

Second Supplement to Memorandum 90-93

Subject: Study L-100 - Alternate Beneficiaries for Unclaimed
Distribution (Report of Team 1)

Attached as Exhibit 1 is the report of Team 1 of the State Bar Estate Planning, Probate and Trust Law Section on the *Tentative Recommendation Relating to Alternate Beneficiaries for Unclaimed Distribution*. Both Team 1 and the Executive Committee as a whole approve the TR.

Team 1 supports the staff revisions to the TR proposed in the basic memorandum.

Respectfully submitted,

Robert J. Murphy III
Staff Counsel

CA LAW REVISION

SEP 11 1990

RECEIVED

REPORT

TO: BRUCE S. ROSS
VALERIE J. MERRITT
TERRY ROSS
IRV GOLDRING
JIM QUILLINAN
ROBERT E. TEMMERMAN, JR.
CLARK R. BYAM
THE EXECUTIVE COMMITTEE IN GENERAL

FROM: WILLIAM V. SCHMIDT (Captain)
Study Team No. 1

DATE: September 5, 1990

RE: LRC MEMORANDUM 90-93:
Alternative Beneficiaries for Unclaimed Distribution
Study L-100

This Memorandum was reviewed by Study Team No. 1 by me without a conference call. I intend to call a few members of the Team for their review and comments. In the absence of any further report, you can assume that there is no objection to this Memorandum.

This is a study which has been reviewed in its initial form and in its form as a Tentative Recommendation both by Study Team No. 1 and the Executive Committee as a whole. Both have approved the proposed legislation. We see that twelve out of thirteen letters received also support the proposed legislation.

The modifications made by the staff as a result of the public comment seem to be satisfactory. The elimination of a distributee whose identity is unknown, as suggested by Jim Quillinan, seems to be beneficial. I have never had, nor have I heard, in my years of practice a situation involving a distributee whose identity was unknown. The court always distributes to known persons, although their whereabouts are occasionally unknown.

We have favored in the past and we continue to favor the three year period in which the primary distributees must claim the property.

We agree with the staff that the suggestion of Irv Goldring is a good one. We, therefore, approve of the change made as a result of it.

We agree with Paul Hoffman that the problem facing a trustee of a trust when a remainder beneficiary cannot be found is a problem that should ultimately be addressed.

Respectfully submitted,

STUDY TEAM NO. 1

By: William V. Schmidt
William V. Schmidt
Captain