred thousand dollars may terminate the trust if the trustee
785 concludes that the value of the trust property is insufficient to justify
786 the cost of administration.

787 (b) The court may modify or terminate a noncharitable testamentary
788 or inter vivos trust or remove the trustee of the trust and appoint a
789 different trustee if it determines that the value of the trust property is
790 insufficient to justify the cost of administration relative to the material
791 purposes of the trust. In this section, a provision providing for
792 repayment of medical assistance to the state for trusts established
793 under 42 USC 1396p (d)(4)(A) or (C) is presumed to be a material
794 purpose of the trust.

795 (c) Upon termination of a trust under this section, the trustee shall
796 distribute the trust property: (1) In a manner consistent with the
797 purposes of the trust; or (2) if the termination is approved by the court,
798 as directed by the court after considering the material purposes of the
799 trust.

800 (d) The provisions of this section do not apply to an easement for
801 conservation or preservation.

802 Sec. 36. (NEW) (*Effective October 1, 2019*) The court may reform the
803 terms of a noncharitable trust, even if unambiguous, to conform the
804 terms to the settlor's intention if it is proved by clear and convincing
805 evidence what the settlor's intention was and that the terms of the trust
806 were affected by a mistake of fact or law, whether in expression or
807 inducement.

808 Sec. 37. (NEW) (*Effective October 1, 2019*) To achieve the settlor's tax
809 objectives, the court may modify the terms of a trust in a manner that
810 is not contrary to the settlor's probable intention. The court may
811 provide that the modification has retroactive effect.

812 Sec. 38. (NEW) (*Effective October 1, 2019*) (a) After thirty days' notice
813 to the qualified beneficiaries, the trustee of an inter vivos trust may
814 combine two or more trusts into a single trust or divide a trust into two
815 or more separate trusts, if the result does not impair rights of a
816 beneficiary or adversely affect achievement of the purposes of the
817 trust.

818 (b) The trustee of a testamentary trust, with court approval, may
819 combine the trust with another trust or divide the trust into two or
820 more separate trusts if the result does not impair rights of a beneficiary
821 or adversely affect achievement of the purposes of the trust.

822 Sec. 39. (NEW) (*Effective October 1, 2019*) Trust property is not
823 subject to personal obligations of the trustee, even if the trustee
824 becomes insolvent or bankrupt.

825 Sec. 40. (NEW) (*Effective October 1, 2019*) (a) For all purposes under
826 this section and section 39 of this act, a creditor of a beneficiary, other
827 than a creditor of the settlor if the settlor is a beneficiary of the trust,
828 may not attach or compel a distribution of property that is subject to:

829 (1) A power of withdrawal held by the beneficiary if the value of the

830 property subject to the power does not exceed the greater of the
831 amount specified in Section 2041(b)(2) or 2514(e) of the Internal
832 Revenue Code of 1986, or any subsequent corresponding internal
833 revenue code of the United States, as amended from time to time, and
834 the regulations thereunder, or Section 2503(b) of said Internal Revenue
835 Code and the regulations thereunder, in each case as in effect on
836 October 1, 2019;

837 (2) A power, whether mandatory or discretionary, held by the
838 trustee of the trust, including a power held by the beneficiary as the
839 sole trustee or a cotrustee of the trust, to make distributions to or for
840 the benefit of the beneficiary, if the power is exercisable by the trustee
841 only in accordance with an ascertainable standard relating to such
842 beneficiary's individual health, education, support or maintenance
843 within the meaning of Section 2041(b)(1)(A) or 2514(c)(1) of the
844 Internal Revenue Code of 1986, or any subsequent corresponding
845 internal revenue code of the United States, as amended from time to
846 time, and the regulations thereunder, as in effect on October 1, 2019; or

847 (3) A power, whether mandatory or discretionary, held by the
848 trustee of the trust, including a power held by the beneficiary as the
849 sole trustee or a cotrustee of the trust, to make distributions to or for
850 the benefit of a person who the beneficiary has an obligation to
851 support, if the power is exercisable by the trustee only in accordance
852 with an ascertainable standard relating to such person's individual
853 health, education, support or maintenance within the meaning of
854 Section 2041(b)(1)(A) or 2514(c)(1) of the Internal Revenue Code of
855 1986, or any subsequent corresponding internal revenue code of the
856 United States, as amended from time to time, and the regulations
857 thereunder, as in effect on October 1, 2019.

858 (b) A beneficiary holding a power set forth in subsection (a) of this
859 section shall not, during the period the power may be exercised or
860 upon the lapse, release or waiver of the power, be treated as a settlor of
861 the trust.

862 (c) This section and section 39 of this act do not apply to statutory
863 trusts created pursuant to chapter 615 of the general statutes to the
864 extent inconsistent with the terms of chapter 615.

865 Sec. 41. (NEW) (*Effective October 1, 2019*) (a) Unless the terms of a
866 trust expressly provide that the trust is irrevocable, the settlor may
867 revoke or amend the trust. This subsection shall not apply to (1) a trust
868 created under an instrument executed before October 1, 2019; (2)
869 charitable pledges; or (3) other charitable gifts in which the charitable
870 interest has otherwise vested.

871 (b) If a revocable trust is created or funded by more than one settlor:
872 (1) To the extent the trust consists of community property, the trust
873 may be revoked by either spouse acting alone but may be amended
874 only by joint action of both spouses; and (2) to the extent the trust
875 consists of property other than community property, each settlor may
876 revoke or amend the trust with regard to the part of the trust property
877 attributable to the settlor's contribution.

878 (c) With respect to a revocable trust:

879 (1) The settlor may revoke or amend the trust by substantial
880 compliance with a method provided in the terms of the trust.

881 (2) If the terms of the trust do not provide a method to revoke or
882 amend the trust, or the method provided in the terms is not expressly
883 made exclusive, the settlor may revoke or amend the trust by (A)
884 executing a later will or codicil that has been admitted to probate and
885 that expressly refers to the trust or expressly devises specifically
886 identified items of real or personal property that would otherwise have
887 passed according to the terms of the trust; or (B) any other method
888 manifesting clear and convincing evidence of the settlor's intent,
889 provided (i) a written revocable trust may be amended only by a later
890 written instrument; and (ii) a written revocable trust may be revoked
891 only by a later written instrument or by the burning, cancellation,
892 tearing or obliteration of the revocable trust by the settlor or by some
893 person in the settlor's presence and at the settlor's direction.

894 (d) Upon revocation of a revocable trust, the trustee shall deliver the
895 trust property as the settlor directs.

896 (e) A settlor's powers with respect to revocation, amendment or
897 distribution of trust property may be exercised by an agent under a
898 power of attorney only to the extent expressly authorized by the terms
899 of the trust and the power of attorney.

900 (f) Unless expressly prohibited by the terms of the trust, a
901 conservator of the settlor may exercise a settlor's powers with respect
902 to revocation, amendment or distribution of trust property with
903 approval of the trustee and the court supervising the conservatorship.

904 (g) A trustee who does not know that a trust has been revoked or
905 amended is not liable to the settlor or settlor's successors in interest for
906 distributions made and other actions taken on the assumption that the
907 trust had not been amended or revoked.

908 (h) A trust created pursuant to 42 USC 1396p(d)(4), as amended
909 from time to time, is irrevocable if the terms of the trust prohibit the
910 settlor from revoking it, even if the settlor's estate or the settlor's heirs
911 at law are named as the remainder beneficiary of the trust upon the
912 settlor's death.

913 Sec. 42. (NEW) (*Effective October 1, 2019*) (a) To the extent a trust is
914 revocable by a settlor, a trustee may follow a direction of the settlor
915 that is contrary to the terms of the trust. To the extent a trust is
916 revocable by a settlor in conjunction with a person other than a trustee
917 or person holding an adverse interest, the trustee may follow a
918 direction from the settlor and the other person holding the power to
919 revoke even if the direction is contrary to the terms of the trust.

920 (b) To the extent a trust is revocable and the settlor has capacity to
921 revoke the trust, rights of the beneficiaries are subject to the control of,
922 and the duties of the trustee are owed exclusively to, the settlor.

923 (c) During the period the power may be exercised, the holder of a

924 power of withdrawal has the rights of a settlor of a revocable trust
925 under this section to the extent of the property subject to the power.

926 Sec. 43. (NEW) (*Effective October 1, 2019*) (a) A person may
927 commence a judicial proceeding to contest the validity of a trust that
928 was revocable at the settlor's death within the earlier of:

929 (1) One year after the settlor's death; or

930 (2) Sixty days after the date on which the trustee sent the person a
931 copy of the trust instrument and a notice informing the person of the
932 trust's existence, of the trustee's name and address, and of the time
933 allowed for commencing a proceeding. The trustee may provide the
934 documentation and information set forth in this subdivision to (A) all
935 persons who would be entitled to notice of the application for probate
936 of a will or administration of an intestate estate or to notice of the
937 admission of a will to probate or the granting of letters of
938 administration; and (B) the beneficiaries of the trust and all persons
939 whose interests are, in the opinion of the trustee, adversely affected by
940 the trust.

941 (b) Upon the death of the settlor of a trust that was revocable at the
942 settlor's death, the trustee may proceed to distribute the trust property
943 in accordance with the terms of the trust. The trustee is not subject to
944 liability for doing so unless: (1) The trustee knows of a pending judicial
945 proceeding contesting the validity of the trust; (2) a potential
946 contestant has notified the trustee of a possible judicial proceeding to
947 contest the trust and a judicial proceeding is commenced not later than
948 sixty days after the date on which the contestant sent the notification;
949 or (3) the trustee failed to give notice in accordance with section 63 of
950 this act.

951 (c) If the court determines that a distribution to a beneficiary of a
952 trust is invalid, the beneficiary is liable to return the distribution
953 received.

954 Sec. 44. (NEW) (*Effective October 1, 2019*) (a) Except as provided in

955 subsection (c) of this section, a person designated as trustee accepts the
956 trusteeship: (1) By substantially complying with a method of
957 acceptance provided in the terms of the trust; (2) if the terms of the
958 trust do not provide a method or the method provided in the terms is
959 not expressly made exclusive, by accepting delivery of the trust
960 property, exercising powers or performing duties as trustee, or
961 otherwise indicating acceptance of the trusteeship; or (3) in the case of
962 a testamentary trust, filing an acceptance of trust in the court with
963 jurisdiction over the trust.

964 (b) A person designated as trustee who has not yet accepted the
965 trusteeship may reject the trusteeship. A designated trustee who does
966 not accept the trusteeship within a reasonable period after knowing of
967 the designation is deemed to have rejected the trusteeship.

968 (c) A person designated as trustee, without accepting the
969 trusteeship, may: (1) Act to preserve the trust property if, within a
970 reasonable period after acting, the person sends a rejection of the
971 trusteeship to the settlor or, if the settlor is dead or lacks capacity, to a
972 qualified beneficiary; and (2) inspect or investigate trust property (A)
973 to determine potential liability under state or federal environmental or
974 other law; or (B) for any other purpose.

975 Sec. 45. (NEW) (*Effective October 1, 2019*) (a) A trustee shall give
976 bond to secure performance of the trustee's duties only if the court
977 finds that a bond (1) is needed to protect the interests of the
978 beneficiaries; or (2) is required by the terms of the trust and, in the case
979 of noncharitable trusts, the court has not dispensed with the
980 requirement of a bond.

981 (b) The court may specify the amount of a bond, its liabilities and
982 whether sureties are necessary. Except in the case of a charitable trust,
983 the court may modify or terminate a bond at any time.

984 (c) In addition to the requirements of this section, a testamentary
985 trustee that is a foreign corporation shall comply with section 45a-206
986 of the general statutes.

987 Sec. 46. (NEW) (*Effective October 1, 2019*) (a) Cotrustees who are
988 unable to reach a unanimous decision may act by majority decision.

989 (b) If a vacancy occurs in a cotrusteeship, the remaining cotrustees
990 may act for the trust.

991 (c) Subject to the provisions of section 91 of this act, a cotrustee shall
992 participate in the performance of a trustee's function unless the
993 cotrustee is unavailable to perform the function because of absence,
994 illness, disqualification under other law or other temporary incapacity
995 or the cotrustee has properly delegated the performance of the
996 function to another trustee.

997 (d) If a cotrustee is unavailable to perform duties because of
998 absence, illness, disqualification under other law or other temporary
999 incapacity, and prompt action is necessary to achieve the purposes of
1000 the trust or to avoid injury to the trust property, the remaining
1001 cotrustee or a majority of the remaining cotrustees may act for the
1002 trust.

1003 (e) A trustee may delegate to a cotrustee the performance of any
1004 function other than a function that the terms of the trust expressly
1005 require to be performed by the trustees jointly. Unless a delegation
1006 was irrevocable, a delegating trustee may revoke a delegation
1007 previously made.

1008 (f) Except as provided in subsection (g) of this section, a trustee who
1009 does not join in an action of another trustee is not liable for the action.

1010 (g) Subject to the provisions of section 91 of this act, a trustee shall
1011 exercise reasonable care to: (1) Prevent a cotrustee from committing a
1012 serious breach of trust; and (2) compel a cotrustee to redress a serious
1013 breach of trust.

1014 (h) A dissenting trustee who joins in an action at the direction of the
1015 majority of the trustees and who notified any cotrustee of the dissent at
1016 or before the time of the action is not liable for the action unless the

1017 action is a serious breach of trust.

1018 Sec. 47. (NEW) (*Effective October 1, 2019*) (a) A vacancy in a
1019 trusteeship occurs if: (1) A person designated as trustee rejects the
1020 trusteeship; (2) a person designated as trustee cannot be identified or
1021 does not exist; (3) a trustee resigns; (4) a trustee is disqualified or
1022 removed; (5) a trustee dies; or (6) a conservator is appointed for an
1023 individual serving as trustee.

1024 (b) If one or more cotrustees remain in office, a vacancy in a
1025 trusteeship of a noncharitable trust need not be filled, unless otherwise
1026 required by the terms of the trust. A vacancy in a trusteeship shall be
1027 filled if the trust has no remaining trustee. A vacancy in a trusteeship
1028 of a charitable trust shall be filled, unless otherwise excused by the
1029 terms of the trust.

1030 (c) A vacancy in a trusteeship required to be filled shall be filled in
1031 the following order of priority: (1) By a person designated in the terms
1032 of the trust to act as successor trustee or appointed according to a
1033 procedure specified in the terms and, in the case of a testamentary
1034 trust, appointed by the Probate Court; (2) in the case of a
1035 noncharitable, inter vivos trust, by a person appointed by unanimous
1036 agreement of the qualified beneficiaries; or (3) by a person appointed
1037 by the court.

1038 (d) Whether or not a vacancy in a trusteeship exists or is required to
1039 be filled, the court may appoint an additional trustee or special
1040 fiduciary whenever the court considers the appointment necessary for
1041 the administration of the trust.

1042 Sec. 48. (NEW) (*Effective October 1, 2019*) (a) A trustee of an inter
1043 vivos trust may resign without court approval upon giving not less
1044 than thirty days' notice to: (1) The qualified beneficiaries, the settlor, if
1045 living, and all cotrustees; or (2) the court.

1046 (b) A trustee of a testamentary trust may resign: (1) Without court
1047 approval upon giving not less than thirty days' notice to the qualified

1048 beneficiaries and the court; or (2) with the approval of the court.

