## CHAPTER 1. THE USE OF TRUSTS IN ESTATE PLANNING

- § 1:1 Introduction
- § 1:2 Commentary
- § 1:3 Creating the trust
- § 1:4 Statutory trusts
- § 1:5 —Common management
- § 1:6 —Management of the property of minors
- § 1:7 —OBRA '93 trusts (Supplemental Needs Trusts)
- § 1:8 —Statutory termination of trusts
- § 1:9 Inter vivos trusts
- § 1:10 Probate court rules of procedure
- § 1:11 Inter vivos trusts—Revocable trusts
- § 1:12 ——Avoiding probate at death
- § 1:13 ——Providing for potential incapacity
- § 1:14 ——Reducing probate court control over family trusts
- § 1:15 ——Impact of Subsequent Appointment of Conservator for Grantor
- § 1:16 —Irrevocable trusts
- § 1:17 Testamentary trusts
- § 1:18 Income taxation of Connecticut trusts

#### CHAPTER 2. ESTABLISHMENT OF THE TRUST

- § 2:1 Commentary
- § 2:2 Necessity of Intent to Create a Trust and to Assume Duties of a Trustee
- § 2:3 Declaration of trust
- § 2:4 —Form: Declaration
- § 2:5 Two or more parties to the trust agreement
- § 2:6 —Form: Grantor and corporate trustee
- § 2:7 —Form: Grantor and individual and corporate trustees
- § 2:8 Trust agreement as deed of transfer
- § 2:9 —Form: Transfer, delivery, receipt and acceptance of trust
- § 2:10 Testamentary trusts
- § 2:11 —Form: Residue of estate to be held in trust
- § 2:12 —Form: Bequest in trust
- § 2:13 —Form: Devise in trust
- § 2:14 Witnesses to Inter Vivos Trusts, Revocable & Irrevocable

## CHAPTER 3. BASIC DISPOSITIVE PROVISIONS

- § 3:1 Commentary
- § 3:2 Provisions for grantor during lifetime
- § 3:3 —Form: Income, support and unlimited right of withdrawal for grantor
- § 3:4 —Form: Distributions to grantor and spouse during grantor's incapacity
- § 3:5 —Form: Definition of incapacitated

```
§ 3:6
        Disposition of trust after grantor's death when trust calls for termination and
         immediate distribution of trust
§ 3:7
        —Provisions for spouse
§ 3:8
        — —Form: Outright distribution
§ 3:9
        — —Form: Lifetime trusts for spouse
§ 3:10
        — — Form: Estate tax sheltered trust
§ 3:11
        The impact of "decoupled" Connecticut estate taxes
        Disposition of trust after grantor's death when trust calls for termination and
§ 3:12
         immediate distribution of trust—Provisions for spouse—Form: Lifetime trusts
         for spouse—Form: Martial trust
§ 3:13
        ———Form: Disclaimer trust for marital share trust
§ 3:14
        ———Form: Provisions for descendants if spouse predeceases grantor
§ 3:15
        ———Form: Family trust for descendants
        —Provisions for descendants
§ 3:16
        — —Form: Outright distribution
§ 3:17
        — Form: Family sprinkle/accumulation trust
§ 3:18
§ 3:19
        — Form: Separate per stirpital trusts for descendants at the outset
        ———Note on per stirpes distribution
§ 3:20
§ 3:21
        Provisions for pets
        Specific trust provisions for disposition of trust income and principal during
§ 3:22
         continuation of trust after grantor's death
§ 3:23
        —Trust income to designated or described descendants
§ 3:24
        — Form: Simple trusts for each descendant
§ 3:25
        — Form: Sprinkle trusts for each descendant and his or her issue
        — Form: Distribution of income authorized but not required (discretionary
§ 3:26
         sprinkle/accumulation trust)
§ 3:27
        —Trust principal
§ 3:28
        — —Form: Distribution of principal for stated purpose
§ 3:29
        ——"Ascertainable standard" distribution of principal
§ 3:30
        — — Form: Example of HEMS standard
        ——"Five and five" (5&5) power
§ 3:31
§ 3:32
        — — Form: Annual "5&5" withdrawal right
§ 3:33
        Crummey annual withdrawal right
§ 3:34
        Withdrawal of contributions to trust
§ 3:35
        Specific trust provisions for disposition of trust income and principal during
         continuation of trust after grantor's death—Beneficiary's right to withdraw
         trust funds at selected age(s)
§ 3:36
        — Form: At one age
        — Form: At two ages
§ 3:37
§ 3:38
        — Form: At three ages
§ 3:39
        — — Note on withdrawal at three ages
§ 3:40
        — —Form: Disposition of trust funds not withdrawn
§ 3:41
        —Disposition of the trust at the descendant's death
§ 3:42
        ——Form: Outright disposition to descendants, per stirpes
§ 3:43
        ——Descendant given power of appointment
§ 3:44
        — — Form: Unlimited testamentary power (non-taxable)
§ 3:45
        — — Form: Limited testamentary power [non-taxable]
§ 3:46
        — — Form: Taxable general power of appointment
```

