First Supplement to Memorandum 86-83

Subject: Study L-1028 - Independent Administration of Estates

Attached is the preliminary portion of the Recommendation Relating to Independent Administration of Estates. The statute portion of this recommendation is attached to Memorandum 86-83.

The attached preliminary portion explains the draft of the proposed legislation which is attached to Memorandum 86-83. If changes are made in that draft, the preliminary portion may require revision.

This recommendation is scheduled for approval for printing at the December meeting. Accordingly, please mark your suggested editorial changes on the attached draft and return it to the staff after it has been discussed at the meeting.

Also attached is an outline of the proposed legislation and an Appendix that shows the disposition of the existing independent administration statute.

We will check the attached material and the proposed legislation with care before we send it to the printer.

Respectfully submitted,

John H. DeMoully Executive Secretary

## STATE OF CALIFORNIA

## CALIFORNIA LAW

## REVISION COMMISSION

## RECOMMENDATION

## relating to

## INDEPENDENT ADMINISTRATION OF ESTATES ACT

December 1986

GALIFORNIA LAW REVISION COMMISSION 4000 Middlefield Road, Suite D-2 Palo Alto, GA 94303-4739

### CALIFORNIA LAW REVISION COMMISSION

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December 5, 1986

To: The Honorable George Deukmejian
Governor of California
and
The Legislature of California

The California Law Revision Commission is now devoting its time and resources almost exclusively to the study of probate law and procedure. The Commission is preparing a new Estate and Trust Code for enactment by the Legislature. The new code would replace the existing Probate Code.

The Commission has decided not to delay submitting recommendations for the improvement of probate law until work on the new code is completed. This recommendation is one of those being submitted for enactment prior to the submission of the new code.

This recommendation deals with one aspect of the probate law study — the Independent Administration of Estates Act (existing Prob. Code §§ 591-591.9). The recommended legislation reorganizes and restates the existing provisions of the Independent Administration of Estates Act. A few substantive changes are proposed. Experience under the Act indicates that these changes are needed.

The narrative explanation at the beginning of this recommendation indicates the principal substantive revisions the proposed legislation would make in existing law. A Comment following each section of the proposed legislation gives the source of the section and indicates any changes the section would make in existing law. Comments showing the disposition of each existing section that would be superseded by the proposed legislation can be found at the end of the recommendation.

Respectfully submitted,

ARTHUR K. MARSHALL Chairperson

#### Introduction

The Independent Administration of Estates Act, enacted in 1974, permits the court to authorize the personal representative to administer a decedent's estate with a minimum of supervision.

The personal representative may petition the court for authority to administer the estate under the Act. The court must grant the authority unless good cause is shown why it should not be granted.

If the authority is granted, many actions that otherwise would be taken under court supervision may be taken without court supervision. 6 However, the personal representative must give prior advice of many proposed actions to affected persons. 7 If an interested

<sup>1.</sup> Prob. Code §§ 591-591.9.

<sup>2. 1974</sup> Cal. Stat. ch. 961. For subsequent amendments and additions to the 1974 act, see 1977 Cal. Stat. ch. 243; 1978 Cal. Stat. ch. 298; 1980 Cal. Stat. ch. 955; 1982 Cal. Stat. ch. 1521; 1983 Cal. Stat. ch. 17; 1984 Cal. Stat. chs. 144, 451, 1017; 1985 Cal. Stat. chs. 359, 982.

<sup>3.</sup> The enactment was a response to public criticism of the probate process as requiring too much court involvement and attorneys' time, and being too complex and costly. See Note, Probate Reform: California's Declaration of Independent Administration, 50 S. Cal. L. Rev. 155 (1976).

<sup>4.</sup> Prob. Code § 591.1.

<sup>5.</sup> Prob. Code § 591.1. See also Prob. Code § 591.7 (revocation of authority where good cause shown). Independent administration authority may not be granted if the decedent's will provides that the decedent's estate shall not be administered under the Act. Prob. Code § 591.1.

<sup>6.</sup> Prob. Code § 591.6.