1049 (c) In approving a resignation pursuant to subdivision (2) of
1050 subsection (b) of this section, the court may issue orders and impose
1051 conditions reasonably necessary for the protection of the trust
1052 property, the beneficiaries and the other trustees, and may issue such
1053 other orders as law and equity may require.

1054 (d) Any liability of a resigning trustee or of any sureties on such
1055 trustee's bond for acts or omissions of such trustee is not discharged or
1056 affected by such trustee's resignation.

1057 Sec. 49. (NEW) (*Effective October 1, 2019*) (a) The settlor of a
1058 noncharitable trust, the settlor of a charitable trust who has expressly
1059 retained the right to do so, the Attorney General in the case of a
1060 charitable trust, a cotrustee, a beneficiary or the surety on the trustee's
1061 probate bond, may request the court to remove a trustee, or a trustee
1062 may be removed by the court on its own initiative.

1063 (b) Subject to subsection (a), the court may remove a trustee if:

1064 (1) The trustee becomes incapable of executing or neglects to
1065 perform the trustee's duties, wastes the trust assets, fails to furnish an
1066 additional or substitute probate bond ordered by the court, or has
1067 committed any other serious breach of trust;

1068 (2) Lack of cooperation among cotrustees substantially impairs
1069 administration of the trust;

1070 (3) Because of unfitness, unwillingness or persistent failure of the
1071 trustee to administer the trust effectively, the court determines that
1072 removal of the trustee best serves the interests of the beneficiaries; or

1073 (4) There has been a substantial change of circumstances or removal
1074 is requested by all of the qualified beneficiaries, the court finds that (A)
1075 removal of the trustee best serves the interests of all of the beneficiaries
1076 and is not inconsistent with a material purpose of the trust; and (B) a
1077 suitable cotrustee or successor trustee is available. The court may not

1078 remove a successor corporate fiduciary in a manner that discriminates
1079 against state banks or national banking associations. No consolidated
1080 state bank or national banking association and no receiving state bank
1081 or national banking association may be removed solely because it is a
1082 successor fiduciary, as defined in section 45a-245a of the general
1083 statutes.

1084 Sec. 50. (NEW) (*Effective October 1, 2019*) (a) Unless a cotrustee
1085 remains in office or the court otherwise orders, and until the trust
1086 property is delivered to a successor trustee or other person entitled to
1087 it, a trustee who has resigned or been removed has the duties of a
1088 trustee and the powers necessary to protect the trust property.

1089 (b) A trustee who has resigned or been removed shall proceed
1090 expeditiously to deliver the trust property within the trustee's
1091 possession to the cotrustee, successor trustee or other person entitled
1092 to it.

1093 (c) All suits in favor of or against the original trustee shall survive to
1094 and may be prosecuted by or against the person appointed to succeed
1095 such trustee.

1096 Sec. 51. (NEW) (*Effective October 1, 2019*) (a) If the terms of a trust do
1097 not specify the trustee's compensation, a trustee is entitled to
1098 compensation that is reasonable under the circumstances.

1099 (b) If the terms of a trust specify the trustee's compensation, the
1100 trustee is entitled to be compensated as specified, but the court may
1101 allow more or less compensation if: (1) The duties of the trustee are
1102 substantially different from those contemplated when the trust was
1103 created; or (2) the compensation specified by the terms of the trust
1104 would be unreasonably low or high.

1105 Sec. 52. (NEW) (*Effective October 1, 2019*) (a) A trustee is entitled to
1106 be reimbursed out of the trust property, with interest as appropriate,
1107 for: (1) Expenses that were properly incurred in the defense or
1108 administration of the trust, unless the trustee is determined to have

1109 committed a breach of trust; and (2) to the extent necessary to prevent
1110 unjust enrichment of the trust, expenses that were not properly
1111 incurred in the administration of the trust.

1112 (b) If a trustee advances money to protect the trust, the trustee has a
1113 lien against the trust property to secure reimbursement of the money
1114 with reasonable interest.

1115 Sec. 53. (NEW) (*Effective October 1, 2019*) Upon acceptance of a
1116 trusteeship, the trustee shall administer the trust (1) in good faith; (2)
1117 in accordance with its terms and purposes, settlor's intent and the
1118 interests of the beneficiaries; and (3) in accordance with sections 1 to
1119 109, inclusive, of this act.

1120 Sec. 54. (NEW) (*Effective October 1, 2019*) (a) A trustee shall
1121 administer trust assets solely in the interests of the beneficiaries
1122 consistent with the settlor's intent.

1123 (b) Subject to the rights of persons dealing with or assisting the
1124 trustee as provided in section 77 of this act, a sale, encumbrance or
1125 other transaction involving the investment or management of trust
1126 property entered into by the trustee for the trustee's own personal
1127 account or which is otherwise affected by a conflict between the
1128 trustee's fiduciary and personal interests is voidable by a beneficiary
1129 affected by the transaction unless: (1) The transaction was authorized
1130 by the terms of the trust; (2) the transaction was approved by the court;
1131 (3) the beneficiary did not commence a judicial proceeding within the
1132 time allowed by section 70 of this act; (4) the beneficiary consented to
1133 the trustee's conduct, ratified the transaction or released the trustee as
1134 provided in section 74 of this act; or (5) the transaction involves a
1135 contract entered into or claim acquired by the trustee before the person
1136 became or contemplated becoming trustee.

1137 (c) A sale, encumbrance or other transaction involving the
1138 investment or management of trust property is presumed to be
1139 affected by a conflict between personal and fiduciary interests if it is
1140 entered into by the trustee with: (1) The trustee's spouse; (2) the

1141 trustee's descendants, sibling, parents or their spouses; (3) an agent or
1142 attorney of the trustee; or (4) a corporation or other person or
1143 enterprise in which the trustee, or a person that owns a significant
1144 interest in an entity that is acting as the trustee, has an interest that
1145 may affect the trustee's best judgment.

1146 (d) If a transaction between a trustee and a beneficiary which does
1147 not concern trust property but (1) which occurs during the existence of
1148 the trust or while the trustee retains significant influence over the
1149 beneficiary; and (2) from which the trustee obtains an advantage, the
1150 transaction is voidable by the beneficiary unless the trustee establishes
1151 that the transaction was fair to the beneficiary.

1152 (e) If a trustee engages in a transaction in the trustee's individual
1153 capacity and not concerning trust property and if the transaction
1154 concerns an opportunity properly belonging to the trust, the
1155 transaction is a conflict between the personal and fiduciary interests of
1156 the trustee.

1157 (f) If a transaction and any investment made pursuant to the
1158 transaction complies with the Connecticut Uniform Prudent Investor
1159 Act, sections 45a-541 to 45a-541l, inclusive, of the general statutes is in
1160 the best interests of the beneficiaries and is not prohibited by the
1161 governing instrument, the following transactions are not presumed to
1162 be affected by a conflict of interest between a trustee's personal and
1163 fiduciary interests, provided: (1) An investment by a trustee in
1164 securities of an investment company or investment trust to which the
1165 trustee, or its affiliate, provides services in a capacity other than as
1166 trustee; (2) an investment by a trustee in an insurance contract
1167 purchased from an insurance agency is owned by, or affiliated with,
1168 the trustee or its affiliate; and (3) the placing of securities transactions
1169 by a trustee through a securities broker that is a part of the same
1170 company as the trustee is owned by the trustee or is affiliated with the
1171 trustee.

1172 (g) In voting shares of stock or in exercising powers of control over

1173 similar interests in other forms of enterprise, the trustee shall act in the
1174 best interests of the beneficiaries consistent with the intentions of the
1175 settlor. If the trust is the sole owner of a corporation or other form of
1176 enterprise, the trustee shall elect or appoint directors or other
1177 managers who will manage the corporation or enterprise in the best
1178 interests of the beneficiaries.

1179 (h) The provisions of this section do not preclude the following
1180 transactions, if fair to the beneficiaries: (1) An agreement between a
1181 trustee and a beneficiary relating to the appointment or compensation
1182 of the trustee; (2) payment of reasonable compensation to the trustee;
1183 (3) a transaction between a trust and another trust, decedent's estate or
1184 conservatorship of which the trustee is a fiduciary or in which a
1185 beneficiary has an interest; (4) a deposit of trust money in a regulated
1186 financial service institution operated by the trustee; or (5) an advance
1187 by the trustee of money for the protection of the trust.

1188 (i) The court may appoint a special fiduciary to make a decision
1189 with respect to any proposed transaction that may violate the
1190 provisions of this section if entered into by the trustee.

1191 Sec. 55. (NEW) (*Effective October 1, 2019*) If a trust has two or more
1192 beneficiaries, the trustee shall act impartially in investing, managing
1193 and distributing the trust property, giving due regard to the
1194 beneficiaries' respective interests.

1195 Sec. 56. (NEW) (*Effective October 1, 2019*) A trustee shall administer
1196 the trust as a prudent person would, by considering the purposes,
1197 terms, distributional requirements and other circumstances of the
1198 trust. In satisfying this standard, the trustee shall exercise reasonable
1199 care, skill and caution.

1200 Sec. 57. (NEW) (*Effective October 1, 2019*) (a) A trustee may delegate
1201 duties and powers that a prudent trustee of comparable skills could
1202 properly delegate to an agent under the circumstances. The trustee
1203 shall exercise reasonable care, skill and caution in:

1204 (1) Selecting an agent for the delegation;

1205 (2) Establishing the scope and terms of the delegation, consistent
1206 with the purposes and terms of the trust; and

1207 (3) Periodically reviewing the agent's actions to monitor the agent's
1208 performance and compliance with the terms of the delegation.

1209 (b) In performing a delegated function, an agent owes a duty to the
1210 trust to exercise reasonable care to comply with the terms of the
1211 delegation.

1212 (c) A trustee who complies with subsection (a) of this section is not
1213 liable to the beneficiaries or to the trust for an action of the agent to
1214 whom the function was delegated.

1215 (d) By accepting a delegation of powers or duties from the trustee of
1216 a trust that is subject to the law of this state, an agent submits to the
1217 jurisdiction of the courts of this state.

1218 Sec. 58. (NEW) (*Effective October 1, 2019*) In a judicial proceeding
1219 involving the administration of a trust, the Superior Court, as justice
1220 and equity may require, may award costs and expenses, including
1221 reasonable attorney's fees, to any party, to be paid by another party or
1222 from the trust that is the subject of the controversy.

1223 Sec. 59. (NEW) (*Effective October 1, 2019*) A trustee shall take
1224 reasonable steps to take control of and protect the trust property.

1225 Sec. 60. (NEW) (*Effective October 1, 2019*) (a) A trustee shall keep
1226 adequate records of the administration of the trust.

1227 (b) A trustee shall keep trust property separate from the trustee's
1228 own property.

1229 (c) Except as provided in subsection (d) of this section, a trustee
1230 shall cause the trust property to be designated so that the interest of
1231 the trust, to the extent feasible, appears in records maintained by a

1232 party other than a trustee or beneficiary.

1233 (d) If the trustee maintains records clearly indicating the respective
1234 interests, a trustee may invest as a whole the property of two or more
1235 separate trusts.

1236 Sec. 61. (NEW) (*Effective October 1, 2019*) A trustee shall take
1237 reasonable steps to enforce claims of the trust and to defend claims
1238 against the trust.

1239 Sec. 62. (NEW) (*Effective October 1, 2019*) A trustee shall take
1240 reasonable steps to compel a former trustee or other person to deliver
1241 trust property to the trustee and to redress a breach of trust known to
1242 the trustee to have been committed by a former trustee.

1243 Sec. 63. (NEW) (*Effective October 1, 2019*) (a) A trustee shall keep the
1244 qualified beneficiaries of the trust reasonably informed about the
1245 administration of the trust and of the material facts necessary for the
1246 beneficiaries to protect their interests. A trustee shall promptly
1247 respond to a beneficiary's request for information reasonably related to
1248 the administration of the trust.

1249 (b) A trustee: (1) Upon request of a beneficiary, shall promptly
1250 furnish to the beneficiary a copy of the relevant portions of the trust
1251 instrument; (2) within sixty days after accepting a trusteeship, shall
1252 notify the qualified beneficiaries of the acceptance and of the trustee's
1253 name, address and telephone number; and (3) within sixty days after
1254 the date on which the trustee acquires knowledge of the creation of an
1255 irrevocable trust, or the date on which the trustee acquires knowledge
1256 that a formerly revocable trust has become irrevocable, whether by the
1257 death of the settlor or otherwise, shall notify the qualified beneficiaries
1258 of the trust's existence, of the identity of the settlor or settlors, of the
1259 right to request a copy of the trust instrument, and of the right to a
1260 trustee's report as provided in subsection (c) of this section.

1261 (c) A trustee shall send a report to the current beneficiaries, and to
1262 other qualified beneficiaries who request it, at least annually and at the

1263 termination of the trust. Upon a vacancy in a trusteeship, unless a
1264 cotrustee remains in office, the former trustee shall send a report to the
1265 current beneficiaries and to other qualified beneficiaries who request
1266 it. An executor, administrator or conservator may send the report on
1267 behalf of a deceased or incapacitated trustee. The report may be formal
1268 or informal, but shall include information relating to the trust
1269 property, liabilities, receipts and disbursements, including the amount
1270 of the trustee's compensation, a listing of the trust assets and, if
1271 feasible, their respective market values.

1272 (d) A beneficiary of an inter vivos trust may petition the court for an
1273 accounting by the trustee as provided in section 45a-175 of the general
1274 statutes.

1275 (e) Nothing in subsection (c) of this section limits the power of the
1276 court in an accounting proceeding to determine which beneficiaries are
1277 entitled to a copy of the accounting and to receive notice of the
1278 proceedings.

1279 (f) Nothing in subsection (c) or (g) of this section limits a trustee's
1280 obligations under 45a-177 of the general statutes, as amended by this
1281 act.

1282 (g) A beneficiary may waive the right to trustee's reports or other
1283 information otherwise required to be furnished under this section. A
1284 beneficiary, with respect to future reports and other information, may
1285 withdraw a waiver previously given.

1286 (h) The provisions of subdivisions (2) and (3) of subsection (b) of
1287 this section do not apply to a trustee who accepts a trusteeship before
1288 October 1, 2019, to an irrevocable trust created before October 1, 2019,
1289 or to a revocable trust that becomes irrevocable before the October 1,
1290 2019.

1291 (i) Judicial approval of a trustee's report forecloses claims as to those
1292 given notice of the proceeding as to matters disclosed in the report.

1293 (j) The representation provisions of sections 17 to 21, inclusive, of
1294 this act apply with respect to all rights of any beneficiary under this
1295 section. Notice or information provided to a designated representative
1296 under section 21 of this act shall satisfy the trustee's duty to provide
1297 information or notice required under sections 1 to 109, inclusive, of this
1298 act.

1299 Sec. 64. (NEW) (*Effective October 1, 2019*) (a) Notwithstanding the
1300 breadth of discretion granted to a trustee in the terms of the trust,
1301 including the use of terms such as "absolute", "sole" or "uncontrolled",
1302 the trustee shall exercise a discretionary power in good faith and in
1303 accordance with the terms and purposes of the trust, settlor's intent
1304 and the interests of the beneficiaries.

