

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

***** 700.7912.added THIS ADDED SECTION IS EFFECTIVE APRIL 1, 2010 *****

700.7912.added Protection of person dealing with trustee.

Sec. 7912. (1) A person other than a trust beneficiary who in good faith assists a trustee, or who in good faith and for value deals with a trustee, without knowledge that the trustee is exceeding or improperly exercising the trustee's powers is protected from liability as if the trustee properly exercised the power.

(2) A person other than a trust beneficiary who in good faith deals with a trustee is not required to inquire into the extent of the trustee's powers or the propriety of the exercise of the powers.

(3) A person who in good faith delivers assets to a trustee need not ensure the proper application of the assets.

(4) A person other than a trust beneficiary who in good faith assists a former trustee, or who in good faith and for value deals with a former trustee, without knowledge that the trusteeship has terminated is protected from liability as if the former trustee were still a trustee.

(5) Comparable protective provisions of other laws relating to commercial transactions or transfer of securities by fiduciaries prevail over the protection provided by this section.

History: Add. 2009, Act 46, Eff. Apr. 1, 2010.

Popular name: EPIC