

## SUMMARY STATEMENT

*Davis v. Davis*, Docket No. 47427

The Idaho Supreme Court affirmed a district court's reversal of a magistrate court's decision involving Greg Davis' challenge to the administration of his parents' trust. In 1996, Jack K. Davis ("Jack Sr.") and Jeanne H. Davis created the Davis Family Trust ("Trust"), of which they were the grantors, trustees, and primary beneficiaries. The Trust was revocable until either Jack Sr. or Jeanne died, at which time it would become irrevocable. Upon the death of the surviving grantor, the Trust would terminate and the property would be divided equally among Jack Sr. and Jeanne's three children: John (Jack) Davis ("Jack"), Greg Davis, and Drinda Ann Bell. The Trust became irrevocable in 2003 when Jack Sr. died.

Nearly thirteen years later, Greg initiated these proceedings by filing a complaint against his mother Jeanne, and his siblings Jack and Drinda. The complaint demanded: (1) an accounting and removal of trustees; (2) an order enjoining the expenditure of any funds; and (3) the appointment of a receiver. The magistrate court denied Greg's motion to compel an accounting, finding that Greg and his siblings were "contingent residual beneficiaries" who did not have any rights relative to the Trust until Jeanne's death. On intermediate appeal the district court reversed, holding the magistrate court failed to give due consideration to the distinction between revocable and irrevocable trusts. The district court held Greg's rights vested at the time the Trust became irrevocable when Jack Sr. died in 2003 and remanded the case for further proceedings. The Idaho Supreme Court affirmed, holding the district court properly rejected the magistrate court's conclusion that Greg was a contingent residual beneficiary who did not have any rights relative to the Trust before the death of the last grantor, Jeanne. The Court held Greg's rights vested when the Trust became irrevocable and that Greg is entitled to an accounting of the Trust on remand.