1305 (b) Subject to subsection (d) of this section, and unless the terms of
1306 the trust expressly indicate that a rule in this subsection does not
1307 apply:

1308 (1) A person, other than a settlor, who is a beneficiary and trustee of
1309 a trust that confers on the trustee a power to make discretionary
1310 distributions to or for the trustee's personal benefit, may exercise the
1311 power only in accordance with an ascertainable standard relating to
1312 the trustee's individual health, education, support or maintenance
1313 within the meaning of Section 2041(b)(1)(A) or 2514(c)(1) of the
1314 Internal Revenue Code of 1986, or any subsequent corresponding
1315 internal revenue code of the United States, as amended from time to
1316 time; and

1317 (2) A trustee may not exercise a power to make discretionary
1318 distributions to satisfy a legal obligation of support that the trustee
1319 personally owes another person.

1320 (c) A power to make discretionary distributions, the exercise of
1321 which is limited or prohibited by subsection (b) of this section, may be
1322 exercised by a majority of the remaining trustees whose exercise of
1323 such power is not so limited or prohibited. If the exercise of the power
1324 by all trustees is so limited or prohibited, the court may appoint a

1325 special fiduciary with authority to exercise the power.

1326 (d) Subsection (b) of this section does not apply to: (1) A power held
1327 by the settlor's spouse who is the trustee of a trust for which a marital
1328 deduction, as defined in Section 2056(b)(5) or 2523(e) of the Internal
1329 Revenue Code of 1986, or any subsequent corresponding internal
1330 revenue code of the United States, as amended from time to time, was
1331 previously allowed; (2) a trust during any period that the trust may be
1332 revoked or amended by its settlor; or (3) a trust, if contributions to the
1333 trust qualify for the annual exclusion under Section 2503(c) of the
1334 Internal Revenue Code.

1335 Sec. 65. (NEW) (*Effective October 1, 2019*) (a) A trustee, without
1336 authorization by the court, may exercise: (1) Powers conferred by the
1337 terms of the trust; and (2) except as limited by the terms of the trust,
1338 (A) all powers over the trust property which an unmarried competent
1339 owner has over individually owned property; (B) any other powers
1340 appropriate to achieve the proper investment, management and
1341 distribution of the trust property; and (C) any other power conferred
1342 by sections 1 to 109, inclusive, of this act.

1343 (b) The exercise of a power is subject to the fiduciary duties
1344 prescribed by sections 53 to 67, inclusive, of this act.

1345 Sec. 66. (NEW) (*Effective October 1, 2019*) (a) Without limiting the
1346 authority conferred by section 65 of this act, and except as otherwise
1347 prohibited by law or by the terms of the trust instrument, a trustee
1348 may:

1349 (1) Collect trust property and accept or reject additions to the trust
1350 property from a settlor or any other person;

1351 (2) Acquire or sell property, for cash or on credit, at public or
1352 private sale;

1353 (3) Exchange, partition or otherwise change the character of trust
1354 property;

1355 (4) Deposit trust money in an account in a regulated financial
1356 service institution;

1357 (5) Borrow money, with or without security, and mortgage or
1358 pledge trust property for a period within or extending beyond the
1359 duration of the trust;

1360 (6) With respect to an interest in a proprietorship, partnership,
1361 limited liability company, business trust, corporation or other form of
1362 business or enterprise, continue the business or other enterprise and
1363 take any action that may be taken by shareholders, members or
1364 property owners, including merging, dissolving or otherwise changing
1365 the form of business organization or contributing additional capital;

1366 (7) With respect to stocks or other securities, exercise the rights of an
1367 absolute owner, including the right to (A) vote or give proxies to vote,
1368 with or without power of substitution, or enter into or continue a
1369 voting trust agreement; (B) hold a security in the name of a nominee or
1370 in other form without disclosure of the trust so that title may pass by
1371 delivery; (C) pay calls, assessments and other sums chargeable or
1372 accruing against the securities, and sell or exercise stock subscription
1373 or conversion rights; and (D) deposit the securities with a depository
1374 or other regulated financial service institution;

1375 (8) With respect to an interest in real property, construct or make
1376 ordinary or extraordinary repairs to, alterations to or improvements in
1377 buildings or other structures, demolish improvements, raze existing or
1378 erect new party walls or buildings, subdivide or develop land,
1379 dedicate land to public use or grant public or private easements, and
1380 make or vacate plats and adjust boundaries;

1381 (9) Enter into a lease for any purpose as lessor or lessee, including a
1382 lease or other arrangement for exploration and removal of natural
1383 resources, with or without the option to purchase or renew, for a
1384 period within or extending beyond the duration of the trust;

1385 (10) Grant an option involving a sale, lease or other disposition of

1386 trust property or acquire an option for the acquisition of property,
1387 including an option exercisable beyond the duration of the trust, and
1388 exercise an option so acquired;

1389 (11) Insure the property of the trust against damage or loss and
1390 insure the trustee, the trustee's agents and beneficiaries against liability
1391 arising from the administration of the trust;

1392 (12) Abandon or decline to administer property of no value or of
1393 insufficient value to justify its collection or continued administration;

1394 (13) With respect to possible liability for violation of environmental
1395 law, (A) inspect or investigate property the trustee holds or has been
1396 asked to hold, or property owned or operated by an organization in
1397 which the trustee holds or has been asked to hold an interest, for the
1398 purpose of determining the application of environmental law with
1399 respect to the property; (B) take action to prevent, abate or otherwise
1400 remedy any actual or potential violation of any environmental law
1401 affecting property held directly or indirectly by the trustee, whether
1402 taken before or after the assertion of a claim or the initiation of
1403 governmental enforcement; (C) decline to accept property into trust or
1404 disclaim any power with respect to property that is or may be
1405 burdened with liability for violation of environmental law; (D)
1406 compromise claims against the trust which may be asserted for an
1407 alleged violation of environmental law; and (E) pay the expense of any
1408 inspection, review, abatement or remedial action to comply with
1409 environmental law;

1410 (14) Pay or contest a claim, settle a claim by or against the trust, and
1411 release, in whole or in part, a claim belonging to the trust;

1412 (15) Pay taxes, assessments, compensation of the trustee and of
1413 employees and agents of the trust, and other expenses incurred in the
1414 administration of the trust;

1415 (16) Exercise elections with respect to federal, state and local taxes;

1416 (17) Select a mode of payment under any employee benefit or
1417 retirement plan, annuity or life insurance payable to the trustee,
1418 exercise rights thereunder, including exercise of the right to
1419 indemnification for expenses and against liabilities, and take
1420 appropriate action to collect the proceeds;

1421 (18) Make loans out of trust property, including loans to a
1422 beneficiary on terms and conditions the trustee considers to be fair and
1423 reasonable under the circumstances, with the trustee having a lien on
1424 future distributions for repayment of such loans;

1425 (19) Pledge trust property to guarantee loans made by others to the
1426 beneficiary;

1427 (20) Appoint a trustee to act in another jurisdiction with respect to
1428 trust property located in the other jurisdiction, confer upon the
1429 appointed trustee all of the powers and duties of the appointing
1430 trustee, require the appointed trustee to furnish security and remove
1431 any trustee so appointed;

1432 (21) Pay an amount distributable to a beneficiary who is under a
1433 legal disability or who the trustee reasonably believes is incapacitated,
1434 by: (A) Paying it directly to the beneficiary or applying it for the
1435 beneficiary's benefit; (B) paying it to the beneficiary's conservator or, if
1436 the beneficiary does not have a conservator, the beneficiary's guardian;
1437 (C) paying it to the beneficiary's custodian under the Uniform
1438 Transfers to Minors Act or to the beneficiary's custodial trustee under
1439 the Uniform Custodial Trust Act, and, for such a purpose, creating a
1440 custodianship or custodial trust; (D) if the trustee does not know of a
1441 conservator, custodian or custodial trustee, paying it to an adult
1442 relative or other person having legal or physical care or custody of the
1443 beneficiary, to be expended on the beneficiary's behalf; or (E)
1444 managing it as a separate fund on the beneficiary's behalf, subject to
1445 the beneficiary's continuing right to withdraw the distribution;

1446 (22) On distribution of trust property or the division or termination
1447 of a trust, make distributions in divided or undivided interests,

1448 allocate particular assets in proportionate or disproportionate shares,
1449 value the trust property for such purposes and adjust for resulting
1450 differences in valuation;

1451 (23) Resolve a dispute concerning the interpretation of the trust or
1452 its administration by mediation, arbitration or other procedure for
1453 alternative dispute resolution;

1454 (24) Prosecute or defend an action, claim or judicial proceeding in
1455 any jurisdiction to protect trust property and the trustee in the
1456 performance of the trustee's duties;

1457 (25) Sign and deliver contracts and other instruments that are useful
1458 to achieve or facilitate the exercise of the trustee's powers;

1459 (26) On termination of the trust, exercise the powers appropriate to
1460 wind up administration of the trust and distribute the trust property to
1461 the persons entitled to it; and

1462 (27) Exercise all powers appropriate to achieve the proper
1463 investment, management, preservation and distribution of a digital
1464 asset held in the trust estate whether the trustee, the grantor or a third
1465 party is the original or a successor user of the digital asset. This
1466 subdivision shall be construed in accordance with the Connecticut
1467 Revised Uniform Fiduciary Access to Digital Assets Act, as the statute
1468 is in effect from time to time during the administration of the trust. The
1469 custodian of each digital asset held in the trust, whether public or
1470 private, shall divulge to the trustee with respect to the asset: (A) Any
1471 electronically stored information; (B) the content of all electronic
1472 communications sent or received by the original and successor user;
1473 and (C) any record or other information stored by the custodian on a
1474 remote-computing service.

1475 (b) The powers in subsection (a) of this section do not apply to a
1476 charitable trust to the extent that their exercise would give the trustee
1477 the authority to deviate from a stated charitable purpose or violate a
1478 restricted gift. A trustee of a charitable trust and a person holding and

1479 administering an endowment fund or an institutional fund, as defined
1480 in section 45a-535a of the general statutes, shall not mortgage,
1481 hypothecate, pledge, use as collateral or otherwise encumber any of
1482 the following assets of such charitable trust, endowment fund or
1483 institutional fund, if the source of the asset was a charitable gift: (A)
1484 Funds for which expenditures are restricted by the settlor for a
1485 purpose other than the general purposes of a charity or institution; and
1486 (B) the principal or corpus of a charitable trust or institutional fund for
1487 which such principal or corpus is restricted to investment or
1488 endowment purposes.

1489 (c) The provisions of this section apply to any trust whether
1490 established before, on or after October 1, 2019, except that no power is
1491 conferred by this section to any trust established before October 1,
1492 2019, if the trust instrument reflects an intent to disallow the exercise of
1493 the power.

1494 Sec. 67. (NEW) (*Effective October 1, 2019*) (a) Upon termination or
1495 partial termination of a trust, the trustee may send to the qualified
1496 beneficiaries a proposal for distribution. If the proposal informed the
1497 beneficiary of the right to object and of the time allowed for objection,
1498 the right of any beneficiary, to whom the trustee has sent the proposal,
1499 to object to the proposed distribution terminates if the beneficiary does
1500 not notify the trustee of an objection not later than thirty days after the
1501 date on which the proposal was sent.

1502 (b) Upon the occurrence of an event terminating or partially
1503 terminating a trust, the trustee shall proceed expeditiously to
1504 distribute the trust property to the persons entitled to it, subject to the
1505 right of the trustee to retain a reasonable reserve for the payment of
1506 debts, expenses and taxes.

1507 (c) A release by a beneficiary of a trustee from liability for breach of
1508 trust is invalid to the extent: (1) It was induced by improper conduct of
1509 the trustee; or (2) the beneficiary, at the time of the release, did not
1510 know of the beneficiary's rights or of the material facts relating to the

1511 breach.

1512 (d) The provisions of this section do not apply to testamentary
1513 trusts.

1514 Sec. 68. (NEW) (*Effective October 1, 2019*) A violation by a trustee of a
1515 duty the trustee owes to a beneficiary is a breach of trust.

1516 Sec. 69. (NEW) (*Effective October 1, 2019*) (a) A trustee is accountable
1517 to an affected beneficiary for any profit made by the trustee arising
1518 from administration of the trust, even absent a breach of trust.

1519 (b) Absent a breach of trust, a trustee is not liable to a beneficiary for
1520 a loss or depreciation in the value of trust property or for not having
1521 made a profit.

1522 Sec. 70. (NEW) (*Effective October 1, 2019*) (a) A beneficiary may not
1523 commence a proceeding against a trustee for breach of trust more than
1524 one year after the date on which the beneficiary or a representative of
1525 the beneficiary was sent a report that adequately disclosed the
1526 existence of a potential claim for breach of trust and informed the
1527 beneficiary of the time allowed for commencing a proceeding.

1528 (b) A report adequately discloses the existence of a potential claim
1529 for breach of trust if it provides sufficient information so that the
1530 beneficiary or representative knows of the potential claim or should
1531 have inquired into its existence.

1532 (c) If subsection (a) of this section does not apply, a judicial
1533 proceeding by a beneficiary against a trustee for breach of trust shall
1534 be commenced not later than three years after the first to occur of: (1)
1535 The removal, resignation or death of the trustee; (2) the termination of
1536 the beneficiary's interest in the trust; or (3) the termination of the trust.

1537 (d) In a proceeding involving a charitable trust, any notice that is
1538 required to be given to the Attorney General shall include a copy of the
1539 trust instrument.

1540 (e) The provisions of this section do not apply to testamentary
1541 trusts.

1542 Sec. 71. (NEW) (*Effective October 1, 2019*) A trustee who acts in
1543 reasonable reliance on the terms of the trust as expressed in the trust
1544 instrument is not liable to a beneficiary for a breach of trust to the
1545 extent the breach resulted from the reliance.

1546 Sec. 72. (NEW) (*Effective October 1, 2019*) If an event, including
1547 marriage, divorce, performance of educational requirements or death
1548 affects administration or distribution of a trust, a trustee who has
1549 exercised reasonable care to ascertain the happening of the event is not
1550 liable for a loss resulting from the trustee's lack of knowledge.

1551 Sec. 73. (NEW) (*Effective October 1, 2019*) (a) A term of a trust
1552 relieving a trustee of liability for breach of trust is unenforceable to the
1553 extent that it: (1) Relieves the trustee of liability for breach of trust
1554 committed in bad faith or with reckless indifference to the purposes of
1555 the trust or the interests of the beneficiaries; or (2) was inserted as the
1556 result of an abuse by the trustee of a fiduciary or confidential
1557 relationship to the settlor.

1558 (b) Except for terms intended to provide protection for carrying out
1559 a stated trust purpose, an exculpatory term drafted or caused to be
1560 drafted by the trustee is invalid as an abuse of a fiduciary or
1561 confidential relationship unless the trustee proves that the exculpatory
1562 term is fair under the circumstances and that its existence and contents
1563 were adequately communicated to the settlor.

1564 Sec. 74. (NEW) (*Effective October 1, 2019*) (a) A trustee is not liable to
1565 a beneficiary for breach of trust if the beneficiary consented to the
1566 conduct constituting the breach, released the trustee from liability for
1567 the breach or ratified the transaction constituting the breach, unless: (1)
1568 The consent, release or ratification of the beneficiary was induced by
1569 improper conduct of the trustee; or (2) at the time of the consent,
1570 release or ratification, the beneficiary did not know of the beneficiary's
1571 rights or of the material facts relating to the breach.

