

PERSONAL PROPERTY TRUST PERPETUITIES ACT (EXCERPT)
Act 148 of 2008

554.93 Personal property held in trust; interest in or power of appointment over; validity; exercise of second power; determination under uniform statutory rule against perpetuities.

Sec. 3. (1) Except as provided in subsection (3), an interest in, or power of appointment over, personal property held in trust is not invalidated by a rule against any of the following:

- (a) Perpetuities.
- (b) Suspension of absolute ownership.
- (c) Suspension of the power of alienation.
- (d) Accumulations of income.

(2) Except as provided in subsection (3), all of the following may be indefinitely suspended, postponed, or allowed to go on with respect to personal property held in trust:

- (a) The vesting of a future interest.
- (b) The satisfaction of a condition precedent to the exercise of a general power of appointment.
- (c) The exercise of a nongeneral or testamentary power of appointment.
- (d) Absolute ownership.
- (e) The power of alienation.
- (f) Accumulations of income.

(3) The period during which the vesting of a future interest in property may be postponed by the exercise of a second power shall be determined under the uniform statutory rule against perpetuities by reference to the time of the creation of the power of appointment that subjected property to, or created, the second power. A nonvested interest, general power of appointment not presently exercisable because of a condition precedent, or nongeneral or testamentary power of appointment created, or to which property is subjected, by the exercise of the second power is invalid, to the extent of the exercise of the second power, unless the interest or power satisfies the uniform statutory rule against perpetuities measured from the time of the creation of the power of appointment that subjected property to, or created, the second power.

History: 2008, Act 148, Imd. Eff. May 28, 2008;—Am. 2012, Act 484, Imd. Eff. Dec. 28, 2012.