

bit of background. In 1993, this bill was originally introduced. It was passed in 1994 as part of a bill which had some expenditures in it for judges and so forth, and vetoed by the Governor. So, actually, this bill, without the committee amendments, was passed last year but fell victim to the veto. So we're back with the bill and with the committee amendment asking the body to consider it once again. The reason for the bill in the first place is that there was a 1992 Nebraska Court of Appeals decision that basically, for the first time, told us that if you're a trustee for 20 years and you did something 15 years ago, when you go to close that trust, 15 years later, you may still be subject to an action for something that a beneficiary didn't like that you did 15 years ago. And that's notwithstanding the fact that you might have and did send out a report, in fact did send out a report disclosing the action that you did and took, but nevertheless that case said the general statute of limitations that we kind of thought was the law in this section of the statutes, and our four-year general statute in Nebraska law really doesn't apply when you have that situation. It was a case called the Whiteside case. So, in response to that, this bill was introduced to try to make the law clear and to provide a reasonable statute of limitations for trustees' actions. Now, what this law does is it sets up a four-year statute of limitations with the committee amendment. After an accounting, whether it be an annual accounting or a periodic accounting, as long as that accounting discloses the subject matter to the beneficiary that they're concerned about, or that's relevant to the claim, then there's a four-year statute after that, that the beneficiary could bring an action against the trustee for inappropriate conduct or surcharge action or whatever, for damages suffered by the beneficiary. Now, it also says that the accounting or annual statement that's sent out to the beneficiary must contain the following language, and it's quoted in the bill, in Section 2, claims against the trustee for breach of trust or breach of any fiduciary duty arising out of the trust shall not be made after the expiration of four years from the date the beneficiary receives the annual or periodic account or statement fully disclosing the matter subject to such claim. You have to have that language clearly in the annual or periodic accounting in order to have the four-year statute of limitations apply to you as a trustee. So, in that respect, I think we're requiring a disclosure which I think is fair and which will be helpful to the beneficiary, and we're also putting in what generally before was thought to be the statute of limitations of four years. With that further