

on the basis of facts existing at the termination of such one or more life estates or lives. In this Section an interest which must terminate not later than the death of one or more persons is a "life estate" even though it may terminate at an earlier date.

(b) If an interest would violate the rule against perpetuities as modified by subsection (a) because such interest is contingent upon any person attaining or failing to attain an age in excess of twenty-one, the age contingency shall be reduced to twenty-one as to all persons subject to the same age contingency.

(c) This Section shall apply to both legal and equitable interests.

11-104. *Rule in Shelley's case abolished.*

Whenever by any form of words in any will or inter vivos conveyance a remainder shall be limited, mediately or immediately, to the heirs or heirs of the body of a person to whom a life estate in the same subject matter is given, the persons who on the termination of the life estate are then the heirs or heirs of the body of such tenant for life, shall take as purchasers by virtue of the contingent remainder so limited to them.

11-105. *Death benefits payable to inter vivos and testamentary trusts.*

(a) *Definition.* As used in this section, the words "death benefits" shall mean death benefits of any kind, including, but not limited to, proceeds of life insurance policies and payments under an employees' trust (or contract purchased by such a trust) forming part of a pension, stock bonus or profit-sharing plan, or under a retirement annuity contract.

(b) *Payments to trustee under existing inter vivos trust.* Death benefits may be made payable to the trustee under a trust agreement, or declaration of trust, in existence at the time of the death of the insured, employee or annuitant. Such death benefits shall be held and disposed of by such trustee in accordance with the terms of the trust as they appear in writing on the date of the death of the insured, employee or annuitant. It shall not be necessary to the validity of any such trust agreement or declaration of trust, whether revocable or irrevocable, that it have a trust corpus other than the right of the trustee to receive such death benefits.

(c) *Payments to trustee under testamentary trust.* Death benefits may be made payable to the trustee named, or to be named, in a will of the insured or the owner of the policy, or the employee covered by such plan or contract, as the case may be, whether or not such will is in existence at the time of such designation. Upon the admission of such will to probate, and the payment of the benefits to the trustee, such benefits shall be held, administered, and disposed of in accordance with the terms of the testamentary trust created by the will.

(d) *Payments where no trustee makes claim.* In the event no trustee makes proper claim to the death benefits within a period of one year after the date of death of the insured, employee or annuitant, or if satisfactory evidence is furnished to the insurance company or other obligor within such one-year-period that there is or