

§ 36C-5-508. Protective trusts.

Except with respect to an interest retained by the settlor, a "protective trust interest" means an interest in a trust in which the terms of the trust provide that the interest terminates or becomes discretionary if:

- (1) The beneficiary alienates or attempts to alienate that interest; or
- (2) Any creditor attempts to reach the beneficiary's interest by attachment, levy, or otherwise; or
- (3) The beneficiary becomes insolvent or bankrupt. (2005-192, s. 2.)