

Article 5.

Creditors' Claims; Spendthrift and Discretionary Trusts.

**§ 36C-5-501. Rights of beneficiary's creditor or assignee.**

(a) Except as provided in subsection (b) of this section, the court may authorize a creditor or assignee of the beneficiary to reach the beneficiary's interest by attachment of present or future distributions to or for the benefit of the beneficiary or other means. The court may limit the award to that relief as is appropriate under the circumstances.

(b) Subsection (a) of this section shall not apply, and a trustee shall have no liability to any creditor of a beneficiary for any distributions made to or for the benefit of the beneficiary, to the extent that a beneficiary's interest is protected or restricted by any of the following:

- (1) A spendthrift provision.
- (2) A discretionary trust interest as defined in G.S. 36C-5-504(a)(2).
- (3) A protective trust interest as described in G.S. 36C-5-508. (2005-192, s. 2; 2007-106, s. 19.)