1572 (b) The liability of a trustee of a testamentary trust is not governed
1573 by the provisions of this section.

1574 Sec. 75. (NEW) (*Effective October 1, 2019*) (a) Except as otherwise
1575 provided in the contract, a trustee is not personally liable on a contract
1576 properly entered into in the trustee's fiduciary capacity in the course of
1577 administering the trust if the trustee in the contract disclosed the
1578 fiduciary capacity.

1579 (b) Except as otherwise limited by the general statutes, the trustee is
1580 personally liable for torts committed in the course of administering a
1581 trust or for obligations arising from ownership or control of trust
1582 property, including liability for violation of environmental law, only if
1583 the trustee is personally at fault.

1584 (c) A claim may be asserted in a judicial proceeding against the
1585 trustee in the trustee's fiduciary capacity, whether or not the trustee is
1586 personally liable for the claim, if the claim is based on (1) a contract
1587 entered into by a trustee in the trustee's fiduciary capacity, (2) an
1588 obligation arising from ownership or control of trust property, or (3) a
1589 tort committed in the course of administering a trust.

1590 Sec. 76. (NEW) (*Effective October 1, 2019*) (a) Except as provided in
1591 subsection (c) of this section or unless personal liability is imposed in
1592 the contract, a trustee who holds an interest as a general partner in a
1593 general or limited partnership is not personally liable on a contract
1594 entered into by the partnership after the trust's acquisition of the
1595 interest if the fiduciary capacity was disclosed in the contract or in a
1596 statement previously filed pursuant to the Uniform Partnership Act,
1597 sections 34-300 to 34-399, inclusive, of the general statutes or the
1598 Uniform Limited Partnership Act, sections 34-9 to 34-38u, inclusive, of
1599 the general statutes.

1600 (b) Except as otherwise provided in subsection (c) of this section, a
1601 trustee who holds an interest as a general partner is not personally
1602 liable for torts committed by the partnership or for obligations arising
1603 from ownership or control of the interest unless the trustee is

1604 personally at fault.

1605 (c) The immunity provided by this section does not apply if an
1606 interest in the partnership is held by the trustee in a capacity other
1607 than that of trustee or is held by the trustee's spouse or one or more of
1608 the trustee's descendants, siblings or parents, or the spouse of any of
1609 them.

1610 (d) If the trustee of a revocable trust holds an interest as a general
1611 partner, the settlor is personally liable for contracts and other
1612 obligations of the partnership as if the settlor were a general partner.

1613 Sec. 77. (NEW) (*Effective October 1, 2019*) (a) A person other than a
1614 beneficiary who in good faith assists a trustee, or who in good faith
1615 and for value deals with a trustee, without knowledge that the trustee
1616 is exceeding or improperly exercising the trustee's powers, is protected
1617 from liability as if the trustee properly exercised the power.

1618 (b) A person other than a beneficiary who in good faith deals with a
1619 trustee is not required to inquire into the extent of the trustee's powers
1620 or the propriety of their exercise.

1621 (c) A person who in good faith delivers assets to a trustee need not
1622 ensure the proper application of such assets.

1623 (d) A person other than a beneficiary who in good faith assists a
1624 former trustee, or who in good faith and for value deals with a former
1625 trustee, without knowledge that the trusteeship has terminated, is
1626 protected from liability as if the former trustee were still a trustee.

1627 (e) Comparable protective provisions of other laws relating to
1628 commercial transactions or transfer of securities by fiduciaries prevail
1629 over the protection provided by this section.

1630 Sec. 78. (NEW) (*Effective October 1, 2019*) (a) Instead of furnishing a
1631 copy of the trust instrument to a person other than a beneficiary or, in
1632 the case of a charitable trust, the Attorney General's office, the trustee
1633 may furnish to the person a certification of trust containing the

1634 following information: (1) That the trust exists and the date the trust
1635 instrument was executed; (2) the identity of the settlor; (3) the identity
1636 and address of the currently acting trustee; (4) the powers of the
1637 trustee; (5) the revocability or irrevocability of the trust and the
1638 identity of any person holding a power to revoke the trust; (6) the
1639 authority of cotrustees to sign or otherwise authenticate and whether
1640 all or less than all are required in order to exercise powers of the
1641 trustee; (7) the trust's taxpayer identification number; and (8) the
1642 manner of taking title to trust property.

1643 (b) A certification of trust may be signed or otherwise authenticated
1644 by any trustee.

1645 (c) A certification of trust shall state that the trust has not been
1646 revoked, modified or amended in any manner that would cause the
1647 representations contained in the certification of trust to be incorrect.

1648 (d) A certification of trust need not contain the dispositive terms of a
1649 trust.

1650 (e) A recipient of a certification of trust may require the trustee to
1651 furnish copies of those excerpts from the original trust instrument and
1652 later amendments which designate the trustee and confer upon the
1653 trustee the power to act in the pending transaction.

1654 (f) A person who acts in reliance upon a certification of trust
1655 without knowledge that the representations contained in the
1656 certification are incorrect is not liable to any person for so acting and
1657 may assume without inquiry the existence of the facts contained in the
1658 certification. Knowledge of the terms of the trust may not be inferred
1659 solely from the fact that a copy of all or part of the trust instrument is
1660 held by the person relying upon the certification.

1661 (g) A person who in good faith enters into a transaction in reliance
1662 upon a certification of trust may enforce the transaction against the
1663 trust property as if the representations contained in the certification
1664 were correct.

1665 (h) A person making a demand for the trust instrument in addition
1666 to a certification of trust or excerpts is liable for damages, including
1667 legal fees and costs, if the court determines that the person did not act
1668 in good faith in demanding the trust instrument.

1669 (i) This section does not limit the right of a person to obtain a copy
1670 of the trust instrument in a judicial proceeding concerning the trust
1671 and does not limit the right of the Attorney General to notice under
1672 subsection (d) of section 70 of this act.

1673 Sec. 79. (NEW) (*Effective October 1, 2019*) In applying and construing
1674 the uniform provisions of sections 1 to 80, inclusive, of this act,
1675 consideration shall be given to the need to promote uniformity of the
1676 law with respect to the subject matter among states that enact the
1677 uniform provisions.

1678 Sec. 80. (NEW) (*Effective October 1, 2019*) If any provision of this
1679 section or sections 1 to 79, inclusive, of this act or its application to any
1680 person or circumstances is held invalid, the invalidity does not affect
1681 other provisions or applications of this section or sections 1 to 79,
1682 inclusive, of this act which can be given effect without the invalid
1683 provision or application, and to this end the provisions of this section
1684 and sections 1 to 79, inclusive, of this act are severable.

1685 Sec. 81. (NEW) (*Effective October 1, 2019*) This section and sections 82
1686 to 98, inclusive, of this act may be cited as the "Connecticut Uniform
1687 Directed Trust Provisions of the Connecticut Uniform Trust Code".

1688 Sec. 82. (NEW) (*Effective October 1, 2019*) Sections 81 to 98, inclusive,
1689 of this act apply to a trust, whenever created, that has its principal
1690 place of administration in this state, subject to the following rules:

1691 (1) If the trust was created before October 1, 2019, sections 81 to 98,
1692 inclusive, of this act apply only to a decision or action occurring on or
1693 after October 1, 2019.

1694 (2) If the principal place of administration of the trust is changed to

1695 this state on or after October 1, 2019, sections 81 to 98, inclusive, of this
1696 act apply only to a decision or action occurring on or after the date of
1697 the change.

1698 Sec. 83. (NEW) (*Effective October 1, 2019*) The common law and
1699 principles of equity supplement sections 81 to 98, inclusive, of this act,
1700 except to the extent modified by sections 81 to 98, inclusive, of this act
1701 or law of this state other than this act.

1702 Sec. 84. (NEW) (*Effective October 1, 2019*) (a) As used in this section,
1703 "power of appointment" means a power that enables a person acting in
1704 a nonfiduciary capacity to designate a recipient of an ownership
1705 interest in or another power of appointment over trust property.

1706 (b) Sections 81 to 98, inclusive, of this act do not apply to a:

1707 (1) Power of appointment;

1708 (2) Power to appoint or remove a trustee or trust director;

1709 (3) Power of a settlor over a trust to the extent the settlor has a
1710 power to revoke the trust;

1711 (4) Power of a beneficiary over a trust to the extent the exercise or
1712 nonexercise of the power affects the beneficial interest of:

1713 (A) The beneficiary; or

1714 (B) Another beneficiary represented by the beneficiary under
1715 sections 17 to 21, inclusive, of this act with respect to the exercise or
1716 nonexercise of the power; or

1717 (5) Power over a trust if:

1718 (A) The terms of the trust provide that the power is held in a
1719 nonfiduciary capacity; and

1720 (B) The power is held in a nonfiduciary capacity to achieve the
1721 settlor's tax objectives under the United States Internal Revenue Code

1722 of 1986, or any subsequent corresponding internal revenue code of the
1723 United States, as amended from time to time.

1724 (c) Unless the terms of a trust provide otherwise, a power granted to
1725 a person to designate a recipient of an ownership interest in or power
1726 of appointment over trust property which is exercisable while the
1727 person is not serving as a trustee is a power of appointment and not a
1728 power of direction.

1729 Sec. 85. (NEW) (*Effective October 1, 2019*) (a) Subject to section 86 of
1730 this act, the terms of a trust may grant a power of direction to a trust
1731 director.

1732 (b) Unless the terms of a trust provide otherwise: (1) A trust director
1733 may exercise any further power appropriate to the exercise or
1734 nonexercise of a power of direction granted to the director under
1735 subsection (a) of this section; and (2) trust directors with joint powers
1736 shall act by majority decision.

1737 Sec. 86. (NEW) (*Effective October 1, 2019*) A trust director is subject to
1738 the same rules as a trustee in a like position and under similar
1739 circumstances in the exercise or nonexercise of a power of direction or
1740 further power under subdivision (1) of subsection (b) of section 85 of
1741 this act regarding:

1742 (1) A payback provision in the terms of a trust necessary to comply
1743 with the reimbursement requirements of 42 USC 1396p (d)(4)(A), as
1744 amended from time to time; and

1745 (2) A charitable interest in the trust, including notice regarding the
1746 interest to the Attorney General.

1747 Sec. 87. (NEW) (*Effective October 1, 2019*) (a) Subject to the provisions
1748 of subsection (b) of this section, with respect to a power of direction or
1749 further power under subdivision (1) of subsection (b) of section 85 of
1750 this act:

1751 (1) A trust director has the same fiduciary duty and liability in the

1752 exercise or nonexercise of the power:

1753 (A) If the power is held individually, as a sole trustee in a like
1754 position and under similar circumstances; or

1755 (B) If the power is held jointly with a trustee or another trust
1756 director, as a cotrustee in a like position and under similar
1757 circumstances; and

1758 (2) The terms of the trust may vary the director's duty or liability to
1759 the same extent the terms of the trust could vary the duty or liability of
1760 a trustee in a like position and under similar circumstances.

1761 (b) Unless the terms of a trust provide otherwise, if a trust director is
1762 licensed, certified, or otherwise authorized or permitted by law other
1763 than sections 81 to 98, inclusive, of this act to provide health care in the
1764 ordinary course of the director's business or practice of a profession, to
1765 the extent the director acts in that capacity, the director has no duty or
1766 liability under sections 81 to 98, inclusive, of this act.

1767 (c) The terms of a trust may impose a duty or liability on a trust
1768 director in addition to the duties and liabilities under this section.

1769 Sec. 88. (NEW) (*Effective October 1, 2019*) (a) Subject to the provisions
1770 of subsection (b) of this section, a directed trustee shall take reasonable
1771 action to comply with a trust director's exercise or nonexercise of a
1772 power of direction or further power under subdivision (1) of
1773 subsection (b) of section 85 of this act and the trustee is not liable for
1774 the action.

1775 (b) A directed trustee must not comply with a trust director's
1776 exercise or nonexercise of a power of direction or further power under
1777 subdivision (1) of subsection (b) of section 85 of this act to the extent
1778 that by complying the trustee would engage in wilful misconduct.

1779 (c) An exercise of a power of direction under which a trust director
1780 may release a trustee or another trust director from liability for breach
1781 of trust is not effective if: (1) The breach involved the trustee's or other

1782 director's wilful misconduct; (2) the release was induced by improper
1783 conduct of the trustee or other director in procuring the release; or (3)
1784 at the time of the release, the director did not know the material facts
1785 relating to the breach.

1786 (d) A directed trustee that has reasonable doubt about its duty
1787 under this section may petition the court for instructions and the court
1788 shall have jurisdiction to provide such instructions.

1789 (e) The terms of a trust may impose a duty or liability on a directed
1790 trustee in addition to the duties and liabilities under this section.

1791 Sec. 89. (NEW) (*Effective October 1, 2019*) (a) Subject to the provisions
1792 of section 90 of this act, a trustee shall provide information to a trust
1793 director to the extent the information is reasonably related to: (1) The
1794 powers or duties of the trustee; and (2) the powers or duties of the
1795 director.

1796 (b) Subject to the provisions of section 90 of this act, a trust director
1797 shall provide information to a trustee or another trust director to the
1798 extent the information is reasonably related to: (1) The powers or
1799 duties of the director; and (2) the powers or duties of the trustee or
1800 other director.

1801 (c) A trustee that acts in reliance on information provided by a trust
1802 director is not liable for a breach of trust to the extent the breach
1803 resulted from the reliance, unless by so acting the trustee engages in
1804 wilful misconduct.

1805 (d) A trust director that acts in reliance on information provided by
1806 a trustee or another trust director is not liable for a breach of trust to
1807 the extent the breach resulted from the reliance, unless by so acting the
1808 trust director engages in wilful misconduct.

1809 Sec. 90. (NEW) (*Effective October 1, 2019*) (a) Unless the terms of a
1810 trust provide otherwise: (1) A trustee does not have a duty to: (A)
1811 Monitor a trust director; or (B) inform or give advice to a settlor,

1812 beneficiary, trustee or trust director concerning an instance in which
1813 the trustee might have acted differently than the director; and (2) by
1814 taking an action described in subdivision (1) of this subsection, a
1815 trustee does not assume the duty excluded in said subdivision.

1816 (b) Unless the terms of a trust provide otherwise: (1) A trust director
1817 does not have a duty to: (A) Monitor a trustee or another trust director;
1818 or (B) inform or give advice to a settlor, beneficiary, trustee or another
1819 trust director concerning an instance in which the director might have
1820 acted differently than a trustee or another trust director; and (2) by
1821 taking an action described in subdivision (1) of this subsection, a trust
1822 director does not assume the duty excluded by said subdivision.

1823 Sec. 91. (NEW) (*Effective October 1, 2019*) The terms of a trust may
1824 relieve a cotrustee from duty and liability with respect to another
1825 cotrustee's exercise or nonexercise of a power of the other cotrustee to
1826 the same extent that, in a directed trust, a directed trustee is relieved
1827 from duty and liability with respect to a trust director's power of
1828 direction under sections 88 to 90, inclusive, of this act.

1829 Sec. 92. (NEW) (*Effective October 1, 2019*) (a) An action against a trust
1830 director for breach of trust must be commenced within the same
1831 limitation period as under section 70 of this act for an action for breach
1832 of trust against a trustee in a like position and under similar
1833 circumstances.