§ 3:47 — Contingent provisions should descendant not validly exercise a power of appointment § 3:48 — — Form: Outright distribution to descendant's issue § 3:49 — — Form: Trust to continue for descendant's issue § 3:50 — —Form: Continuing trusts [no power of appointment] for next generation § 3:51 Early termination of trust § 3:52 —Form: No remaining beneficiaries living § 3:53 —Rule against perpetuities requires trust to terminate § 3:54 — —Form: Rule against perpetuities —Form: Distribution upon occurrence of an event § 3:55 § 3:56 —Form: Outright distribution to beneficiary — Note on outright distribution § 3:57 —Form: Distribution upon beneficiary reaching a stated age § 3:58 § 3:59 — Note on distribution at stated age § 3:60 —Form: Distribution upon maturity of beneficiary § 3:61 — Note on distribution upon maturity § 3:62 —Form: Termination at specific age § 3:63 — Note on termination at specific age § 3:64 —Form: Termination of trust if in best interests of income beneficiaries § 3:65 — Note on termination if in best interests § 3:66 —Note on "sole, absolute and uncontrolled discretion" § 3:67 — Involuntary termination by the Department of Social Services under Title 19 Named beneficiary clauses § 3:68 § 3:69 —Form: Repeating name of trust beneficiary § 3:70 —Form: Alternative to repeating name

## CHAPTER 4. SUPPLEMENTAL DISPOSITIVE PROVISIONS

- § 4:1 Definitions of "children"
- § 4:2 —Form: Adopted children included
- $\S~4:3~$  ——Note on adopted children
- § 4:4 —Form: Excluding adopted adults
- § 4:5 —Form: Children born out of wedlock
- § 4:6 ——Note on children born out of wedlock
- § 4:7 —Form: Children born as a result of artificial insemination
- § 4:8 ——Note on children born by artificial insemination
- § 4:9 Supplementary provisions for disposition of trust income and trust principal
- § 4:10 —Form: Discretionary accumulation of trust income
- § 4:11 —Form: Trustee discretion to terminate trust
- § 4:12 —Form: Family disaster
- § 4:13 Miscellaneous dispositive provisions
- § 4:14 —Form: Beneficiary must survive to take trust property
- § 4:15 —Note on common disaster provisions
- § 4:16 —Form: Trustee consideration of other resources of beneficiary
- § 4:17 —Form: Renunciation, release and disclaimer authorized
- § 4:18 —Form: Affidavit disclaiming property interest
- § 4:19 —Form: Spendthrift provision

- § 4:20 —Government Assistance To Be Used First
- § 4:21 —Government assistance to be used first—Note on spendthrift trusts
- § 4:22 —Form: Residential real property held in trust
- § 4:23 —Form: Undisposed property
- § 4:24 —Form: Liability for liens, mortgages and other encumbrances on distributed property
- § 4:25 —Form: Powers of appointment—Conditions of exercise
- § 4:26 ——Note on powers of appointment
- § 4:27 —Form: Revocability of trust
- § 4:28 —Form: Amendment to revocable trust
- § 4:29 —Form: Irrevocability of trust
- § 4:30 —Form: Additions to trust
- § 4:31 —Form: Incontestability of trust ("In Terrorem Clause")
- § 4:32 Note on contesting inter vivos trusts
- § 4:33 —Form: Advancements to Be Taken Into Account
- § 4:34 —Form: Distributions conditioned on survivorship not to be distributed to heirs if beneficiary does not survive
- § 4:35 Trust Decanting