<sup>7.</sup> Prob. Code §§ 591.3-591.4, 591.8. Advice of the proposed action is required to be given to the devisees and legatees whose interest in the estate is affected by the proposed action; to the heirs of the decedent in intestate estates; to the State of California if any portion of the estate is to escheat to it; and to any persons who have filed a request for special notice pursuant to Probate Code Section 1202 (the

person objects, the personal representative may take the proposed action only under court supervision.  $^{8}$ 

The Commission studied the Independent Administration of Estates Act during 1983-1985 and submitted recommendations proposing improvements in the Act. The enactment of these recommendations avoids the need for further substantial changes. Accordingly, the proposed legislation contained in this new recommendation merely reorganizes and restates and generally continues the existing provisions of the Act with the changes described below. 11

persons who may request special notice include a creditor, a beneficiary under a trust, any other person interested in the estate, and the State Controller).

Advice of proposed action is required for the following actions: selling or exchanging real property, granting options to purchase real property, selling or exchanging personal property (with certain exceptions), leasing real property for more than a year, entering into any contract (other than a lease of real property) not to be performed within two years, selling, incorporating or operating for longer than six months an unincorporated business of the decedent, commencing payment of or increasing a family allowance or paying a family allowance for more than 12 months after the death of the decedent, investing funds of the estate (with certain exceptions), completing a contract of the decedent to convey real or personal property, borrowing money, executing a mortgage or deed of trust or giving other security, and determining specified claims to real or personal property. Prob. Code § 591.3.

- 8. Prob. Code § 591.5.
- 9. Recommendations Relating to Probate Law (Independent Administration of Decedent's Estate), 17 Cal. L. Revision Comm'n Reports 401, 405 (1984). See also 18 Cal. L. Revision Comm'n Reports 216, 370-373 (1986) (official Comments to 1985 revisions of the Independent Administration of Estates Act).
- 10. 1984 Cal. Stat. ch. 451; 1985 Cal. Stat. chs. 359, 982.
- 11. Some minor changes are not noted below but are indicated in the Comment to the pertinent provision of the proposed legislation.

## Restricting Authority of Personal Representative Having "Limited Authority"

Under existing law, the personal representative may be granted "full authority" or "limited authority." Limited authority allows independent administration without authority to sell, exchange, or grant an option to purchase real property. Full authority includes authority to sell, exchange, or grant an option to purchase real property.

The proposed legislation further limits the authority of a personal representative who has only limited authority. Limited authority no longer will allow the personal representative to borrow money with the loan secured by an encumbrance upon real property. This new limitation is necessary to protect the beneficiaries of the estate. The bond of a personal representative having only limited authority does not protect against the risk that the personal representative will borrow money on real property of the estate and divert the money to his or her own use. 14

<sup>12.</sup> See Prob. Code § 591.1(b). The proposed law uses the terms "full authority" and "limited authority." Although the existing statute does not use these terms, they are used in practice and in the Judicial Council form. See Petition for Probate (Form Approved by the Judicial Council of California DE 111 (Rev. January 1, 1986)).

<sup>13.</sup> The Independent Administration of Estates Act as enacted in 1974 permits a personal representative to use independent administration authority to borrow money with the loan secured by an encumbrance upon real property (see Prob. Code § 591.6(c)), even though the 1974 statute (1974 Cal. Stat. ch. 961 §2) did not permit the personal representative to sell the real property using independent administration authority. The 1984 expansion of independent administration authority to permit real property sales (1984 Cal. Stat. ch. 451) did not affect the right to borrow money secured by real property of the estate in a case where the personal representative was not granted authority to sell real property.

<sup>14.</sup> See Prob. Code § 591.9(b) (bond includes value of real property only if the personal representative has full authority).

## Restricting Authority of Personal Representative in Conflict of Interest Situations

Existing law does not preclude the use of independent administration authority in situations where the personal representative may have a conflict of interest. The proposed legislation permits the following actions to be taken only under the supervision of the court:

- -- Sale of property of the estate to the personal representative.
- --Exchange with the personal representative of property of the estate for other property.
- --Grant to the personal representative of an option to purchase property of the estate.
- --Allow, pay, or compromise a claim of the personal representative against the estate.
- --Compromise or settle a claim, action, or proceeding by the estate against the personal representative.
- --Extend, renew, or modify the terms of a debt or other obligation of the personal representative owing to or running in favor of the decedent or the estate.

