

**CHAPTER 555**  
**EMPLOYEES TRUST**

Section

555-1 Definitions

555-2 Trust not in violation of rule against perpetuities

" **§555-1 Definitions.** As used in this chapter:

"Employees trust" means any trust created by an employer as part of a stock bonus, pension, profit-sharing, or annuity plan for the exclusive benefit of some or all of the employer's employees, or their beneficiaries, to which contributions are made by the employer, or employees, or both, for the purpose of distributing in accordance with such plan to the employees, or their beneficiaries, the earnings or the principal, or both earnings and principal, of the trust fund, provided that it is impossible under the trust terms at any time prior to the satisfaction of all liabilities with respect to employees and their beneficiaries under the trust for any part of the corpus or income to be at any time used for or diverted to purposes other than the exclusive benefit of the employees, or their beneficiaries.

"Employer" includes a group of employers creating a combined plan or trust for the benefit of their employees or the beneficiaries of the employees. [L 1953, c 170, §1; RL 1955, §341-1; HRS §555-1; gen ch 1985]

" **§555-2 Trust not in violation of rule against perpetuities.** Any employees trust may continue for such time as may be necessary to accomplish the purposes for which it has been created and its income may be accumulated for such time as may be necessary to accomplish such purposes. No employees trust shall be deemed to be subject to or in violation of any principle of law against perpetuities under chapter 525 or at common law, or restraints on alienation or perpetual accumulations or perpetual trusts.

The enactment of this chapter shall not in itself give rise to any implication that trusts of this nature have been subject to or in violation of any principle of law against perpetuities under chapter 525 or at common law, or restraints on alienation or perpetual accumulations or perpetual trusts. [L 1953, c 170, §§2, 3; RL 1955, §341-2; HRS §555-2; am L 1992, c 262, §4]