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Wills, Trusts, and Estates for Legal Assistants

Sixth Edition

PARALEGAL SERIES

Chapter 23

CONSTRUCTIVE TRUSTS

Chapter Objectives

- Describe the circumstances that may cause a court to impose a constructive trust
- Define a secret trust

PARALEGAL SERIES

Constructive Trust

 An equitable remedy imposed by the court to prevent unjust enrichment.

Conduct Giving Rise to a Constructive Trust

- Fraudulent conduct
- Abuse of confidential relationships
- Unperformed promises made in contemplation of death

Secret Trust

 An agreement between a testator and a beneficiary that the beneficiary will hold the property in trust, even though the will purports to make an absolute gift