

386A.5-090 Indemnification and advancement.

- (1) Subject to KRS 386A.1-040(2)(q), a statutory trust may:
 - (a) Indemnify and hold harmless a trustee, beneficial owner, or other person with respect to any claim or demand against the person by reason of the person's relationship with the trust; and
 - (b) Advance expenses, including reasonable attorney's fees and costs, incurred by a trustee, beneficial owner, or other person in connection with a claim or demand against the person by reason of the person's relationship to a trust before the final disposition of the claim or demand, upon an undertaking by or on behalf of the person to repay the trust if the person is ultimately determined not to be entitled to be indemnified under subsection (1) of this section. The terms of the undertaking shall be as set forth in the governing instrument or as approved by the disinterested trustees and shall be in a record.
- (2) The decision to indemnify or advance expenses shall be made by a committee of at least two (2) trustees not at that time parties to the proceeding or by the beneficial owners, but beneficial interests owned by or voted under the control of a trustee who are at the time parties to the proceeding shall not be voted on the determination.

Effective: July 12, 2012

History: Created 2012 Ky. Acts ch. 81, sec. 41, effective July 12, 2012.