



ARE THE ASSETS HELD BY A REVOCABLE TRUST EXEMPT FROM CREDITORS' CLAIMS?

No, because the grantor of the trust (that is, the person who transfers property to the Revocable Trust) has retained the power to revoke the trust. The law permits the grantor's creditors to reach the assets of a trust to the maximum extent a grantor has the power to control the assets. Since the grantor can revoke the trust, all of the trust assets can benefit the grantor at any time.