MISSOURI COURT OF APPEALS
WESTERN DISTRICT

JAMES PRICE SCHUMACHER, INDIVIDUALLY, AND AS NATURAL GUARDIAN FOR JAMES PRICE SCHUMACHER, II AND CHARLES BECKWITH SCHUMACHER, MINORS, et al.,
RESPONDENTS
vs.

LOUIS EDWARD SCHUMACHER AUSTIN, INDIVIDUALLY AND AS TRUSTEE OF THE LOUIS E. SCHUMACHER, SR. IRREVOCABLE TRUST AGREEMENT DATED DECEMBER 30, 1976, et al.,
APPELLANTS

DOCKET NUMBER WD70465

DATE: FEBRUARY 23, 2010

Appeal from:

Jackson County Circuit Court
The Honorable Kathleen A. Forsyth, Judge

Appellate Judges:

Division Two: Joseph M. Ellis, P.J., Victor C. Howard and Cynthia L. Martin, JJ.

Attorneys:

Charles T. Schimmel, for Respondents

Patrick N. Fanning, for Appellants

MISSOURI APPELLATE COURT OPINION SUMMARY
MISSOURI COURT OF APPEALS
WESTERN DISTRICT

JAMES PRICE SCHUMACHER, INDIVIDUALLY AND AS NATURAL GUARDIAN FOR JAMES PRICE SCHUMACHER, II AND CHARLES BECKWITH SCHUMACHER, MINORS, et al., RESPONDENTS

v.

LOUIS EDWARD SCHUMACHER AUSTIN, INDIVIDUALLY AND AS TRUSTEE OF THE LOUIS E. SCHUMACHER, SR. IRREVOCABLE TRUST AGREEMENT DATED DECEMBER 30, 1976, et al., APPELLANTS

WD70465 Jackson County, Missouri

Before Division Two Judges: Joseph M. Ellis, P.J., Victor C. Howard and James Edward Welsh, JJ.

The beneficiaries of two trusts filed a petition for declaratory judgment after a dispute arose regarding the trustees' management of trust assets. Because the beneficiaries believed there were no disputed facts pertinent to the issues raised in their petition, the beneficiaries waived trial, and the trial court decided only the legal issues. The trial court found that, although the terms of the trusts authorized the trustees to exchange trust assets for corporate or partnership interests, the trustees exceeded their authority when they converted trust assets into corporate and partnership interests because they had violated fiduciary duties prescribed by the Missouri Uniform Trust Code. The trustees appeal.

AFFIRMED IN PART, REVERSED AND REMANDED IN PART.

Division Two holds:

(1) Where the trial court was asked to determine the current status, rights, and obligations of the parties, it did not err in analyzing applicable Missouri trust law in addition to the terms of the trusts; furthermore, where the trustees made arguments before the trial court based on Missouri trust law, in addition to the trusts' terms, the court did not err in addressing the issue of whether the trustees exceeded their authority by violating fiduciary duties imposed by Missouri law.
(2) Where there were factual disputes underlying the trustees' affirmative defenses, the trial court erred in granting judgment as a matter of law in favor of the beneficiaries without hearing evidence to determine the factual issues related to the trustees' affirmative defenses.

Opinion by: Victor C. Howard, Judge Date: FEBRUARY 23, 2010

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