

**286.3-145 Kentucky state trust company -- Scope of activities -- Acquisition of office within or outside of this state by Kentucky state trust company -- Rights, privileges, obligations, and liabilities of selling trust company.**

- (1) A Kentucky state trust company:
  - (a) May, at its trust office or offices in Kentucky or any other state or foreign country, act as a fiduciary and engage in trust business as permitted by Kentucky law or the applicable law of the state or foreign country; and
  - (b) May not, at its trust representative office or offices in Kentucky or any other state or foreign country, act as a fiduciary, but it may otherwise engage in other fiduciary related activities, including but not limited to marketing, soliciting, and operating through the trust representative office as permitted by this section.
- (2) A Kentucky state trust company may conduct any activities at an office outside of this state that are permissible for a trust company chartered by the host state where the office of the Kentucky state trust company is located, except to the extent the activities are expressly prohibited by the laws of Kentucky or by any applicable law of the host state or foreign country.
- (3) A Kentucky state trust company shall have and continuously maintain a principal office in this state.
- (4) A Kentucky state trust company may establish or acquire and maintain trust offices or trust representative offices in this state. A Kentucky state trust company desiring to establish or acquire and maintain an office in this state shall:
  - (a) File a written notice on a form prescribed by the commissioner setting forth the following:
    1. The name of the Kentucky state trust company;
    2. The location of the proposed office or offices; and
    3. The designation of the additional office or offices as trust offices or trust representative offices;
  - (b) Furnish the commissioner with a copy of the resolution adopted by the board of directors authorizing the office;
  - (c) Pay the filing fee, if any, prescribed by the commissioner;
  - (d) Commence business at the office no sooner than thirty-one (31) days after the date the commissioner receives notice as specified by paragraph (a) of this subsection, unless the commissioner specifies an earlier or later date. The thirty (30) day period of review may be extended by the commissioner if he or she determines the notice raises issues that require additional information or additional time for analysis. If the period of review is extended, the Kentucky state trust company may establish or acquire and maintain the additional office only on prior written approval by the commissioner. The commissioner may deny approval of the additional office if the commissioner finds that:
    1. The Kentucky state trust company lacks sufficient financial resources to undertake the proposed expansion without adversely affecting its safety or soundness;

2. The proposed office would be contrary to the public interest; or
  3. The proposed expansion is not authorized by applicable law.
- (5) A Kentucky state trust company may establish or acquire and maintain a trust office or a trust representative office in a state other than this state. A Kentucky state trust company desiring to establish or acquire and maintain an office in another state shall:
- (a) File a written notice on a form prescribed by the commissioner setting forth the following:
    1. The name of the Kentucky state trust company;
    2. The location of the proposed office or offices;
    3. The designation of the additional office or offices as trust offices or trust representative offices; and
    4. An affirmation that the laws of the jurisdiction where the office will be located permit the office to be maintained by the trust company;
  - (b) Furnish the commissioner with a copy of the resolution adopted by the board of directors authorizing the out-of-state office;
  - (c) Pay the filing fee, if any, prescribed by the commissioner; and
  - (d) Commence business at the office no sooner than thirty-one (31) days after the date the commissioner receives notice as specified by paragraph (a) of this subsection unless the commissioner specifies an earlier or later date. The thirty (30) day period of review may be extended by the commissioner if he or she determines the notice raises issues that require additional information or additional time for analysis. If the period of review is extended, the Kentucky state trust company may establish or acquire and maintain the additional office only on prior written approval by the commissioner. The commissioner may deny approval of the additional office if the commissioner finds that:
    1. The Kentucky state trust company lacks sufficient financial resources to undertake the proposed expansion without adversely affecting its safety or soundness;
    2. The proposed office would be contrary to the public interest; or
    3. The proposed expansion is not authorized by applicable law.
- (6) A Kentucky state trust company acquiring an office in this state or in any other state shall provide evidence to the commissioner that all fiduciary obligations and liabilities of the trust company being acquired have been properly discharged or assumed. An acquiring trust company shall succeed by operation of law to all of the rights, privileges, and obligations of the selling trust company.

**Effective:** June 8, 2011

**History:** Created 2011 Ky. Acts ch. 67, sec. 3, effective June 8, 2011.