

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

700.7502 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

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