The Commission's separate recommendation relating to supervised administration of a decedent's estate includes special provisions that deal with these potential conflict of interest situations.  $^{15}$ 

<sup>15.</sup> See proposed Sections 9830, 9834, 9880-9885 contained in Recommendation Relating to Supervised Administration of Decedent's Estate (October 1986). See also existing Prob. Code § 703.

#### Special Administrator

The existing independent administration statute does not permit a special administrator to use the independent administration procedure. 16 The legislation proposed permits independent administration authority to be granted to a special administrator if the special administrator is appointed with the powers of a general administrator. 17 This new authority will be useful, for example, in an estate with a lengthy will contest where virtually all of the administration is handled by the special administrator, and the only act which occurs after the final resolution of the will contest is the distribution of the estate assets.

## Advice of Proposed Action

Using Advice of Proposed Action Procedure for Proposed Actions Not Requiring Advice. The proposed legislation includes a new procedure that permits the personal representative to give advice of a proposed action even though the independent administration statute does not require that advice of proposed action be given before taking that action. Failure to object to the proposed action has the same effect as failure to object to a proposed action for which advice of proposed action is required. This new procedure will permit the personal representative to determine whether an interested person objects to the proposed action and will protect the personal representative if no one objects. It will also encourage the personal representative to keep persons interested in the estate informed of proposed actions and will require court approval of the proposed action before it is taken if there is an objection.

<sup>16.</sup> Prob. Code § 591.1.

<sup>17.</sup> The independent administration authority will be granted upon request unless (1) good cause is shown why the authority should not be granted or (2) the decedent's will provides that the decedent's estate shall not be administered under independent administration authority.

Expanding the advice of proposed action requirement. Under existing law, the personal representative who has independent administration authority has a general power to "convey," but there is no general requirement that advice of proposed action be given for a conveyance. 19

The proposed legislation does not continue the general power to "convey." Instead, the proposed legislation includes provisions that authorize the personal representative to engage in specific types of transactions that might involve a conveyance.

The Commission has reviewed the types of actions the personal representative is authorized to take under proposed independent administration provisions — including those that might involve a conveyance — and has considered whether advice of proposed action should be required. As a result of this review, the Commission has concluded that advice of proposed action should be given for the following actions for which there is now no specific provision requiring that advice of proposed action be given:

- -- Exercising a security subscription or conversion right.
- -- Exercising a restricted option.
- --Making extraordianry repairs or making alterations in estate property that are not minor.
- --Accepting a deed in lieu of foreclosure or trustee's sale.
- -- Conveying to person given option to purchase in will.
- --Extending the period of an exclusive right to sell property.
- -- Making a disclaimer.

Each of these actions is of sufficient consequence that advice of proposed action should be given if the action is to be taken without court supervision.

<sup>18.</sup> Prob. Code § 591.6(a).

<sup>19.</sup> In some cases, advice of proposed action is required for specific types of actions that may involve a conveyance. *E.g.*, Prob. Code § 591.3(b)(9) (Advice of proposed action required for completing a contract entered into by the decedent to convey real or personal property).

Selling certain over-the-counter securities without giving advice of proposed action. Under existing law, 20 advice of proposed action must be given where securities are proposed to be sold, unless the securities are to be sold on an established stock or bond exchange. The proposed legislation permits the sale without giving advice of proposed action of national market system over-the-counter securities. Quotations for these over-the-counter stocks are published daily in the Wall Street Journal and many newspapers.

### Statutory Waiver of Advice of Proposed Action Form

Existing law permits a person to waive the right to receive advice of a proposed action only with respect to a particular proposed action. A general waiver of the right to receive advice of all proposed actions is not permitted. Nor is a waiver of the right to receive advice of proposed action for all transactions of a particular kind.

The proposed legislation provides for a Statutory Waiver of Advice of Proposed Action Form. Use of this form permits a person to waive the right to receive notice of all proposed transactions or to waive the right to receive notice of particular kinds of proposed actions. The new form includes an appropriate warning to the person using the form of the consequences of signing the form. The new form also includes a portion that a person can complete and return to the personal representative if the person desires to revoke the waiver.