#### CHAPTER 5. TRUSTEES

- § 5:1 Planning for trustee selection
- § 5:2 —Form: Additional or successor trustee named upon certain events
- § 5:3 ——Note on additional or successor trustees
- § 5:4 —Form: Named trustee to replace original trustee
- § 5:5 —Form: Appointment of successor trustee by spouse or income beneficiaries'
- § 5:6 —Form: Beneficiary added as co–trustee upon reaching a selected age of maturity
- § 5:7 ——Form: Beneficiary to become sole trustee
- § 5:8 Miscellaneous trustee clauses
- § 5:9 —Form: Acting trustee may add additional trustees
- § 5:10 —Form: Two or more trustees required
- § 5:11 —Form: Named trustee must appoint co-trustee
- § 5:12 Removal of trustees
- § 5:13 —Form: Removal of trustee by grantor, or beneficiaries with spousal consent
- § 5:14 —Form: Removal of trustee by beneficiaries with spousal consent
- § 5:15 —Form: Removal of trustee by spouse or other named trust beneficiary
- § 5:16 —Note on statutory right of removal
- § 5:17 —Form: Removal of trustee by spouse or other named trust beneficiary—Form: Trustees Not To Be Removed in the Absence of Malfeasance or Misfeasance
- § 5:18 Miscellaneous procedural provisions governing trustees
- § 5:19 —Form: Resignation, removal and appointment of trustees
- § 5:20 —Form: Powers of successor trustees and waiver of bond
- § 5:21 —Form: Compensation of trustees, fees of corporate trustee to be based on its fee schedule
- $\S~5:22$  ——Note on compensation of trustees
- § 5:23 Liability of trustees
- § 5:24 —Form: General exculpation of individual trustees
- § 5:25 —Form: Only family members exculpated

- § 5:26 —Form: Non-participating trustees exculpated
- § 5:27 Limitations on power or authority of trustees: Tax considerations
- § 5:28 —Form: Interested trustees barred from participation
- § 5:29 ——Form: Complex form
- § 5:30 ——Form: Grantor barred from participation as trustee
- § 5:31 ——Form: Trust funds cannot be used to discharge legal obligations
- § 5:32 ———Note on beneficiary as trustee distributing funds to self
- § 5:33 Division of authority among trustees
- § 5:34 —Form: Specific power exercisable by named trustee
- § 5:35 —Form: Majority rule among trustees
- § 5:36 Note on majority rule
- § 5:37 —Form: Delegation of powers among multiple trustees
- § 5:38 Clause employing directed trustees and trust directors
- § 5:39 Trustees' power to amend the trust
- § 5:40 —Form: Trustees' power to amend the trust agreement
- § 5:41 Trust protectors
- § 5:42 Form: Trust protector
- § 5:43 Designated representatives
- § 5:44 Form: Designated representatives

#### CHAPTER 6. BASIC ADMINISTRATIVE POWERS

- § 6:1 Management of trust and trust assets: Trustee's powers to manage the trust
- § 6:2 —Form: Basic "long form" powers clause
- § 6:3 —Form: Standard "short form" powers for trust management
- § 6:4 —Connecticut statutory administrative powers
- § 6:5 ——Form: Incorporation of basic statutory fiduciary powers
- § 6:6 ——Form: Selected supplemental statutory powers
- § 6:7 Form: Combining standard and selected statutory powers
- § 6:8 ——Form: Customized powers
- § 6:9 Payment of estate taxes
- § 6:10 —Form: Will clause: Intent to allow statutory provisions to apply
- § 6:11 —Placing tax burden on selected beneficiaries and/or property
- § 6:12 ——Form: Bequest subject to payment of allocable taxes
- § 6:13 ——Form: Will clause: Testamentary general estate to pay all taxes
- § 6:14 ——Form: Will clause: Payment of taxes on probate estate only, out of general estate
- § 6:15 ——Form: Inter vivos trust to pay its incremental share of taxes
- § 6:16 ——Form: Executor may require trustee to pay expenses, taxes and bequests

