

286.3-230 Common trust funds -- Consent of cofiduciary.

- (1) Any trust company or bank empowered to act as a fiduciary under the laws of this state and subject to examination by state or federal banking authorities may establish and maintain one (1) or more common trust funds for the collective investment of funds held in any fiduciary capacity by such trust company or bank or by an affiliate of the trust company or bank including, without limitation, funds held as agent where the trust company, bank, or affiliate exercises investment discretion and assumes fiduciary responsibilities.
- (2) Before establishing a common trust fund as provided in subsection (1) of this section, the trust company or bank shall file with the commissioner a statement of the plan under which it proposes to establish, maintain, operate, and ultimately liquidate the trust fund, and shall secure the written approval of the plan by the commissioner.
- (3) After such a trust fund has been established, it may be modified or amended by filing with the commissioner a statement setting forth the proposed modification or amendment, and securing the written approval of the change by the commissioner.
- (4) The bank, trust company, or affiliate shall at all times maintain definite records showing all securities and properties held in such fund.
- (5) The trust company, bank, or affiliate may invest funds held by it in any fiduciary capacity in one (1) or more common trust funds established as provided in subsection (1) of this section, or one (1) or more common trust funds wherever located established, owned, or controlled by an affiliate of the trust company, bank, or affiliate so long as:
 - (a) The investment is not specifically prohibited by the instrument, judgment decree, or order creating the fiduciary relationship; and
 - (b) In the case of cofiduciaries, the trust company, bank, or affiliated bank procures the written consent of its cofiduciary or cofiduciaries to the investment, which consent the cofiduciary or cofiduciaries are hereby authorized to grant.
- (6) As used in subsection (1) of this section, "affiliate of the trust company or bank" means any trust company, bank, or other entity that controls, is controlled by, or is under common control with the trust company, bank, or other entity.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 633, effective July 15, 2010. -- Amended 1996 Ky. Acts ch. 338, sec. 15, effective July 15, 1996. -- Amended 1986 Ky. Acts ch. 391, sec. 3, effective July 15, 1986. -- Amended 1962 Ky. Acts ch. 134, sec. 1. -- Amended 1946 Ky. Acts ch. 176, sec. 1. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4706a.

Formerly codified as KRS 287.230.

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.