1834 (b) A financial report or accounting has the same effect on the
1835 limitation period for an action against a trust director for breach of
1836 trust that the financial report or accounting would have under section
1837 70 of this act in an action for breach of trust against a trustee in a like
1838 position and under similar circumstances.

1839 Sec. 93. (NEW) (*Effective October 1, 2019*) In an action against a trust
1840 director for breach of trust, the director may assert the same defenses a
1841 trustee in a like position and under similar circumstances could assert
1842 in an action for breach of trust against the trustee.

1843 Sec. 94. (NEW) (*Effective October 1, 2019*) (a) By accepting
1844 appointment as a trust director of a trust subject to sections 81 to 98,
1845 inclusive, of this act, the director submits to personal jurisdiction of the
1846 courts of this state regarding any matter related to a power or duty of
1847 the director.

1848 (b) This section does not preclude other methods of obtaining
1849 jurisdiction over a trust director.

1850 Sec. 95. (NEW) (*Effective October 1, 2019*) Unless the terms of a trust
1851 provide otherwise, the rules applicable to a trustee apply to a trust
1852 director regarding the following matters:

1853 (1) Acceptance under section 44 of this act;

1854 (2) Giving of bond to secure performance under section 45 of this
1855 act;

1856 (3) Reasonable compensation under section 51 of this act;

1857 (4) Resignation under section 48 of this act;

1858 (5) Removal under section 49 of this act; and

1859 (6) Vacancy and appointment of successor under section 47 of this
1860 act.

1861 Sec. 96. (NEW) (*Effective October 1, 2019*) In applying and construing
1862 the uniform provisions of sections 81 to 98, inclusive, of this act,
1863 consideration shall be given to the need to promote uniformity of the
1864 law with respect to its subject matter among states that enact it.

1865 Sec. 97. (NEW) (*Effective October 1, 2019*) Sections 81 to 98, inclusive,
1866 of this act modify, limit or supersede the Electronic Signatures in
1867 Global and National Commerce Act, 15 USC 7001 et seq., but do not
1868 modify, limit or supersede Section 101(c) of that act, 15 USC 7001 (c), or
1869 authorize electronic delivery of any of the notices described in Section
1870 103(b) of that act, 15 USC 7003 (b).

1871 Sec. 98. (NEW) (*Effective October 1, 2019*) The provisions of this
1872 section and sections 81 to 97, inclusive, of this act governing the legal
1873 effect, validity or enforceability of electronic records or electronic
1874 signatures, and of contracts formed or performed with the use of the
1875 records or signatures, conform to the requirements of Section 102 of
1876 the Electronic Signatures in Global and National Commerce Act, 15
1877 USC 7002 and supersede, modify and limit the requirements of that
1878 act.

1879 Sec. 99. (NEW) (*Effective October 1, 2019*) This section and sections
1880 100 to 108, inclusive, of this act may be cited as the "Connecticut
1881 Qualified Dispositions in Trust Provisions of the Connecticut Uniform
1882 Trust Code".

1883 Sec. 100. (NEW) (*Effective October 1, 2019*) As used in this section and
1884 sections 101 to 108, inclusive, of this act:

1885 (1) "Claim" means a right to payment, whether or not the right is
1886 reduced to judgment, liquidated, unliquidated, fixed, contingent,
1887 matured, unmatured, disputed, undisputed, legal equitable, secured or
1888 unsecured.

1889 (2) "Creditor" means, with respect to a transferor, a person who has
1890 claim.

1891 (3) "Debt" means liability on a claim.

1892 (4) "Disposition" means a transfer, conveyance or assignment of
1893 property, including a change in the legal ownership of property
1894 occurring upon the substitution of one trustee for another or the
1895 addition of one or more new trustees, or the exercise of a power so as
1896 to cause a transfer of property, to a trustee or trustees. "Disposition"
1897 does not include the release or relinquishment of an interest that was
1898 the subject of a qualified disposition.

1899 (5) "Property" includes real property, tangible and intangible
1900 personal property, and interests in real or personal property, tangible

1901 and intangible.

1902 (6) "Qualified disposition" means a disposition by or from a
1903 transferor to a trustee, with or without consideration, by means of a
1904 trust instrument. "Qualified disposition" does not include a
1905 disposition: (A) In derogation of any state or federal agency claim or
1906 right of recovery under 42 USC Chapter 7, Subchapter XIX against a
1907 trust established by a transferor or such transferor's spouse, or (B) in
1908 respect to a state or federal agency treatment of the trust instrument in
1909 a determination of a transferor's eligibility under a state plan under 42
1910 USC Chapter 7, Subchapter XIX.

1911 (7) "Spouse" and "former spouse" means only persons to whom the
1912 transferor was married at, or before, the time the qualified disposition
1913 is made.

1914 (8) "Transferor" means an individual who, or entity which, as an
1915 owner of property or as a holder of a general power of appointment,
1916 which authorizes the holder to appoint in favor of the holder, the
1917 holder's creditors, the holder's estate or the creditors of the holder's
1918 estate, or as a trustee, directly or indirectly, makes a disposition or
1919 causes a disposition to be made.

1920 (9) "Qualified trustee" means:

1921 (A) Any person, other than the transferor, who in the case of an
1922 individual, is a resident of this state or who, in all other cases, is a state
1923 or federally chartered bank or trust company having a place of
1924 business in this state, is authorized to engage in a trust business in this
1925 state, and maintains or arranges for custody in this state of some or all
1926 of the property that is the subject of the qualified disposition,
1927 maintains records in this state for the trust on an exclusive or
1928 nonexclusive basis, prepares or arranges for the preparation in this
1929 state of fiduciary income tax returns for the trust, or otherwise
1930 materially participates in this state in the administration of the trust.

1931 (B) "Qualified trustee" does not include (i) the transferor, (ii) any

1932 other individual who is a nonresident of this state, or (iii) an entity that
1933 is not authorized by the laws of this state to act as a trustee or whose
1934 activities are not subject to supervision as provided in subparagraph
1935 (A) of this subdivision.

1936 (10) "Trust instrument" means an instrument, in writing, appointing
1937 at least one qualified trustee for the property that is the subject of a
1938 disposition, which instrument:

1939 (A) Expressly provides that the laws of this state govern the
1940 validity, construction and administration of the trust;

1941 (B) Is irrevocable; and

1942 (C) Provides that the interest of the transferor or other beneficiary in
1943 the trust property or the income from the trust property may not be
1944 transferred, assigned, pledged or mortgaged, whether voluntarily or
1945 involuntarily, before the qualified trustee or qualified trustees actually
1946 distribute the property or income from the trust property to the
1947 beneficiary, and the provision of the trust instrument shall be deemed
1948 to be a restriction on the transfer of the transferor's beneficial interest
1949 in the trust that is enforceable under applicable nonbankruptcy law
1950 within the meaning of 11 USC 541(c)(2), as amended from time to time.

1951 Sec. 101. (NEW) (*Effective October 1, 2019*) (a) Nothing in sections 99
1952 to 108, inclusive, of this act shall be construed to preclude a transferor
1953 from appointing one or more trust directors, including, but not limited
1954 to:

1955 (1) Trust directors who have authority under the terms of the trust
1956 instrument to remove and appoint qualified trustees or trust directors;
1957 and

1958 (2) Trust directors who have authority under the terms of the trust
1959 instrument to direct, consent to or disapprove distributions from the
1960 trust.

1961 (b) A transferor may serve as trust director, but the power of a trust

1962 director who is the transferor shall be limited to the retention of the
1963 veto right permitted by subdivision (1) of section 103 of this act.

1964 (c) For purposes of this section, "trust director" includes a trust
1965 director as provided in section 3 of this act, a trust protector, a trust
1966 advisor or any other person who, in addition to a qualified trustee,
1967 holds one or more trust powers.

1968 Sec. 102. (NEW) (*Effective October 1, 2019*) (a) If a qualified trustee of
1969 a trust ceases to meet the requirements of subparagraph (A) of
1970 subdivision (9) of section 100 of this act and no remaining trustee
1971 meets the requirements of said subparagraph, the qualified trustee
1972 shall be deemed to have resigned at the time of the cessation and the
1973 successor qualified trustee provided for in the trust instrument shall
1974 become a qualified trustee of the trust. In the absence of any successor
1975 qualified trustee provided for in the trust agreement, the court may,
1976 upon application of any interested party, appoint a successor qualified
1977 trustee.

1978 (b) In the case of a disposition to more than one trustee, at least one
1979 of whom is a qualified trustee, a disposition that is otherwise a
1980 qualified disposition shall not be treated as other than a qualified
1981 disposition solely because not all of the trustees are qualified trustees.

1982 (c) A trustee of a trust who is not a qualified trustee may transfer the
1983 assets of a trust to a qualified trustee. Notwithstanding the provisions
1984 of subparagraph (A) of subdivision (9) of section 100 of this act, a
1985 disposition by a trustee who is not a qualified trustee to a trustee who
1986 is a qualified trustee will not fail to qualify as a qualified disposition
1987 solely because the trust instrument does not contain an express
1988 provision that the laws of this state govern the validity, construction
1989 and administration of the trust.

1990 Sec. 103. (NEW) (*Effective October 1, 2019*) For purposes of
1991 subparagraph (B) of subdivision (10) of section 100 of this act, a trust
1992 instrument is irrevocable regardless of whether the transferor retained
1993 any of the following rights, powers and interests:

- 1994 (1) A transferor's power to veto a distribution from the trust;
- 1995 (2) A power of appointment, other than a power to appoint to the
1996 transferor, the transferor's creditors, the transferor's estate or the
1997 creditors of the transferor's estate, exercisable by will or other written
1998 instrument of the transferor and effective only upon the transferor's
1999 death;
- 2000 (3) The transferor's potential or actual receipt of income, including
2001 rights to such income retained in the trust instrument;
- 2002 (4) The transferor's potential or actual receipt of income or principal
2003 from a charitable remainder unitrust or charitable remainder annuity
2004 trust as such terms are defined in 26 USC 664, as amended from time
2005 to time; and the transferor's right, at any time and from time to time by
2006 written instrument delivered to the trustee, to release such transferor's
2007 retained interest in the trust, in whole or in part, in favor of a charitable
2008 organization that has or charitable organizations that have a
2009 succeeding beneficial interest in the trust;
- 2010 (5) The transferor's receipt each year of a percentage, not to exceed
2011 five per cent, specified in the trust instrument of the initial value of the
2012 trust assets on their value determined from time to time pursuant to
2013 the trust instrument or of a fixed amount that, on an annual basis, does
2014 not exceed five per cent of the initial value of the trust assets;
- 2015 (6) The transferor's potential or actual receipt or use of principal if
2016 the potential or actual receipt or use of principal would be the result of
2017 a qualified trustee acting:
- 2018 (A) In the discretion of the qualified trustee;
- 2019 (B) Pursuant to a standard that governs the distribution of principal
2020 and does not confer upon the transferor a substantially unfettered
2021 right to the receipt or use of the principal; or
- 2022 (C) At the direction of a director described in section 101 of this act
2023 who is acting in the director's discretion, or pursuant to a standard that

2024 governs the distribution of principal and does not confer upon the
2025 transferor a substantially unfettered right to the receipt of or use of
2026 principal. For purposes of this subparagraph, a qualified trustee is
2027 presumed to have discretion with respect to the distribution of
2028 principal unless such discretion is expressly denied to the trustee by
2029 the terms of the trust instrument;

2030 (7) The transferor's right to remove a trustee or director and to
2031 appoint a new trustee or director, other than a person who is a related
2032 or subordinate party with respect to the transferor within the meaning
2033 of 26 USC 672(c), as amended from time to time;

2034 (8) The transferor's potential or actual use of real property held
2035 under a qualified personal residence trust within the meaning of the
2036 term as described in 26 USC 2702(c), as amended from time to time, or
2037 the transferor's possession and enjoyment of a qualified annuity
2038 interest within the meaning of the term as described in 26 CFR 25.2702-
2039 5(c)(8), as amended from time to time; and

2040 (9) The transferor's potential or actual receipt of income or principal
2041 to pay, in whole or in part, income taxes due on income of the trust if
2042 the potential or actual receipt of income or principal is pursuant to a
2043 provision in the trust instrument that expressly provides for the
2044 payment of the taxes and if such potential or actual receipt of income
2045 or principal would be the result of a qualified acting:

2046 (A) In the qualified trustee's discretion; or

2047 (B) At the direction of a director described in section 101 of this act
2048 who is acting in the director's discretion.

2049 Sec. 104. (NEW) (*Effective October 1, 2019*) A qualified disposition
2050 shall be subject to sections 99 to 108, inclusive, of this act
2051 notwithstanding a transferor's retention of any of the powers and
2052 rights described in section 103 of this act and the transferor's service as
2053 investment director or advisor pursuant to section 101 of this act. The
2054 transferor shall have only such powers and rights as are conferred by

2055 the trust instrument. Except as provided in the trust instrument, and
2056 permitted by section 101 of this act and in section 103 of this act, a
2057 transferor has no rights or authority with respect to the property that is
2058 the subject of a qualified disposition or the income therefrom, and any
2059 agreement or understanding purporting to grant or permit the
2060 retention of any greater rights or authority is void.

2061 Sec. 105. (NEW) (*Effective October 1, 2019*) (a) Notwithstanding any
2062 provision of the general statutes, no action of any kind, including,
2063 without limitation, an action to enforce a judgment entered by a court
2064 or other body having adjudicative authority, shall be brought at law or
2065 in equity for an attachment or other provisional remedy against
2066 property that is the subject of a qualified disposition or for avoidance
2067 of a qualified disposition, unless the action is brought pursuant to
2068 section 52-552h of the general statutes. In any such action, the creditor
2069 has the burden to prove each element by clear and convincing
2070 evidence.

2071 (b) Notwithstanding section 52-552j of the general statutes, a
2072 creditor may not bring an action under subsection (a) of this section if:

2073 (1) The creditor's claim against the transferor arose before the
2074 qualified disposition was made, unless the action is brought within
2075 four years after the qualified disposition is made or, if later, within one
2076 year after the qualified disposition was or could reasonably have been
2077 discovered by the creditor; or

2078 (2) The creditor's claim against the transferor arose subsequent to
2079 the qualified disposition, unless the action is brought within four years
2080 after the qualified disposition is made.

2081 (c) For the purposes of sections 99 to 108, inclusive, of this act, a
2082 qualified disposition that is made by means of a disposition by a
2083 transferor who is a trustee shall be deemed to have been made as of the
2084 time the property that is the subject of the qualified disposition was
2085 originally transferred to the transferor, or any predecessor trustee,
2086 making the qualified disposition in a form that conforms with the

2087 requirements set forth in subdivision (10) of section 100 of this act. If a
2088 trustee of an existing trust proposes to make a qualified disposition
2089 pursuant to this subsection, but the trust would not conform to the
2090 requirements of subdivision (10) of section 100 of this act as a result of
2091 the original transferor's nonconforming powers of appointment, upon
2092 the trustee's delivery to the qualified trustee of an irrevocable written
2093 election to have this subsection apply to the trust, the nonconforming
2094 powers of appointment shall be deemed modified to the extent
2095 necessary to conform with the requirements of subdivision (10) of
2096 section 100 of this act. For purposes of sections 99 to 108, inclusive, of
2097 this act, an irrevocable written election shall include a description of
2098 the original transferor's powers of appointment as modified together
2099 with the original transferor's written consent to the election but no
2100 such consent of the original transferor shall be considered a disposition
2101 within the meaning of subdivision (4) of section 100 of this act.