# CHAPTER 7. SUPPLEMENTAL ADMINISTRATIVE PROVISIONS

- § 7:1 Introduction
- § 7:2 Investments
- § 7:3 —Form: Grantor's investment directions: Growth stock orientation
- § 7:4 —Form: Specific investments or categories of investment: Retention of specific stock
- § 7:5 —Form: Investment of Trust Assets—ETFs and Mutual Funds

§ 7:6 ——Broadest discretion § 7:7 —Form: Investment of trust assets for long term appreciation § 7:8 -Form: Retention of investments authorized § 7:9 —Form: Retention of investments directed —Form: Trustees relieved from liability for trust investments § 7:10 § 7:11 —Form: Business interests —Form: Oil, gas and mineral interests § 7:12 § 7:13 -Form: Management of real estate § 7:14 —Form: Closely held businesses —Form: Environmental hazards (Example 1) (additions to standard § 7:15 administrative powers clause) § 7:16 —Form: Fiduciary rights and powers with respect to environmental matters (stand-alone clause) § 7:17 Life insurance § 7:18 —Form: Insurance policies § 7:19 Accountings § 7:20 —Form: Informal accountings for revocable trusts § 7:21 —Form: Informal accountings for irrevocable trust § 7:22 Selection of professionals to assist trustees § 7:23 —Form: Suggested selection of attorneys by trustees § 7:24 -Form: Suggested selection of required co-trustee § 7:25 —Form: Mandatory use of investment counsel § 7:26 —Form: Discretionary use of investment counsel § 7:27 Tax-related provisions § 7:28 —Form: Allocation of income in respect of decedent § 7:29 —Form: General power of appointment to minimize combined estate and generation-skipping tax —Form: Allocation of generation—skipping tax exemption § 7:30 § 7:31 —Form: Elections § 7:32 —Form: Definition of code § 7:33 —Form: Nontaxable assets § 7:34 —Form: Grantor Trust Provision ("Defective Trust") § 7:35 Payment and distribution to or for the benefit of minors § 7:36 —Form: Power in trust —Form: Distributions to guardians of grantor's children § 7:37 § 7:38 —Form: Distributions to UTMA custodians § 7:39 —Form: Catch–all simple trust § 7:40 Jurisdiction —Form: Connecticut law to apply § 7:41 — Note on choice of law clause § 7:42 —Form: Trustees authorized to change jurisdiction of inter vivos trust § 7:43 § 7:44 —Form: Will clause governing place of estate administration § 7:45 — —Note on will clause Consolidation of trusts § 7:46 § 7:47 -Form: Planned consolidation § 7:48 — Note on planned consolidation § 7:49 —Form: Subsequent consolidation § 7:50 — Note on subsequent consolidation

§ 7:51	Division of trusts
§ 7:52	—Form: Single family trust followed by later division of trust into separate per stirpes trusts
§ 7:53	—Form: Family trust for descendants
§ 7:54	—Form: Separate shares for descendants
§ 7:55	—Statutory division of trusts
§ 7:56	—Form: Generation—skipping tax division to preserve zero inclusion ratio
§ 7:57	Miscellaneous provisions
§ 7:58	—Form: Provisions for signing, witnessing and notarizing trust agreements
§ 7:59	—Form: Definition of incapacitated
§ 7:60	—Form: Definition of "per stirpes"
§ 7:61	—Form: Identification of family
§ 7:62	—Form: Discretionary use of trust assets to assist grantor's executors
§ 7:63	—Form: Requirement of survival
§ 7:64	Digital assets
§ 7:65	—No contest/in terrorem clauses
§ 7:66	—No contest/in terrorem clause—Form
300	THE CONTROL OF THE CO

# **APPENDICES**

THI ENDICED			
Appendix A.	Selected Connecticut Statutory Provisions		
Appendix B.	Model Trust Forms		
Appendix C.	Cross Reference Table C.G.S. Title 45 to C.G.S. Title 45a		
Appendix D.	State of Connecticut—Probate Court Rules of Procedure		
Appendix E.	Connecticut Uniform Trust Code		
Appendix F.	Connecticut Uniform Directed Trust Act		
Appendix G.	Connecticut Qualified Dispositions in Trust Act		
Appendix H.	Connecticut Uniform Trust Code Effective Date, Amendments to Statutes and Repealer Provisions		
Appendix I.	Connecticut Uniform Trust Decanting Act		

**Table of Laws and Rules** 

**Table of Cases** 

Index