

286.3-219 Continuation of trust by corporate trustee -- Limitations -- Application.

- (1) A corporate trustee administering a trust may continue the term of a portion of the trust so long as the period of the continuation does not extend beyond the term allowable under KRS 381.224, 381.225, and 381.226 that is applicable to the trust.
- (2) Subject to KRS 381.224, 381.225, and 381.226, the portion of the trust continued by the corporate trustee shall continue for the life of the remainder beneficiary of the trust, upon the same terms and conditions as provided in the trust, for the term preceding the life beneficiary's death. In addition, commencing with the death of the life beneficiary, the remainder beneficiary may withdraw that portion of the trust that has been continued by giving written notice to the corporate trustee. However, each year five percent (5%) of the remainder beneficiary's right of withdrawal shall lapse on December 31, and the lapses shall be cumulative.
- (3) The corporate trustee's authority granted in subsection (1) of this section shall not apply to any portion of a trust which:
 - (a) Continues by its terms after the death of the life beneficiary; or
 - (b) Has been pledged to secure a debt.
- (4) This section shall apply to any trust that was irrevocable on January 1, 1976.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 21, sec. 11, effective July 15, 2010. -- Created 2000 Ky. Acts ch. 440, sec. 2, effective July 14, 2000.

Formerly codified as KRS 287.219.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286.