

WAC 460-52A-020 Definitions—Transactions not involving a security. The following transactions of nonprofit organizations will not involve the issuance of a security for registration purposes.

(1) Outright gifts with no expectation of return on investment by the donor.

(2) Outright gifts as above, but subject to reserved life estates.

(3) Testamentary dispositions.

(4) Voluntary inter vivos trusts.

(a) The following are considered to be voluntary inter vivos trusts:

(i) Charitable remainder trusts, as defined in Section 664 of the Internal Revenue Code.

(ii) Charitable remainder annuity trusts, as defined in Section 664 of the Internal Revenue Code.

(iii) Charitable remainder unitrusts as defined in Section 664 of the Internal Revenue Code.

(iv) Pooled income funds as described in Section 646 (c) (5) of the Internal Revenue Code.

(b) Trust arrangements are presumed to be voluntary inter vivos trust, if each of the following conditions are met:

(i) It is an express trust created during the life of the trustor, which trust may be revocable or irrevocable;

(ii) The obligations of the trustee are in accord with the Trustee's Accounting Act, chapter 30.30 RCW;

(iii) The trustee is not authorized or directed, expressly or by implication, to commingle by loan or otherwise the corpus or any part thereof with the personal assets of the trustee, or with the assets of any person entitled to a remainder interest.

(c) This section does not create any presumption that a trust arrangement not conforming to this section is not an inter vivos trust.

[Order 344, § 460-52A-020, filed 10/24/75.]