

ESTATES AND PROTECTED INDIVIDUALS CODE (EXCERPT)

Act 386 of 1998

700.7207 Approval of agreements adjusting beneficial interests.

Sec. 7207. (1) On petition of an interested person, the court may approve an interpretation, construction, modification, or other settlement that is agreed upon in writing by all presently identified and competent beneficiaries whose interests in the trust may be affected to resolve a contest, controversy, or question of construction or interpretation concerning the existence, administration, or termination of an irrevocable trust.

(2) If the present or future interest of an unborn, unascertained, missing, or disappeared person; of a trustee or a trust beneficiary described in the trust document but not yet established; or of a minor or other person without legal capacity is not represented or is not represented adequately under the provisions of section 1209 or section 1403, the court may appoint 1 or more guardians ad litem to represent the interest or interests.

(3) The court shall approve an agreement described in subsection (1) if it appears to have been reached in good faith and its effects are just and reasonable under all of the relevant facts and circumstances.

(4) The order in response to a petition under subsection (1) is binding on each party who is represented in the proceeding and on others in accordance with section 1403(b). After issuance of the order, the agreement as approved by the court shall be considered a part of the governing instrument of the trust.

History: 1998, Act 386, Eff. Apr. 1, 2000.

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