2102 (d) Notwithstanding any provision of the general statutes, a
2103 creditor, including a creditor whose claim arose before or after a
2104 qualified disposition, or any other person shall have only such rights
2105 with respect to a qualified disposition as are provided in this section
2106 and sections 106 and 107 of this act, and no such creditor nor any other
2107 person shall have any claim or cause of action against the trustee, or an
2108 advisor, as described in section 101 of this act, of a trust that is the
2109 subject of a qualified disposition, or against any person involved in the
2110 counseling, drafting, preparation, execution or funding of a trust that
2111 is the subject of a qualified disposition.

2112 (e) Notwithstanding any other provision of the general statutes, no
2113 action of any kind, including, without limitation, an action to enforce a
2114 judgment by a court or other body having adjudicative authority, shall
2115 be brought at law or in equity against the trustee, or advisor described
2116 in section 101 of this act, of a trust that is the subject of the qualified
2117 disposition, or against any person involved in the counseling, drafting,
2118 preparation, execution or funding of a trust that is the subject of a
2119 qualified disposition, if, as of the date the action is brought, an action
2120 by a creditor with respect to the qualified disposition would be barred

2121 under this section.

2122 (f) If more than one qualified disposition is made by means of the
2123 same trust instrument:

2124 (1) The making of a subsequent qualified disposition shall be
2125 disregarded in determining whether a creditor's claim with respect to a
2126 prior qualified disposition is extinguished as provided in subsection
2127 (b) of this section; and

2128 (2) Any distribution to a beneficiary shall be deemed to have been
2129 made from the latest such qualified disposition.

2130 (g) If, in any action brought against a trustee of a trust that is
2131 funded, in whole or in part, by a qualified disposition, a court takes
2132 any action whereby the court declines to apply the law of this state in
2133 determining the validity, construction or administration of the trust, or
2134 the effect of a spendthrift provision of the trust, the trustee shall
2135 immediately, upon the court's action and without the further order of
2136 any court, cease in all respects to be a trustee of the trust and (1) a
2137 successor trustee shall thereupon succeed as trustee in accordance with
2138 the terms of the trust instrument; or (2) if the trust instrument does not
2139 provide for a successor trustee and the trust would otherwise be
2140 without a trustee, the court having jurisdiction pursuant to sections 15
2141 and 16 of this act, upon the application of any beneficiary of the trust,
2142 shall appoint a successor trustee upon such terms and conditions as it
2143 determines to be consistent with the purposes of the trust and the
2144 provisions of this section. The court shall have no continuing
2145 jurisdiction over the trust or trustee merely by reason of appointing the
2146 trustee. Upon the trustee's ceasing to be trustee, the trustee shall have
2147 no power or authority other than to convey the trust property to the
2148 successor trustee named in the trust instrument or appointed by the
2149 court having jurisdiction in accordance with the provisions of this
2150 section.

2151 Sec. 106. (NEW) (*Effective October 1, 2019*) Notwithstanding the
2152 provisions of section 105 of this act, sections 99 to 108, inclusive, of this

2153 act, shall not apply to defeat a claim brought by:

2154 (1) A person to whom the transferor is indebted on or before the
2155 date of a qualified disposition on account of an agreement or order of
2156 court for payment of support or alimony in favor of the transferor's
2157 spouse, former spouse or children, or for a division or distribution of
2158 property in favor of the transferor's spouse or former spouse, but only
2159 to the extent of the debt; or

2160 (2) To any person who suffers death, personal injury or property
2161 damage on or before the date of a qualified disposition by a transferor,
2162 which death, personal injury or property damage is at any time
2163 determined to have been caused, in whole or in part, by the tortious
2164 act or omission of the transferor or by another person for whom the
2165 transferor is or was vicariously liable, but only to the extent of the
2166 claim against the transferor or other person for whom the transferor is
2167 or was vicariously liable.

2168 Sec. 107. (NEW) (*Effective October 1, 2019*) (a) A qualified disposition
2169 shall be avoided only to the extent necessary to satisfy the transferor's
2170 debt to the creditor at whose instance the disposition had been
2171 avoided, together with any costs, including attorney's fees, that the
2172 court may allow.

2173 (b) If any qualified disposition is avoided pursuant to subsection (a)
2174 of this section, the following rules apply:

2175 (1) If the court is satisfied that the trustee has not acted in bad faith
2176 in accepting or administering the property that is the subject of the
2177 qualified disposition:

2178 (A) The trustee has a first and paramount lien against the property
2179 that is the subject of the qualified disposition in an amount equal to the
2180 entire cost, including attorney's fees, properly incurred by the trustee
2181 in the defense of the action or proceedings to avoid the qualified
2182 disposition;

2183 (B) The qualified disposition shall be avoided subject to the proper
2184 fees, costs, preexisting rights, claims and interest of the trustee and of
2185 any predecessor trustee that has not acted in bad faith; and

2186 (C) For purposes of this subdivision, it shall be presumed that the
2187 trustee did not act in bad faith merely by accepting the property.

2188 (2) If the court is satisfied that a beneficiary of a trust has not acted
2189 in bad faith, the avoidance of the qualified disposition shall be subject
2190 to the right of the beneficiary to retain any distribution made upon the
2191 exercise of a trust power or discretion vested in the trustee of the trust,
2192 which power or discretion was properly exercised prior to the
2193 creditor's commencement of an action to avoid the qualified
2194 disposition. For purposes of this subdivision, it shall be presumed that
2195 the beneficiary, including a beneficiary who is also a transferor of the
2196 trust, did not act in bad faith merely by creating the trust or by
2197 accepting a distribution made in accordance with the terms of the
2198 trust.

2199 (c) A creditor has the burden of proving by clear and convincing
2200 evidence that a trustee or beneficiary acted in bad faith as set forth in
2201 subsection (b) of this section, except, in the case of a beneficiary who is
2202 also the transferor, the burden on the creditor is to prove by a
2203 preponderance of the evidence that the transferor-beneficiary acted in
2204 bad faith. The provisions of this subsection shall be construed to
2205 provide substantive nonprocedural rights under state law.

2206 (d) For purposes of sections 99 to 107, inclusive, of this act,
2207 attachment, garnishment, sequestration or other legal or equitable
2208 processes shall be permitted only in circumstances permitted by the
2209 express terms of said sections of this act.

2210 (e) For purposes of this section, "court" means the Superior Court.

2211 Sec. 108. (NEW) (*Effective October 1, 2019*) The provisions of this
2212 section and sections 100 to 107, inclusive, of this act, apply to qualified
2213 dispositions made on or after October 1, 2019.

2214 Sec. 109. (NEW) (*Effective October 1, 2019*) (a) Except as otherwise
2215 provided in sections 1 to 108, inclusive, of this act, on October 1, 2019,
2216 the following rules apply:

2217 (1) Sections 1 to 108, inclusive, of this act apply to all trusts created
2218 before, on or after October 1, 2019.

2219 (2) Sections 1 to 108, inclusive, of this act apply to all judicial
2220 proceedings concerning trusts commenced on or after October 1, 2019.

2221 (3) Sections 1 to 108, inclusive, of this act apply to judicial
2222 proceedings concerning trusts commenced before October 1, 2019,
2223 unless the court in which the judicial proceeding is pending finds that
2224 application of a particular provision of sections 1 to 108, inclusive, of
2225 this act would substantially interfere with the effective conduct of the
2226 judicial proceedings or prejudice the rights of the parties. If the court
2227 finds substantial interference or prejudice, the particular provision of
2228 sections 1 to 108, inclusive, of this act do not apply and the superseded
2229 law applies.

2230 (4) Any rule of construction or presumption provided in sections 1
2231 to 108, inclusive, of this act applies to trust instruments executed
2232 before October 1, 2019, unless there is a clear indication of a contrary
2233 intent in the terms of the trust.

2234 (5) An act done before October 1, 2019, is not affected by sections 1
2235 to 123, inclusive, of this act.

2236 (6) The ninety-year period specified in subdivision (1) of section 29
2237 of this act applies only to trusts that become irrevocable on or after
2238 October 1, 2019.

2239 (7) The provisions of subsections (b) and (c) of section 63 of this act
2240 apply only to trusts that become irrevocable on or after October 1,
2241 2019.

2242 (b) If a right is acquired, extinguished or barred upon the expiration
2243 of a prescribed period that has commenced to run under any provision

2244 of the general statutes, other than sections 1 to 108, inclusive, of this act
2245 before October 1, 2019, the provision of the general statutes continues
2246 to apply to the right even if the provision has been repealed or
2247 superseded.

2248 Sec. 110. Section 45a-98 of the general statutes is repealed and the
2249 following is substituted in lieu thereof (*Effective October 1, 2019*):

2250 (a) Probate Courts in their respective districts shall have the power
2251 to (1) grant administration of intestate estates of persons who have
2252 died domiciled in their districts and of intestate estates of persons not
2253 domiciled in this state which may be granted as provided by section
2254 45a-303; (2) admit wills to probate of persons who have died domiciled
2255 in their districts or of nondomiciliaries whose wills may be proved in
2256 their districts as provided in section 45a-287; (3) except as provided in
2257 section 45a-98a or as limited by an applicable statute of limitations,
2258 determine title or rights of possession and use in and to any real,
2259 tangible or intangible property that constitutes, or may constitute, all
2260 or part of any trust, any decedent's estate, or any estate under control
2261 of a guardian or conservator, [which trust or estate is otherwise subject
2262 to the jurisdiction of the Probate Court,] including the rights and
2263 obligations of any beneficiary of the trust or estate and including the
2264 rights and obligations of any joint tenant with respect to survivorship
2265 property; (4) except as provided in section 45a-98a, determine the
2266 validity or construe the meaning and effect of (A) any will or trust
2267 agreement if a construction is required in connection with the
2268 administration or distribution of a trust or estate; [otherwise subject to
2269 the jurisdiction of the Probate Court; (B) an inter vivos trust upon a
2270 petition that meets the requirements for a petition for an accounting
2271 pursuant to subsection (b) or (c) of section 45a-175, provided such an
2272 accounting need not be required;] or [(C)] (B) a power of attorney
2273 pursuant to section 1-350o; (5) except as provided in section 45a-98a,
2274 apply the doctrine of cy pres or approximation; (6) to the extent
2275 provided for in section 45a-175, as amended by this act, call executors,
2276 administrators, trustees, guardians, conservators, and agents acting
2277 under powers of attorney created in accordance with sections 1-350 to

2278 1-353b, inclusive, to account concerning the estates entrusted to their
2279 charge or for other relief as provided in sections 1-350 to 1-353b,
2280 inclusive; and (7) make any lawful orders or decrees to carry into effect
2281 the power and jurisdiction conferred upon [them] the Probate Courts
2282 by the laws of this state.

2283 (b) The jurisdiction of Probate Courts to determine title or rights or
2284 to construe instruments or to apply the doctrine of cy pres or
2285 approximation pursuant to subsection (a) of this section is concurrent
2286 with the jurisdiction of the Superior Court and does not affect the
2287 power of the Superior Court as a court of general jurisdiction.

2288 Sec. 111. Section 45a-175 of the general statutes is repealed and the
2289 following is substituted in lieu thereof (*Effective October 1, 2019*):

2290 (a) Probate Courts shall have jurisdiction of the interim and final
2291 accounts of testamentary trustees, trustees appointed by the Probate
2292 Courts, conservators, guardians, executors and administrators, and, to
2293 the extent provided for in this section, shall have jurisdiction of
2294 accounts of the actions of trustees of inter vivos trusts and agents
2295 acting under powers of attorney.

2296 (b) A trustee or settlor of an inter vivos trust or the successor of the
2297 trustee, settlor or his or her legal representative may petition [to the
2298 Probate Court for the district where the trustee, or any one of them,
2299 has any place of business or to the Probate Court for the district where
2300 the trustee or any one of them or the settlor resides or, in the case of a
2301 deceased settlor, to the Probate Court having jurisdiction over the
2302 estate of the settlor or for the district in which the settlor resided
2303 immediately prior to death] a Probate Court specified in section 16 of
2304 this act for submission to the jurisdiction of the court of an account for
2305 allowance of the trustee's actions under such trust.

2306 (c) (1) Any beneficiary of an inter vivos trust may petition a Probate
2307 Court [having jurisdiction under this section] specified in section 16 of
2308 this act for an accounting by the trustee or trustees. The court may,
2309 after hearing with notice to all interested parties, grant the petition and

2310 require an accounting for such periods of time as it determines are
2311 reasonable and necessary on finding that: (A) The beneficiary has an
2312 interest in the trust sufficient to entitle [him or her] the beneficiary to
2313 an accounting, (B) cause has been shown that an accounting is
2314 necessary, and (C) the petition is not for the purpose of harassment.

2315 [(2) A Probate Court shall have jurisdiction to require an accounting
2316 under subdivision (1) of this subsection if (A) a trustee of the trust
2317 resides in its district, (B) in the case of a corporate trustee, the trustee
2318 has any place of business in the district, (C) any of the trust assets are
2319 maintained or evidences of intangible property of the trust are situated
2320 in the district, or (D) the settlor resides in the district or, in the case of a
2321 deceased settlor, resided in the district immediately prior to death.]

2322 [(3)] (2) As used in subdivision (1) of this subsection, "beneficiary"
2323 [means any person currently receiving payments of income or
2324 principal from the trust, or who may be entitled to receive income or
2325 principal or both from the trust at some future date, or the legal
2326 representative of such person] has the same meaning as provided in
2327 section 3 of this act.

2328 (d) Any of the persons specified in section 1-350o may petition the
2329 Probate Court for the district where the agent has any place of business
2330 or to the Probate Court for the district where the agent or the principal
2331 resides or, in the case of a deceased principal, to the Probate Court
2332 having jurisdiction over the estate of the principal or for the district in
2333 which the principal resided immediately prior to death, for an
2334 accounting or other relief as provided in section 1-350o. The court shall
2335 grant the petition if filed by the principal, agent, guardian, conservator
2336 or other fiduciary acting for the principal. The court may grant a
2337 petition filed by any other person specified in section 1-350o if it finds
2338 that (1) the petitioner has an interest sufficient to entitle [him] the
2339 petitioner to the relief requested, (2) cause has been shown that such
2340 relief is necessary, and (3) the petition is not for the purpose of
2341 harassment.

2342 (e) The action to submit an accounting to the court, whether by an
2343 inter vivos trustee or agent acting under a power of attorney or
2344 whether pursuant to petition of another party, [shall] does not subject
2345 the trust or the power of attorney to the continuing jurisdiction of the
2346 Probate Court.

