

## CHAPTER 501

### USES AND TRUSTS

501.11 Express trusts, purposes.

501.35 May apply to court for instructions.

#### 501.11 EXPRESS TRUSTS, PURPOSES.

Express trusts may be created for any of the following purposes:

- (1) To sell lands for the benefit of creditors;
- (2) To sell, mortgage, or lease lands for the benefit of legatees, or for the purpose of satisfying any charge thereon;
- (3) To receive the rents and profits of lands, and apply them to the use of any person, during the life of the person, or for any shorter term, subject to the rules prescribed in chapter 500;
- (4) To receive the rents and profits of lands, and to accumulate them, for either of the purposes, and within the limits prescribed in chapter 500;
- (5) To receive and take charge of any money, stocks, bonds, or valuable chattels of any kind and to invest and loan them for the benefit of the beneficiaries of the express trust; and the district and county courts of the state shall, upon petition and hearing, have power to appoint a trustee for the purpose herein set forth, requiring the trustee to give a bond for the faithful execution of the express trust as the court deems right and proper; and express trusts created under the provisions of this paragraph shall be administered under the direction of the court;
- (6) For the beneficial interests of any person, whether the trust embraces real or personal property or both, when the trust is fully expressed and clearly defined on the face of the instrument creating it, provided that the trust shall not continue for a period longer than the life or lives of specified persons in being at the time of its creation, and for 21 years after the death of the survivor of them, and that the free alienation of the legal estate by the trustee is not suspended for a period exceeding the limit prescribed in chapter 500; provided, however, that the aforesaid limitation on the period of continuance of trusts shall not apply to a trust forming a part of a disability, medical, or other employee welfare plan or a part of a stock bonus, pension, or profit sharing plan of an employer or an employee organization for the exclusive benefit of some or all of his employees or members of an employee organization, nor to a trust forming a part of a retirement plan created by and for the benefit of self-employed persons for the purpose of receiving their contributions thereunder and investing, accumulating, and distributing to those persons or their beneficiaries the corpus, profits, and earnings of the trust in accordance with the plan.
- (7) Any city may receive, by grant, gift, devise, or bequest, and take charge of, invest, and administer, free from taxation, in accordance with the terms of the trust, real or personal property, or both, for the benefit of any public library, or any public cemetery, or any public park, located in, or within ten miles of, the city, or for the purpose of establishing or maintaining a school or institution of learning therein.

Provided that the city shall, with the approval of the district court of the county in which the city is located, sell, lease, or otherwise dispose of, freed of the provisions of the trust, any tract, lot, parcel, reserve, block, or subdivision of the platted part of the city, embraced within the area described in the grant, gift,

devise, or bequest when the tract, lot, parcel, reserve, block, or subdivision of the platted part of the city is found to be unfit for the uses and purposes expressed in the grant, gift, devise or bequest.

The income realized from the sale, lease, or disposal of the trust property shall be credited to the funds of the trust of the city in which the property is located.

Each city in this state, in addition to the foregoing, may receive by grant, gift, devise, or bequest, and take charge of, convert, invest, and administer, free from taxation, in accordance with the terms of the trust, real or personal property, or both, of any kind or nature and wherever located, for any public or charitable purpose, or to provide, enlarge, improve, lease, and maintain for the use and benefit of the inhabitants of the city, animal, bird, fish, game, and hunting preserves, public parks, public grounds, public waterways, public bath houses and grounds used in connection therewith, and public playgrounds within or without the limits of the city, whether within or without this state, or for the support, medical treatment, and nursing of the worthy poor residing in the city.

**History:** 1983 c 34 s 2

### 501.35 MAY APPLY TO COURT FOR INSTRUCTIONS.

Any trustee of an express trust by will or other written instrument whose appointment has been confirmed, or any beneficiary of that trust, may petition the court then having jurisdiction of the trust as a proceeding in rem, and any trustee of an express trust by will or other written instrument whose appointment has not been confirmed, or any beneficiary of that trust, may petition the district or county court of the county in which the unconfirmed trustee resides or has his place of business, for instructions in the administration of the trust, for the confirmation of any action taken by the trustee, for a construction of the trust instrument, or upon or after the filing of any account, for the settlement and allowance thereof. Upon the filing of the petition, the court shall make an order fixing a time and place for hearing it, unless hearing has been waived in writing by the beneficiaries of the trust then in being. Notice of hearing shall be given by publishing a copy of the order one time in a legal newspaper of the county at least 20 days before the date of the hearing, and by mailing a copy of it to each beneficiary of the trust then in being, at his last known address, at least ten days before the date of the hearing or in any other manner as the court orders. If the court deems further notice necessary, it shall be given in the manner specified in the order. At the hearing the court shall make such order as it deems appropriate. The order shall be final and conclusive as to all matters determined by it and binding in rem upon the trust estate and upon the interests of all beneficiaries, vested or contingent, even though unascertained or not in being, except that appeal may be taken in the manner provided in section 487.39.

**History:** 1983 c 247 s 183