

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

\*\*\*\*\* 700.7402.amended THIS AMENDED SECTION IS EFFECTIVE APRIL 1, 2010 \*\*\*\*\*

**700.7402.amended Creating trust; requirements.**

Sec. 7402. (1) A trust is created only if all of the following apply:

- (a) The settlor has capacity to create a trust.
- (b) The settlor indicates an intention to create the trust.
- (c) The trust has a definite beneficiary or is either of the following:
  - (i) A charitable trust.
  - (ii) A trust for a noncharitable purpose or for the care of an animal, as provided in section 2722.
- (d) The trustee has duties to perform.
- (e) The same person is not the sole trustee and sole beneficiary.
- (2) A trust beneficiary is definite if the trust beneficiary can be ascertained now or in the future, subject to any applicable rule against perpetuities.
- (3) A power in a trustee to select a trust beneficiary from an indefinite class is valid only in a charitable trust.

**History:** 1998, Act 386, Eff. Apr. 1, 2000;—Am. 2009, Act 46, Eff. Apr. 1, 2010.

**Popular name:** EPIC