Using the new form, a person can, for example, waive the right to receive notice of actions with respect to investing funds of the estate without waiving the right to receive notice with respect to sales of real property. Or a person not interested in the management of the estate who trusts the personal representative can waive the right to any notice at all with respect to any actions the personal representative might decide to take.

<sup>20.</sup> Prob. Code § 591.3(b)(3).

<sup>21</sup> Prob. Code § 591.3(d).

#### Revocation of Waiver or Consent

The existing statute does not specify how a waiver of advice of proposed action or a consent to a proposed action can be revoked. The proposed legislation fills in this gap: A revocation of a waiver or consent must be in writing and must be received by the personal representative in order to be effective. 22

## Review Upon Court's Own Motion of Actions of the Personal Representative

Under existing law, failure to object to a proposed action is a waiver of the right to have the court later review the action taken, unless the person who fails to object establishes that he or she did not actually receive advice of the proposed action before the time to object expired. But, even though there were no objections to the proposed action, the court on its own motion can review the action of the personal representative after the action is taken. 24

The right of a person who did not actually receive advice of proposed action to obtain later court review of the action taken is continued by the proposed legislation. But the court's power to review a proposed action on its own motion is limited: The court may review the proposed action on its own motion to protect an heir or devisee who lacks capacity or is a minor unless the guardian, conservator, or other personal representative of the heir or devisee received advice of the proposed action and failed to object to the proposed action. The purpose of the advice of proposed action is to bind the persons who receive it if they fail to make a timely

<sup>22.</sup> The revocation may be filed with the court, but whether or not it is filed with the court does not affect its effectiveness.

<sup>23.</sup> Prob. Code § 591.5(d).

<sup>24.</sup> Prob. Code § 591.5(d).

objection to the proposed action. Limiting the scope of review by the court on its own motion will further this purpose by protecting the personal representative from a later objection to the action taken where the person or the person's representative received the advice of proposed action<sup>25</sup> and failed to make a timely objection.

#### Notice of Hearing

If a petition for appointment of a personal representative also requests authority to administer the estate under the Independent Administration of Estates Act, existing law requires that the published notice of hearing on the petition state that the petition requests that \_\_\_\_\_\_ be appointed as personal representative to administer the estate of the decedent "under the Independent Administration of Estates Act." For the quoted phrase, the proposed legislation substitutes the following:

The petition requests authority to administer the estate under the Independent Administration of Estates Act. This authority would permit the personal representative with certain exceptions to act without court supervision that otherwise would be required. The petition will be granted unless good cause is shown why it should not be.

The notice of hearing also is given to the heirs, devisees, and each person named as personal representative who is not petitioning. The additional language added to the notice of hearing gives information to these persons and to persons who read the published notice. This information describes the nature of independent administration authority and sets out the standard used by the court to determine whether that authority should be granted.

<sup>25.</sup> To be binding, the advice of proposed action must contain the information required by the Judicial Council form.

<sup>26.</sup> Prob. Code § 333. See also Petition for Probate - Form Approved by the Judicial Council of California. DE-111 (Rev. January 1, 1986).

<sup>27.</sup> Notice of the hearing must be personally served upon or mailed to these persons. See Prob. Code § 328.

## Application to Pending Proceedings

Since the proposed legislation would not make substantial changes in existing law, the proposed legislation with one exception will apply to proceedings pending on the date it becomes operative.

One exception to this general rule is recommended. The new limitation of the authority to borrow money upon real property of the estate (applicable only where the personal representative has limited authority) will not apply in cases where independent administration authority was granted prior to the operative date of the proposed legislation.

#### DIVISION 7. ADMINISTRATION OF ESTATES OF DECEDENTS

#### PART 6. INDEPENDENT ADMINISTRATION OF ESTATES

### CHAPTER 1. GENERAL PROVISIONS

- § 10400. Citation of this part
- § 10401. "Court supervision" defined
- § 10402. "Full authority" defined
- § 10403. "Limited authority" defined
- § 10404. This part not applicable if will so provides
- § 10405. Special administrator
- § 10406. Application of part

## CHAPTER 2. GRANTING OR REVOKING INDEPENDENT ADMINISTRATION AUTHORITY

- § 10450. Petition for order granting independent administration authority
- § 10451. Notice of hearing
- § 10452. Hearing; order; endorsement on letters
- § 10453. Increase in amount of bond
- § 10454. Revocation of independent administration authority

