

## First Supplement to Memorandum 2017-57

**Disposition of Estate Without Administration: Interest Rate  
(Comments of Judge Arnold H. Gold)**

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The Commission<sup>1</sup> has received a letter from Judge Arnold H. Gold, Retired, commenting on the interest rate issue that is discussed in Memorandum 2017-57. His letter is attached as an Exhibit.

The staff greatly appreciates the input from Judge Gold, who is an expert in estate planning law and a frequent contributor to the Commission's work in this area.

Judge Gold agrees with TEXCOM that the current 10 percent interest rate might be too high.

He offers an additional reform possibility — grant a court discretion to reduce or waive the interest discussed in Memorandum 2017-57, provided that the beneficiary has acted reasonably and in good faith under the circumstances known to the beneficiary. He points to similar rules in the Probate Code that impose liability for a breach of fiduciary duty (including the imposition of interest on any profits earned by a fiduciary as a result of the breach).

Respectfully submitted,

Brian Hebert  
Executive Director

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1. Any California Law Revision Commission document referred to in this memorandum can be obtained from the Commission. Recent materials can be downloaded from the Commission's website ([www.clrc.ca.gov](http://www.clrc.ca.gov)). Other materials can be obtained by contacting the Commission's staff, through the website or otherwise.

The Commission welcomes written comments at any time during its study process. Any comments received will be a part of the public record and may be considered at a public meeting. However, comments that are received less than five business days prior to a Commission meeting may be presented without staff analysis.



