

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

***** 700.7502.amended THIS AMENDED SECTION IS EFFECTIVE APRIL 1, 2010 *****

700.7502.amended Spendthrift provision.

Sec. 7502. (1) A spendthrift provision is valid and enforceable.

(2) A term of a trust providing that the interest of a trust beneficiary is held subject to a "spendthrift trust," or words of similar import, restrains both voluntary and involuntary transfer of the trust beneficiary's interest.

(3) Except as provided in sections 7504, 7506, and 7507, the trust beneficiary's interest in a trust may not be transferred in violation of a valid spendthrift provision and trust property is not subject to enforcement of a judgment until distributed directly to the trust beneficiary.

(4) Notwithstanding the existence of a spendthrift provision in the terms of the trust, a trustee is not liable to the beneficiaries of the trust for making a distribution to which a trust beneficiary is otherwise entitled pursuant to the direction of the trust beneficiary.

History: 1998, Act 386, Eff. Apr. 1, 2000;—Am. 2005, Act 204, Imd. Eff. Nov. 10, 2005;—Am. 2009, Act 46, Eff. Apr. 1, 2010.

Popular name: EPIC