#### CHAPTER 3, ADMINISTRATION UNDER INDEPENDENT ADMINISTRATION\_AUTHORITY

#### Article 1. General Provisions

- § 10500. Administration without court supervision
- § 10501. Matters requiring court supervision

#### Article 2. Independent Administration Powers

- § 10510. Article describes powers of personal representative who has been granted independent administration authority
- § 10511. Grant of powers that any personal representative may exercise without court supervision
- § 10512. Powers with respect to sale of property
- § 10513. Power to manage and control estate property
- § 10514. Investing in securities
- § 10515. Investing money in manner provided by will
- § 10516. Purchasing annuity granted in will
- § 10517. Exercising restricted option
- § 10518. Purchasing securities or commodities sold short
- § 10519. Holding securities in name of nominee or in other form
- § 10520. Selling or exercising security subscription or conversion rights
- § 10521. Continuing operation of decedent's business
- § 10522. Abandoning tangible personal property
- § 10523. Borrowing; encumbrancing estate property
- § 10524. Making repairs or alterations in property
- § 10525. Acting on claims against estate
- § 10526. Instituting and defending actions and proceedings
- § 10527. Compromises and settlements

- § 10528. Modifying terms of obligation
- § 10529. Accepting deed in lieu of foreclosure or trustee's sale
- § 10530. Giving partial satisfaction of mortgage or partial reconveyance under trust deed
- § 10531. Leasing property of the estate
- § 10532. Exchanging property
- § 10533. Granting option to purchase real property of estate
- § 10534. Granting exclusive right to sell property
- § 10535. Transferring to person given option to purchase in will
- § 10536. Completing contract of decedent to convey or transfer property
- § 10537. Determining claims to property claimed to belong to decedent or other person
- § 10538. Paying family allowance
- § 10539. Paying taxes, assessments, and other expenses
- § 10540. Making a disclaimer

#### CHAPTER 4. ADVICE OF PROPOSED ACTION

#### Article 1. Actions Requiring Advice of Proposed Action

- § 10550. Article describes actions requiring advice of proposed action
- § 10551. Selling or exchanging real property
- § 10552. Selling or exchanging personal property
- § 10553. Investing funds of the estate; exercising security subscription or conversion right
- § 10554. Continuing operation of decedent's business; selling or incorporating decedent's business
- § 10555. Borrowing; encumbrancing estate property
- § 10556. Determining third-party claim or decedent's claim to property held by another
- § 10557. Purchasing annuity granted by will
- § 10558. Leasing real property.
- § 10559. Entering into contracts other than leases of real property
- § 10560. Granting option to purchase real property
- § 10561. Completing contract by decedent to convey or transfer property
- § 10562. Exercising restricted option
- § 10563. Making extraordinary repairs or alterations in property
- § 10564. Accepting deed in lieu of foreclosure or trustee's sale
- § 10565. Transferring to person given option to purchase in will
- § 10566. Paying or increasing family allowance
- § 10567. Extending exclusive right to sell property
- § 10568. Making a disclaimer

## Article 2. Advice of Proposed Action Procedure

- § 10580. When advice of proposed action required or permitted
- § 10581. Persons to whom advice of proposed action must be given
- § 10582. Consent to proposed action
- § 10583. Waiver of advice of proposed action
- § 10584. Revocation of consent of waiver
- § 10585. Judicial Council form to be used to give advice of proposed action
- § 10586. Delivery or mailing advice of proposed action
- § 10587. Objection to proposed action

- § 10588. Restraining order
- § 10589. Court supervision and notice of hearing required if objection made
- § 10590. Effect of failure to object to proposed action
- § 10591. Protection of persons dealing in good faith with personal representative

## Article 3. Statutory Waiver of Advice of Proposed Action Form

§ 10600. Statutory Waiver of Advice of Proposed Action Form

#### APPENDIX

#### DISPOSITION OF REPEALED PROBATE CODE SECTIONS

### Probate Code § 591 (repealed), Short title

<u>Comment.</u> Former Section 591 is continued without substantive change in Section 10400.

