

Several issues on trust business concerning modification of trust

Masashi Kataoka

(The Sumitomo Trust & Banking Co., Ltd)

The trust purpose of noncharitable trust, which may be terminated upon consent of all of the beneficiaries, may similarly be modified upon consent of all of the beneficiaries and the trustee, since modification of trust is equivalent to termination of trust and creation of a new trust.

Certain acts, such as the Trust Business Act, the Act on the Liquidation of Assets, the Act on Investment Trust and Investment Corporation, the Act on Loan Trusts, the Act on Additional Operation of Trust Business by a Financial Institution and the Act on Charitable Trust (“special acts”) have the provisions which are applied to modification of the trust. These modification provisions prevail over those of the Trust Act, and on the other hand, the modification provisions of the Trust Act supplement those of special acts.

