ESTATES AND PROTECTED INDIVIDUALS CODE (EXCERPT)
Act 386 of 1998

***** 700.7307 THIS SECTION IS REPEALED BY ACT 46 OF 2009 EFFECTIVE APRIL 1, 2010 *****

700.7307 Limitations on proceedings against trustees.

Sec. 7307. (1) A beneficiary is barred from commencing a proceeding against a trustee for breach of trust if the proceeding is not commenced within 1 year after the date the beneficiary or a representative of the beneficiary is sent a report that adequately discloses the existence of a potential claim for breach of trust and informs the beneficiary of the time allowed for commencing a proceeding. A beneficiary may also be barred from commencing a proceeding against a trustee for breach of trust by adjudication, consent, ratification, estoppel, or other limitation.

(2) Persons barred under subsection (1) include all of the following:

(a) A beneficiary when an interested trust beneficiary possessing the same interest preceding that of the beneficiary receives the report.

(b) An object, taker in default, or another who may receive property by virtue of the exercise of or failure to exercise a presently exercisable or testamentary general or special power of appointment if the person possessing the power of appointment receives the report.

(c) A person described in section 1403(b) as bound by another if that other receives the report.

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

(4) If subsection (1) does not apply, a proceeding by a beneficiary against a trustee for breach of trust shall be commenced within 5 years of the first of the following to occur:

(a) The removal, resignation, or death of the trustee.

(b) The termination of the beneficiary's interest in the trust.

(c) The termination of the trust.

History: 1998, Act 386, Eff. Apr. 1, 2000;—Am. 2004, Act 314, Eff. Sept. 1, 2004.

Popular name: EPIC