## Probate Code § 591.1 (repealed). Petition for independent administration authority

<u>Comment.</u> The first sentence of subdivision (a) of former Section 591.1 is continued in Section 10450(a) without substantive change. The second sentence is continued in Section 10404 without substantive change. See Sections 10402 and 10403 (defining "full authority" and "limited authority"). The third sentence is replaced by Section 10405. See the Comment to Section 10405. The requirement that the clerk set the petition for hearing is continued in Section 7202, which is a general provision.

Subdivision (b) is continued without substantive change in subdivision (b) of Section 10450. Subdivision (c) is continued without substantive change in subdivision (a) of Section 10451. Subdivision (d) is superseded by subdivision (b) of Section 10451. See the Comment to Section 10451. Subdivision (e) is superseded by subdivision (c) of Section 10451. See the Comment to Section 10451. Subdivision (f) is continued without substantive change in subdivision (a) of Section 10452. The first portion of subdivision (g) is continued without substantive change in subdivision (b) of Section 10452. The last portion of subdivision (g) is superseded by subdivision (c) of Section 10452. See the Comment to Section 10452.

## Probate Code § 591.2 (repealed). Manner of administration; court supervision

<u>Comment.</u> The first sentence and the first portion of the second sentence of subdivision (a) of former Section 591.2 are continued without substantive change in subdivision (a) of Section 10500. The

portion of the second sentence defining "court supervision" is continued without substantive change in Section 10401. The portion of subdivision (a) stating the matters that require court supervision is superseded by Section 10501. See the Comment to Section 10501.

The first sentence of subdivision (b) of former Section 591.2 is continued in subdivision (b) of Section 10500 without substantive change. The second sentence of subdivision (b) is omitted as unnecessary. If the personal representative does not take the proposed action under independent administration authority, the action is taken under the procedures that apply where the personal representative does not have independent administration authority, and, except as provided in Sections 10301 to 10303, inclusive, the requirement that notice of sale be published must be satisfied. See the Comment to Section 10500.

### Probate Code § 591.3 (repealed). Advice of proposed action

Comment. Paragraph (1) of subdivision (a) of former Section 591.3 is continued in the first sentence of subdivision (a) of Section 10580 without substantive change. The portion of paragraph (2) of subdivision (a) defining "advice of proposed action" is omitted as unnecessary since the term "advice of proposed action" is uniformly used in the new statutory provisions. The remainder of paragraph (2) of subdivision (a) and the introductory clause of subdivision (a) are continued in Section 10581 without substantive change.

The introductory clause of subdivision (b) of former Section 591.3 is continued without substantive change in Section 10550. Paragraph (1) of subdivision (b) is continued without substantive change in Section 10551. See the Comment to Section 10551. Paragraph (2) is continued without substantive change in Section 10560. Paragraph (3) is superseded by Section 10552. See the Comment to Section 10552. Paragraph (4) is continued without substantive change in Section 10558. Paragraph (5) is continued with clarifying changes in Section 10559. See the Comment to Section 10559. Paragraph (6) is continued without substantive change in Section 10554. Paragraph (7) is continued without substantive change in Section 10566. Paragraph (8) is superseded by Section 10553. See the Comment to Section 10553. Paragraph (9) is continued without substantive change in Section

10561. Paragraph (10) is continued without substantive change in Section 10555. Paragraph (11) is continued without substantive change in Section 10556.

Subdivision (c) of former Section 591.3 is continued in Section 10582 without substantive change. Subdivision (d) is continued in Section 10583 without substantive change.

### Probate Code § 591.4 (repealed). Notice of proposed action

<u>Comment.</u> The first sentence of former Section 591.4 is restated without substantive change in subdivision (a) of Section 10586. The second sentence, third, and fifth sentences are superseded by Section 10585. See the Comment to Section 10585. The fourth sentence is restated without substantive change in subdivisions (b) and (c) of Section 10586.

Subdivision (b) of former Section 591.4 is continued without substantive change in Section 10591.

