GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

SESSION LAW 2003-225
HOUSE BILL 637

AN ACT TO PERMIT THE SETTLOR OF A REVOCABLE TRUST TO RELIEVE THE TRUSTEE OF DUTIES, RESTRICTIONS, AND LIABILITIES IMPOSED BY THE UNIFORM TRUSTS ACT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 36A-78 reads as rewritten:

"**§ 36A-78. Power of settlor.**

~~The settlor of any trust affected by this Article may, by provision in the instrument creating the trust if the trust was created by a writing, or by oral statement to the trustee at the time of the creation of the trust if the trust was created orally, or by an amendment of the trust if the settlor reserved the power to amend the trust, relieve liabilities which would otherwise be imposed upon him by this Article; or alter or deny to his trustee any or all of the privileges and powers conferred upon the trustee by this Article; or add duties, restrictions, liabilities, privileges, or powers, to those imposed or granted by this Article; but no act of the settlor shall relieve a trustee from the duties, restrictions, and liabilities imposed upon him by G.S. 36A-62, 36A-63 and G.S. 36A-66.~~

(a) The settlor of any trust affected by this Article may (i) relieve the trustee from any or all duties, restrictions, and liabilities that would otherwise be imposed upon the trustee by this Article, (ii) alter or deny to the trustee any or all of the privileges and powers conferred upon the trustee by this Article, or (iii) add duties, restrictions, liabilities, privileges, or powers to those imposed or granted by this Article. The settlor may accomplish any of these actions by one of the following methods:

(1) By provision in the instrument creating the trust if the trust was created by a writing.

(2) By oral statement to the trustee at the time of the creation of the trust if the trust was created orally.

(3) By an amendment of the trust if the settlor reserved the power to amend the trust.

(4) By written instrument delivered to the trustee of a revocable trust.

(b) Notwithstanding subsection (a) of this section, any settlor who has not reserved the power to revoke the trust shall not relieve the trustee from the duties, restrictions, and liabilities imposed upon the trustee by G.S. 36A-62, 36A-63, and 36A-66."

SECTION 2. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 11th day of June, 2003.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 12:47 p.m. this 19th day of June, 2003