2347 (f) If the court finds such appointment [to be] is necessary and in the
2348 best interests of the estate, the court upon its own motion may appoint
2349 an auditor to be selected from a list provided by the Probate Court
2350 Administrator, to examine accounts over which the court has
2351 jurisdiction under this section, except those accounts on matters in
2352 which the fiduciary or cofiduciary is a corporation having trust
2353 powers. [The list of auditors compiled by the Probate Court
2354 Administrator shall be comprised of individuals who hold a license
2355 from the State Board of Accountancy as a certified public accountant or
2356 public accountant. The Probate Court Administrator may from time to
2357 time establish hourly rates and allowable expenses for the
2358 compensation of auditors under this section.] The Probate Court
2359 Administrator shall promulgate regulations in accordance with section
2360 45a-77 concerning the compilation of a list of qualified auditors. Costs
2361 of the audit may be charged to the fiduciary, any party in interest and
2362 the estate, in such proportion as the court shall direct if the court finds
2363 [such] the charge to be equitable. Any such share may be paid from the
2364 fund established under section 45a-82, subject to the approval of the
2365 Probate Court Administrator, if it is determined that the person
2366 obligated to pay [such] the share is unable to pay or to charge such
2367 amount to the estate would cause undue hardship.

2368 (g) Upon the allowance of any such account, the court shall
2369 determine the rights of the fiduciaries or the agent under a power of
2370 attorney rendering the account and of the parties interested in the
2371 account, including the relief authorized under section 1-350p, subject
2372 to appeal as in other cases. The court shall cause notice of the hearing
2373 on the account to be given in such manner and to such parties as it
2374 directs.

2375 (h) In any action under this section, the Probate Court shall have, in
2376 addition to powers pursuant to this section, all the powers available to
2377 a judge of the Superior Court at law and in equity pertaining to
2378 matters under this section.

2379 Sec. 112. Section 45a-177 of the general statutes is repealed and the
2380 following is substituted in lieu thereof (*Effective October 1, 2019*):

2381 (a) All conservators, guardians and trustees [, including (1) those
2382 entrusted with] of testamentary trusts, unless excused by the will
2383 creating the trust, [(2) conservators of the person authorized under
2384 subsection (a) of section 45a-656 to manage the finances of a conserved
2385 person, and (3) guardians of adults with intellectual disability
2386 authorized under section 45a-677a to manage the finances of a
2387 protected person,] shall render periodic accounts of their trusts signed
2388 under penalty of false statement to the Probate Court having
2389 jurisdiction for allowance, at least once during each three-year period
2390 and more frequently if required by the court or by the will or trust
2391 instrument creating the trust. [At the end of each three-year period
2392 from the date of the last allowance of a periodic account, or upon the
2393 earlier receipt of a final account, there shall be a hearing on all periodic
2394 accounts not previously allowed, and the final account, if any, in
2395 accordance with sections 45a-178 and 45a-179.] The provisions of a will
2396 excusing the trustee from rendering of periodic accounts does not
2397 excuse the trustee from the rendering a final account upon termination
2398 of the trust as required by section 45a-481.

2399 (b) If the estate held by any person in any such fiduciary capacity is
2400 less than two thousand dollars, or, in the case of a corporate fiduciary
2401 under the supervision of the Banking Commissioner or any other
2402 fiduciary bonded by a surety company authorized to do business in
2403 this state, ten thousand dollars, such fiduciary shall not be required to
2404 render such account unless so ordered by the court.

2405 Sec. 113. Section 45a-242 of the general statutes is repealed and the
2406 following is substituted in lieu thereof (*Effective October 1, 2019*):

2407 (a) The Probate Court having jurisdiction may, upon its own motion
2408 or upon the petition of any person interested or of the surety upon the
2409 fiduciary's probate bond, after notice and hearing, remove any
2410 fiduciary if: (1) The fiduciary becomes incapable of executing such
2411 fiduciary's trust, neglects to perform the duties of such fiduciary's
2412 trust, wastes the estate in such fiduciary's charge, or fails to furnish
2413 any additional or substitute probate bond ordered by the court, (2) lack
2414 of cooperation among cofiduciaries substantially impairs the
2415 administration of the estate, (3) because of unfitness, unwillingness or
2416 persistent failure of the fiduciary to administer the estate effectively,
2417 the court determines that removal of the fiduciary best serves the
2418 interests of the beneficiaries, or (4) there has been a substantial change
2419 of circumstances or removal is requested by all of the beneficiaries, the
2420 court finds that removal of the fiduciary best serves the interests of all
2421 the beneficiaries and is not inconsistent with a material purpose of the
2422 governing instrument and a suitable cofiduciary or successor fiduciary
2423 is available. A successor corporate fiduciary shall not be removed in
2424 such a manner as to discriminate against state banks or national
2425 banking associations, nor shall any consolidated state bank or national
2426 banking association or any receiving state bank or national banking
2427 association be removed solely because it is a successor fiduciary, as
2428 defined in section 45a-245a.

2429 (b) The Probate Court, after notice and hearing, may accept or reject
2430 the written resignation of any fiduciary, but such resignation shall not
2431 relieve such fiduciary from the obligation to fully and finally account
2432 to the court for the administration of such fiduciary's trust. The
2433 fiduciary shall submit a final account to the court within sixty days of
2434 the acceptance of his or her resignation.

2435 (c) [Trustees appointed by a testator to execute a trust created by
2436 will and testamentary guardians] A guardian appointed by a testator
2437 in a will may resign or be removed, and the [vacancies] vacancy filled
2438 by the court having jurisdiction in the manner provided under this
2439 section, unless otherwise provided by the will.

2440 (d) Except as otherwise provided in subsection (c) of this section,
2441 upon the death, removal or acceptance of the resignation of any
2442 fiduciary before the completion of such fiduciary's duties, the Probate
2443 Court may appoint a suitable person to fill the resultant vacancy and
2444 such successor fiduciary shall give a probate bond, unless such bond is
2445 excused by the will or otherwise by law.

2446 (e) All suits in favor of or against the original fiduciary shall survive
2447 to and may be prosecuted by or against the person appointed to
2448 succeed such fiduciary.

2449 (f) For purposes of this section, "fiduciary" includes executors,
2450 administrators, conservators and guardians, but does not include
2451 trustees.

2452 Sec. 114. Section 45a-474 of the general statutes is repealed and the
2453 following is substituted in lieu thereof (*Effective October 1, 2019*):

2454 When a will, trust agreement or other instrument establishing a
2455 trust fails to provide for the contingency of the trustee's refusal to
2456 accept the trust or the trustee's resignation, death or incapacity, the
2457 Probate Court for the district within which the estate is situated, or,
2458 when the trust has been created by will, in the district having
2459 jurisdiction of such will, may, on the happening of any such
2460 contingency, appoint some suitable person to fill such vacancy, taking
2461 from [him] such suitable person a probate bond, unless in the case of a
2462 will it is otherwise provided therein. [, in which case the provisions of
2463 section 45a-473 shall apply.] The court may appoint a successor trustee
2464 of an inter vivos trust before such contingency has occurred if the court
2465 finds that a vacancy in the office of trustee is likely to occur. The court
2466 shall specify the conditions that the successor trustee of such inter
2467 vivos trust must satisfy before becoming trustee. In the event of a
2468 vacancy in the office of trustee of such inter vivos trust, the successor
2469 trustee may assume the office immediately upon satisfying the
2470 conditions set forth in the court's order without further court action.

2471 Sec. 115. Section 45a-477 of the general statutes is repealed and the

2472 following is substituted in lieu thereof (*Effective October 1, 2019*):

2473 [(a) When any person not a resident of this state is the owner of a
2474 life estate or income during life in any personal property or real
2475 property in this state that may thereafter be converted into money, and
2476 the child or children of such life tenant or person entitled to such life
2477 use or income, residing in the same state as such life tenant or person
2478 entitled to such life use or income, are entitled to the remainder upon
2479 the termination of such life estate, life use or income, such life tenant
2480 having procured the appointment of a trustee or other legal custodian
2481 of the property in which he has such interest under the laws of the
2482 place of his residence, such custodian may apply in writing to the
2483 court of probate in this state which has jurisdiction of the
2484 administration of such trust estate for the possession and removal of
2485 such property. In such application the trustee or custodian shall allege
2486 that he has been legally appointed such custodian in the jurisdiction in
2487 which such life tenant resides, and that he has therein given a probate
2488 bond valid according to the requirements of such jurisdiction, and
2489 security thereon, or an increase in an existing bond and security, in an
2490 amount equal to the value of all such estate of such person to be
2491 removed from this state. Such bond and the decree of the court
2492 appointing such custodian shall provide that if the child or children of
2493 such life tenant are for any reason unable to take or receive the
2494 property upon the termination of the life estate or estate aforesaid, it is
2495 to be held and paid over by such custodian to such persons as the
2496 court of probate in this state ordering such removal directs. Upon such
2497 custodian filing for record in the Court of Probate an exemplified copy
2498 of the record of the court by which he was appointed, it shall, after a
2499 hearing upon such notice as the court orders to the person having such
2500 estate in custody and after proof that all known debts against it in this
2501 state have been paid or satisfied, appoint the applicant to be guardian,
2502 conservator or trustee without further bonds, and authorize the person
2503 having such estate in his custody to deliver it to the applicant, who
2504 may demand, sue for and recover it and remove it from this state.

2505 (b)] Any one or more of the [vested beneficial owners of interests

2506 established by a testamentary transfer of real property situated in this
2507 state or personal property wherever situated, in trust or under
2508 custodianship established and] beneficiaries of a trust that is
2509 administered outside of this state [.] who are residents of this state may
2510 petition [the court of probate in any district in which any such real
2511 property or tangible personal property is situated or in which any of
2512 such beneficial owners reside] the Probate Court specified in section 16
2513 of this act to assume jurisdiction of such trust, [or custodianship] In the
2514 petition, [such beneficial owner or owners] the beneficiaries shall
2515 allege that it would be in the best interest of some or all of [such
2516 beneficial owners] the beneficiaries and not adverse to any of [such
2517 owners for the trust or custodianship] the other beneficiaries to be
2518 administered in a [court of probate] Probate Court in this state or that
2519 all such beneficial owners consent to the administration of the trust or
2520 custodianship in a [court of probate] Probate Court in this state. The
2521 [Court of] Probate Court, after hearing with notice as it directs,
2522 including notice to any court having jurisdiction over the trust [or
2523 custodianship,] upon written consent of all such [beneficial owners]
2524 beneficiaries or satisfaction that the allegations in the petition are true
2525 and upon proof that such transfer is not prohibited by law, may
2526 assume jurisdiction. If a probate bond is required under the laws of the
2527 state in which the transferring court is located or this state, such bond
2528 shall be given to the Probate Court prior to the assumption of
2529 jurisdiction by such court. Upon transfer and assumption of
2530 jurisdiction and administration of such trust [or custodianship] to this
2531 state, the record shall be established in the [Court of] Probate Court as
2532 if the [estate] trust were being originally established for administration
2533 in this state and the provisions of the general statutes shall govern the
2534 trust [or custodianship] and its administration.

2535 Sec. 116. Section 45a-482 of the general statutes is repealed and the
2536 following is substituted in lieu thereof (*Effective October 1, 2019*):

2537 When the facts at the time of distribution from an estate to a trust or
2538 from a testamentary trust to a successive trust are such that no trust
2539 would be operative under the terms of the instrument creating such

2540 trust or successive trust because of the death of the life tenant, or
2541 because the beneficiary has reached a stipulated age, or if such trust
2542 would qualify for termination under section [45a-484] 35 of this act, or
2543 for any other reason, the fiduciary of such estate or prior trust may
2544 distribute, with the approval of the court of probate having
2545 jurisdiction, directly from the estate or prior trust to the remaindermen
2546 of such trust, the corpus of such trust and any income earned during
2547 the period of estate administration or administration of the prior trust
2548 and distributable to such remaindermen, without the interposition of
2549 the establishment of such trust or successive trust. If distribution is
2550 based on the fact that the trust would qualify for termination under
2551 section [45a-484] 35 of this act, reasonable notice shall be provided to
2552 all beneficiaries who are known and in being and who have vested or
2553 contingent interests in the trust.

2554 Sec. 117. Section 45a-485 of the general statutes is repealed and the
2555 following is substituted in lieu thereof (*Effective October 1, 2019*):

2556 (a) If any marital deduction would not be allowed by reason of
2557 Section 2056(d)(1) of the Internal Revenue Code of 1986 with respect to
2558 any interest in property passing under any will, trust agreement or
2559 other governing instrument because such interest fails to comply with
2560 the requirements of Sections 2056(d)(2)(A) and 2056A(a) of said code,
2561 the Superior Court, or [the] a Probate Court [if the trust or estate is
2562 otherwise subject to the jurisdiction of the Probate Court, or with
2563 respect to an inter vivos trust, if that trust is or could be subject to the
2564 jurisdiction of the court for an accounting pursuant to section 45a-175,
2565 provided such an accounting need not be required] specified in section
2566 16 of this act, shall have jurisdiction over any action brought to reform
2567 such will, trust agreement or other governing instrument to comply
2568 with those requirements so as to allow a marital deduction under
2569 Section 2056(a) of said code. All references contained in this section to
2570 any section of the Internal Revenue Code of 1986 shall mean that
2571 section of the Internal Revenue Code of 1986, or any subsequent
2572 corresponding internal revenue code of the United States, as from time
2573 to time amended.

2574 (b) The Superior Court or the Probate Court [shall be] are
2575 empowered to reform any such will, trust agreement or other
2576 governing instrument described in subsection (a) of this section to the
2577 extent necessary to ensure the allowance of the marital deduction
2578 described in said subsection. [(a) of this section.]

2579 (c) Any reformation of any will, trust agreement or other governing
2580 instrument in accordance with the provisions of this section shall be
2581 effective whether or not a disclaimer has been filed within the period
2582 [of time] specified in sections 45a-578 to 45a-585, inclusive.

2583 (d) This section shall be applicable to any action commenced to
2584 reform any such will, trust agreement or other governing instrument
2585 created by a decedent dying on or after November 10, 1988.

2586 Sec. 118. Section 45a-489a of the general statutes is repealed and the
2587 following is substituted in lieu thereof (*Effective October 1, 2019*):

2588 (a) A testamentary or inter vivos trust may be created to provide for
2589 the care of an animal or animals alive during the settlor's or testator's
2590 lifetime. The trust shall terminate upon the death of the last surviving
2591 animal. A trust created pursuant to this section shall designate a trust
2592 protector in the trust instrument whose sole duty shall be to act on
2593 behalf of the animal or animals provided for in the trust instrument. A
2594 trust protector shall be replaced in the same manner as a trustee under
2595 section 45a-474, as amended by this act.

2596 (b) Except as otherwise provided in this section, the provisions of
2597 the laws of this state that govern the creation and administration of
2598 trusts shall apply to a trust created to provide for the care of an animal
2599 or animals pursuant to this section.

2600 (c) [(1)] The Superior Court, or a [probate court described in
2601 subdivision (2) of this subsection] Probate Court described in section
2602 16 of this act, shall have jurisdiction over any trust created pursuant to
2603 this section.

2604 [(2) A probate court shall have jurisdiction over any trust created
2605 pursuant to this section if the trustee of the trust is otherwise subject to
2606 the jurisdiction of such probate court, or the trust is an inter vivos trust
2607 and the trust is or could be subject to the jurisdiction of such probate
2608 court for an accounting pursuant to section 45a-175.]

2609 (d) The trustee of a trust created pursuant to this section shall
2610 annually render an account for the trust, signed under penalty of false
2611 statement, to the trust protector.