### Probate Code § 591.5 (repealed). Objection to proposed action

Comment. Subdivision (a)(1) of former Section 591.5 is continued in Section 10588 without substantive change. Subdivision (a)(2) is continued without substantive change in Section 10587, but the former provision is made applicable to any case where advice of proposed action is given, whether or not the proposed action is one for which advice of proposed action is required. See the Comment to Section Subdivision (b) is continued without substantive change in subdivisions (a) and (d) of Section 10589. Subdivision (c) is continued in Section 10591 without substantive change. The substantive effect of the first sentence of subdivision (d) is continued in subdivision (a) of Section 10590. The remainder of subdivision (d) is replaced by subdivisions (b), (c), and (d) of Section 10590. See the Comment to Section 10590. Subdivision (e) is continued without substantive change in subdivision (c) of Section 10589.

## Probate Code § 591,6 (repealed). Independent administration powers

<u>Comment.</u> The introductory clause of former Section 591.6 is superseded by Sections 10510 and 10511. See the Comments to those sections.

The portion of subdivision (a) of former Section 591.6 granting the power to manage and control property is continued without substantive change in Section 10513. The portion granting to the power to "exchange" is superseded by Section 10532. The portion granting the power to "convey" property is not continued; this portion is superseded by the provisions of Article 2 (commencing with Section 10510) of Chapter 3 of Part 6 of Division 7 that give the personal representative the power to act with respect to specific transactions that may require the execution of a conveyance. See the Comment to Section 10513. The portion granting the power to "divide" and "partition" is not continued. But see Section 10526 (partition actions). See also the Comment to Section 10513. The portion granting the power to "exchange" is superseded by Section 10532. The phrase "for cash or credit" is continued in Section 10512. The portion granting the power to lease is superseded by Section 10531. Comment to that section. The portion granting the power to grant options to purchase real property is continued without substantive change in Section 10533.

The portion of subdivision (b) of former Section 591.6 relating to the power to invest money in deposit accounts has been omitted as unnecessary. The personal representative may make these investments under Section 10511 (grant of powers that any personal representative may exercise without court supervision). See the Comment to that section. The portion granting the power to invest in securities as provided in Section 16430 of the Government Code is continued without substantive change in Section 10514. The portion granting the power to invest in any manner provided by the will is continued without substantive change in Section 10515.

Subdivision (c) of former Section 591.6 is continued without substantive change in Section 10523. Subdivision (d) is superseded by Section 10522. See the Comment to that section. Subdivision (e) is continued without substantive change in Section 10524. Subdivision (f) has been omitted as unnecessary in view of Section 10511. See the Comment to that section.

Subdivision (g) of former Section 591.6 is restated in Section 10520 with the expansion of the scope of the provision to cover "securities" instead of "stock." See the Comment to Section 10520.

Subdivision (h) of former Section 591.6 is continued without substantive change in Section 10519. Subdivision (i) has been omitted as unnecessary in view of Section 10511. See the Comment to that section.

The portion of subdivision (j) of former Section 591.6 relating to claims against the estate is continued without substantive change in Section 10525. See the Comment to Section 10525. The portion relating to instituting and defending actions and proceedings is continued without substantive change in Section 10526. See the Comment to Section 10526. The portion relating to compromises and releases is superseded by Section 10527. See the Comment to Section 10527.

Subdivision (k) of former Section 591.6 is continued without substantive change in Section 10539. Subdivision (1) is superseded by Section 10521. See the Comment to that section. Subdivision (m) is continued without substantive change in Section 10538. Subdivision (n) is continued without substantive change in Section 10540. Subdivision (o) is continued without substantive change in subdivision (a) of Section 10534.

# Probate Code § 591.7 (repealed). Revocation of independent administration authority

<u>Comment.</u> Former Section 591.7 is continued in Section 10454 with the addition of the requirement that notice of the hearing be given for the period and in the manner provided in Section 1200.5. The provision of former Section 591.7 requiring that the clerk set the petition for hearing is continued in Section 7202, which is a general provision.

# Probate Gode Section 591.8 (repealed). Form of advice of proposed action

<u>Comment.</u> Former Section 591.8 is superseded by Section 10585. See the Comment to Section 10585.

## Probate Code Section 591.9 (repealed). Sales of property

<u>Comment</u>. Subdivision (a) of former Section 591.9 is continued without substantive change in Section 10512. Subdivision (b) is continued in Section 10453 without substantive change.