2612 (e) Any individual identified as a trust protector pursuant to this
2613 section may file a petition in the Superior Court or [a probate court
2614 having jurisdiction pursuant to subsection (c) of this section] the
2615 Probate Court to enforce the provisions of the trust, remove or replace
2616 any trustee of the trust, or require a trustee to render an account as
2617 required under subsection (d) of this section. The court may award
2618 costs and attorney's fees to the trust protector, from the trust property,
2619 if the trust protector prevails on a petition filed under this subsection
2620 and the court finds that the filing of the petition was necessary to fulfill
2621 the trust protector's duty to act on behalf of the animal or animals
2622 provided for in the trust instrument.

2623 (f) If the trust protector determines that the trustee has used trust
2624 property for personal use or has otherwise committed fraud with
2625 respect to the trust, the trust protector may request the Attorney
2626 General to file a petition in the Superior Court or [a probate court
2627 having jurisdiction pursuant to subsection (c) of this section] the
2628 Probate Court to enforce the provisions of the trust, remove or replace
2629 any trustee of the trust or seek restitution from the trustee with respect
2630 to [such] the trust property. The Attorney General may file such
2631 petition if the Attorney General determines that the circumstances
2632 warrant such filing.

2633 (g) Trust property may be applied only to its intended use, subject
2634 to proper trust expenses including trustee fees, except to the extent the
2635 Superior Court or [a probate court having jurisdiction pursuant to

2636 subsection (c) of this section] the Probate Court, upon application by
2637 the trustee or trust protector, determines that the value of the trust
2638 property exceeds the amount required for its intended use. Trust
2639 property not required for its intended use, including trust property
2640 remaining upon termination of the trust, shall be distributed in the
2641 following order of priority:

2642 (1) As directed by the terms of the trust instrument;

2643 (2) To the remainder beneficiaries identified in the trust instrument,
2644 under the same terms provided in the trust for the remainder interest;

2645 (3) To the settlor, if then living;

2646 (4) Pursuant to the residuary clause of the settlor's or testator's will;
2647 or

2648 (5) To the settlor's or testator's heirs in accordance with the laws of
2649 this state governing descent and distribution.

2650 Sec. 119. Section 45a-491 of the general statutes is amended by
2651 adding subsection (f) as follows (*Effective October 1, 2019*):

2652 (NEW) (f) With respect to any trust created on or after October 1,
2653 2019, this section and section 45a-492 to 45a-495, inclusive, as amended
2654 by this act, shall apply to a nonvested property interest or power of
2655 appointment contained in a trust by substituting "eight hundred years"
2656 in place of "ninety years" in each place such term appears in sections
2657 45a-492 to 45a-495, inclusive, as amended by this act, unless the terms
2658 of the trust expressly require that all beneficial interests in the trust
2659 vest or terminate within a lesser period.

2660 Sec. 120. Section 45a-519 of the general statutes is repealed and the
2661 following is substituted in lieu thereof (*Effective October 1, 2019*):

2662 (a) If any deduction under Section 170, Section 2055 or Section 2522
2663 of the Internal Revenue Code of 1986 is not allowable with respect to
2664 any interest in property passing under any will, trust agreement or

2665 other governing instrument to a person, or for a use, described in
2666 Section 170(c), Section 2055(a) or Section 2522(a) and (b) of said code
2667 because such interest [shall fail] fails to comply with the requirements
2668 of Section 170(f)(2), Section 2055(e)(2) or Section 2522(c)(2) of said code,
2669 the Superior Court, [or the Probate Court if the trust or estate is
2670 otherwise subject to the jurisdiction of the Probate Court, or with
2671 respect to an inter vivos trust, if that trust is or could be subject to the
2672 jurisdiction of the court for an accounting pursuant to section 45a-175,
2673 provided such an accounting need not be required,] or a Probate Court
2674 specified in section 16 of this act, shall have jurisdiction over any
2675 action brought to reform such will, trust agreement or other governing
2676 instrument in accordance with the provisions of Section 170(f)(7),
2677 Section 2055(e)(3) or Section 2522(c)(4) of said code so that such
2678 deduction may be allowed under the applicable provisions of said
2679 code. All references contained in this section to any section of the
2680 Internal Revenue Code of 1986 shall mean that section of the Internal
2681 Revenue Code of 1986, or any subsequent corresponding internal
2682 revenue code of the United States, as from time to time amended.

2683 (b) The Superior Court or the Probate Court [shall be] are
2684 empowered to reform any such will, trust agreement or other
2685 governing instrument only to the extent necessary in order to ensure
2686 the allowance of any deduction described in subsection (a) of this
2687 section, and only to the extent the court finds that such reformation is
2688 consistent with the original intent of the testator or donor.

2689 (c) This section shall not be construed to effect a change in any
2690 dispositive provisions of the governing instrument as provided in
2691 section 45a-514.

2692 (d) Any reformation of any will, trust agreement or other governing
2693 instrument in accordance with the provisions of this section shall be
2694 effective whether or not a disclaimer has been filed within the period
2695 [of time] specified in sections 45a-578 to 45a-585, inclusive.

2696 (e) This section shall be applicable to any action commenced on or

2697 after July 18, 1984.

2698 Sec. 121. Subsection (b) of section 45a-520 of the general statutes is
2699 repealed and the following is substituted in lieu thereof (*Effective*
2700 *October 1, 2019*):

2701 (b) In any case where the current market value of the assets of a
2702 testamentary or inter vivos charitable trust is less than one hundred
2703 fifty thousand dollars, any trustee thereof, any charitable beneficiary
2704 specifically designated in the governing instrument or the Attorney
2705 General may petition a [court of probate] Probate Court specified in
2706 subsection (b) or (c) of section 16 of this act for an order terminating
2707 the trust. [If such a trust has been under the jurisdiction of a court of
2708 probate prior to any such petition, the petition shall be brought to the
2709 court of probate for the district which has had jurisdiction over the
2710 trust. If such a trust has not been under the jurisdiction of a court of
2711 probate prior to any such petition, the petition shall be brought to the
2712 court of probate for any district in which any such trustee resides or
2713 has a place of business. If such a trust has not been under the
2714 jurisdiction of a court of probate prior to any such petition and if there
2715 is no trustee thereof residing or having a place of business in
2716 Connecticut, the petition shall be brought to the court of probate for
2717 any district in which any charitable beneficiary of the trust has its
2718 principal office.] Upon receipt of such a petition, the court shall order a
2719 hearing and cause notice thereof to be given to the Attorney General,
2720 the trustees, the grantor of the trust, if living, and any charitable
2721 beneficiary of the trust specifically designated in the governing
2722 instrument. If at such a hearing the court determines that continuation
2723 of the trust is uneconomic when the costs of operating the trust,
2724 probable income and other relevant factors are considered or not in the
2725 best interest of the beneficiaries, the court may order termination of the
2726 trust and distribution of the trust assets to any charitable beneficiary
2727 specifically designated in the governing instrument or, [in the event] if
2728 no such beneficiary exists, to such other charitable trusts or charitable
2729 entities, including any community trust or foundation, as the court
2730 may determine will fulfill the charitable purposes of the trust being so

2731 terminated.

2732 Sec. 122. Section 45a-521 of the general statutes is repealed and the
 2733 following is substituted in lieu thereof (*Effective October 1, 2019*):

2734 (a) Upon a petition filed within the period specified in [the Code of
 2735 Federal Regulations, Title 26, Section 1.664-3(a)(1)(i)(f)(3)] 26 CFR
 2736 1.664-3, by a trustee of a charitable remainder unitrust, the Superior
 2737 Court, or [the] a Probate Court [if the trustee is otherwise subject to the
 2738 jurisdiction of the Probate Court, or with respect to an inter vivos trust,
 2739 if such trust is or could be subject to the jurisdiction of the Probate
 2740 Court for an accounting pursuant to section 45a-175, provided such an
 2741 accounting need not be required,] shall have jurisdiction to reform
 2742 such charitable remainder unitrust for the sole purpose of substituting
 2743 a provision allowing payment of the unitrust amount under [the Code
 2744 of Federal Regulations, Title 26, Section 1.664-3(a)(1)(i)(c)] 26 CFR
 2745 1.664-3 for an existing provision providing for payment of the unitrust
 2746 amount under [Title 26, Section 1.664-3(a)(1)(i)(b) of the Code of
 2747 Federal Regulations] 26 CFR 1.664-3.

2748 (b) The Superior Court or the Probate Court [shall be] are
 2749 empowered to reform such trust only to the extent the court finds that
 2750 such reformation is consistent with the original intent of the testator or
 2751 donor.

2752 (c) This section shall not be construed to effect a change in any
 2753 dispositive provision of the trust as provided in section 45a-514.

2754 Sec. 123. Sections 45a-473, 45a-484, 45a-487 to 45a-487f, inclusive,
 2755 and 45a-488 of the general statutes are repealed. (*Effective October 1,*
 2756 *2019*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	New section
Sec. 2	<i>October 1, 2019</i>	New section
Sec. 3	<i>October 1, 2019</i>	New section

Sec. 4	<i>October 1, 2019</i>	New section
Sec. 5	<i>October 1, 2019</i>	New section
Sec. 6	<i>October 1, 2019</i>	New section
Sec. 7	<i>October 1, 2019</i>	New section
Sec. 8	<i>October 1, 2019</i>	New section
Sec. 9	<i>October 1, 2019</i>	New section
Sec. 10	<i>October 1, 2019</i>	New section
Sec. 11	<i>October 1, 2019</i>	New section
Sec. 12	<i>October 1, 2019</i>	New section
Sec. 13	<i>October 1, 2019</i>	New section
Sec. 14	<i>October 1, 2019</i>	New section
Sec. 15	<i>October 1, 2019</i>	New section
Sec. 16	<i>October 1, 2019</i>	New section
Sec. 17	<i>October 1, 2019</i>	New section
Sec. 18	<i>October 1, 2019</i>	New section
Sec. 19	<i>October 1, 2019</i>	New section
Sec. 20	<i>October 1, 2019</i>	New section
Sec. 21	<i>October 1, 2019</i>	New section
Sec. 22	<i>October 1, 2019</i>	New section
Sec. 23	<i>October 1, 2019</i>	New section
Sec. 24	<i>October 1, 2019</i>	New section
Sec. 25	<i>October 1, 2019</i>	New section
Sec. 26	<i>October 1, 2019</i>	New section
Sec. 27	<i>October 1, 2019</i>	New section
Sec. 28	<i>October 1, 2019</i>	New section
Sec. 29	<i>October 1, 2019</i>	New section
Sec. 30	<i>October 1, 2019</i>	New section
Sec. 31	<i>October 1, 2019</i>	New section
Sec. 32	<i>October 1, 2019</i>	New section
Sec. 33	<i>October 1, 2019</i>	New section
Sec. 34	<i>October 1, 2019</i>	New section
Sec. 35	<i>October 1, 2019</i>	New section
Sec. 36	<i>October 1, 2019</i>	New section
Sec. 37	<i>October 1, 2019</i>	New section
Sec. 38	<i>October 1, 2019</i>	New section
Sec. 39	<i>October 1, 2019</i>	New section
Sec. 40	<i>October 1, 2019</i>	New section
Sec. 41	<i>October 1, 2019</i>	New section
Sec. 42	<i>October 1, 2019</i>	New section
Sec. 43	<i>October 1, 2019</i>	New section
Sec. 44	<i>October 1, 2019</i>	New section

Sec. 45	<i>October 1, 2019</i>	New section
Sec. 46	<i>October 1, 2019</i>	New section
Sec. 47	<i>October 1, 2019</i>	New section
Sec. 48	<i>October 1, 2019</i>	New section
Sec. 49	<i>October 1, 2019</i>	New section
Sec. 50	<i>October 1, 2019</i>	New section
Sec. 51	<i>October 1, 2019</i>	New section
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Sec. 61	<i>October 1, 2019</i>	New section
Sec. 62	<i>October 1, 2019</i>	New section
Sec. 63	<i>October 1, 2019</i>	New section
Sec. 64	<i>October 1, 2019</i>	New section
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Sec. 67	<i>October 1, 2019</i>	New section
Sec. 68	<i>October 1, 2019</i>	New section
Sec. 69	<i>October 1, 2019</i>	New section
Sec. 70	<i>October 1, 2019</i>	New section
Sec. 71	<i>October 1, 2019</i>	New section
Sec. 72	<i>October 1, 2019</i>	New section
Sec. 73	<i>October 1, 2019</i>	New section
Sec. 74	<i>October 1, 2019</i>	New section
Sec. 75	<i>October 1, 2019</i>	New section
Sec. 76	<i>October 1, 2019</i>	New section
Sec. 77	<i>October 1, 2019</i>	New section
Sec. 78	<i>October 1, 2019</i>	New section
Sec. 79	<i>October 1, 2019</i>	New section
Sec. 80	<i>October 1, 2019</i>	New section
Sec. 81	<i>October 1, 2019</i>	New section
Sec. 82	<i>October 1, 2019</i>	New section
Sec. 83	<i>October 1, 2019</i>	New section
Sec. 84	<i>October 1, 2019</i>	New section
Sec. 85	<i>October 1, 2019</i>	New section

Sec. 86	<i>October 1, 2019</i>	New section
Sec. 87	<i>October 1, 2019</i>	New section
Sec. 88	<i>October 1, 2019</i>	New section
Sec. 89	<i>October 1, 2019</i>	New section
Sec. 90	<i>October 1, 2019</i>	New section
Sec. 91	<i>October 1, 2019</i>	New section
Sec. 92	<i>October 1, 2019</i>	New section
Sec. 93	<i>October 1, 2019</i>	New section
Sec. 94	<i>October 1, 2019</i>	New section
Sec. 95	<i>October 1, 2019</i>	New section
Sec. 96	<i>October 1, 2019</i>	New section
Sec. 97	<i>October 1, 2019</i>	New section
Sec. 98	<i>October 1, 2019</i>	New section
Sec. 99	<i>October 1, 2019</i>	New section
Sec. 100	<i>October 1, 2019</i>	New section
Sec. 101	<i>October 1, 2019</i>	New section
Sec. 102	<i>October 1, 2019</i>	New section
Sec. 103	<i>October 1, 2019</i>	New section
Sec. 104	<i>October 1, 2019</i>	New section
Sec. 105	<i>October 1, 2019</i>	New section
Sec. 106	<i>October 1, 2019</i>	New section
Sec. 107	<i>October 1, 2019</i>	New section
Sec. 108	<i>October 1, 2019</i>	New section
Sec. 109	<i>October 1, 2019</i>	New section
Sec. 110	<i>October 1, 2019</i>	45a-98
Sec. 111	<i>October 1, 2019</i>	45a-175
Sec. 112	<i>October 1, 2019</i>	45a-177
Sec. 113	<i>October 1, 2019</i>	45a-242
Sec. 114	<i>October 1, 2019</i>	45a-474
Sec. 115	<i>October 1, 2019</i>	45a-477
Sec. 116	<i>October 1, 2019</i>	45a-482
Sec. 117	<i>October 1, 2019</i>	45a-485
Sec. 118	<i>October 1, 2019</i>	45a-489a
Sec. 119	<i>October 1, 2019</i>	45a-491
Sec. 120	<i>October 1, 2019</i>	45a-519
Sec. 121	<i>October 1, 2019</i>	45a-520(b)
Sec. 122	<i>October 1, 2019</i>	45a-521
Sec. 123	<i>October 1, 2019</i>	Repealer section

Statement of Purpose:

To modernize Connecticut trust law in order to allow the state to remain economically competitive, create jobs and retain businesses in the state.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]