

### **386A.1-020 Definitions for chapter.**

As used in KRS 386A.1-010 to 386A.10-040:

- (1) "Appropriate court" means the circuit court for the county of the Commonwealth in which the statutory trust maintains its principal office or, if none, the county in which the registered office is located;
- (2) "Authorized foreign statutory trust" means a foreign statutory trust that is authorized to transact business in this Commonwealth pursuant to a certificate of authority issued by the Secretary of State;
- (3) "Beneficial owner" means the owner of a beneficial interest in a statutory trust or foreign statutory trust;
- (4) "Certificate of trust" means the certificate required by KRS 386A.2-010. The term includes the certificate as amended or restated;
- (5) "Common-law trust" means a fiduciary relationship with respect to property arising from a manifestation of intent to create that relationship and subjecting the person that holds title to the property to duties to deal with the property for the benefit of charity or for one (1) or more persons, at least one (1) of which is not the sole trustee, whether the purpose of the trust is donative or commercial. The term includes the type of trust known at common law as a "business trust," "Massachusetts trust," or "Massachusetts business trust";
- (6) "Constituent organization" means an organization that is party to a merger;
- (7) "Constituent statutory trust" means a constituent organization that is a statutory trust;
- (8) "Converted organization" means the organization into which a converting organization converts;
- (9) "Converted statutory trust" means a converted organization that is a statutory trust;
- (10) "Converting organization" means an organization that converts into another organization;
- (11) "Converting statutory trust" means a converting organization that is a statutory trust;
- (12) "Covered party" means a trustee, officer, employee, or manager of a statutory trust, a related party of a trustee, officer, employee, manager, and any other person designated pursuant to KRS 386A.1-030(4)(h);
- (13) "Distribution" means a transfer of money or other property from a statutory trust or a series on account of a beneficial interest, and includes redemption or other purchase of a beneficial interest by a statutory trust;
- (14) "Entity" has the meaning set forth in KRS 14A.1-070;
- (15) "Foreign series trust" means a foreign statutory trust that has one (1) or more series that under the laws of its jurisdiction of organization provides rules substantially equivalent to KRS 386A.4-020(1);
- (16) "Foreign entity" has the same meaning as set forth in KRS 14A.1-070;
- (17) "Foreign statutory trust" means a trust that is formed under the laws of a jurisdiction other than this Commonwealth which would be a statutory trust if formed under the

laws of this Commonwealth;

- (18) "Governing instrument" means the trust instrument and certificate of trust;
- (19) "Governing law" means the law that governs an organization's internal affairs;
- (20) "Jurisdiction," used to refer to a political entity, means the United States, a state, a foreign country, or a subdivision of a foreign country;
- (21) "Organization" means a common-law trust that does not have a predominantly donative purpose; general partnership, including a limited liability partnership; limited partnership, including a limited liability limited partnership; limited liability company; corporation; or foreign statutory trust. The term includes a domestic or foreign organization whether or not organized for profit;
- (22) "Organizational documents" means the records that create an organization and determine its internal governance and the relations among the persons that own it, have an interest in it, or are members of it;
- (23) "Person" means an individual, profit or nonprofit corporation, statutory trust, estate, partnership, limited partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity. The term does not include a common-law trust;
- (24) "Principal office" has the same meaning as set forth in KRS 14A.1-070;
- (25) "Professional service" means the personal services rendered by physicians, osteopaths, optometrists, podiatrists, chiropractors, dentists, nurses, pharmacists, psychologists, occupational therapists, veterinarians, engineers, architects, landscape architects, certified public accountants, public accountants, physical therapists, or attorneys;
- (26) "Property" means all property, whether real, personal, or mixed, or tangible or intangible, or any interest therein;
- (27) "Record," used as a noun, means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form;
- (28) "Related party," with respect to a party that is a trustee, officer, employee, manager, or beneficial owner, means:
  - (a) The spouse of the party;
  - (b) A child, parent, sibling, grandchild, or grandparent of the party, or the spouse of one (1) of them;
  - (c) An individual having the same residence as the party;
  - (d) A trust or estate of which a related party described in subparagraphs (a), (b), or (c) of this subsection is a substantial beneficiary;
  - (e) A trust, estate, legally incapacitated individual, conservatee, or minor for which the party is a fiduciary; or
  - (f) A person that directly or indirectly controls, is controlled by, or is under common control with, the party;

- (29) "Series trust" means a statutory trust that has one (1) or more series created under Subchapter 4 of this chapter;
- (30) "Sign" means, with the present intent to authenticate or adopt a record:
  - (a) To execute or adopt a tangible symbol; or
  - (b) To attach to or logically associate with the record an electronic symbol, sound, or process;
- (31) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States;
- (32) "Statutory trust," except in the phrase "foreign statutory trust," means an entity formed under this chapter;
- (33) "Surviving organization" means an organization into which one (1) or more other organizations are merged, whether the surviving organization pre-existed the merger or was created by the merger;
- (34) "Trust" includes a common-law trust, statutory trust, and foreign statutory trust;
- (35) "Trust instrument" means a record other than the certificate of trust which provides for the governance of the affairs of a statutory trust and the conduct of its business. The term includes a trust agreement, a declaration of trust, and bylaws; and
- (36) "Trustee" means a person designated, appointed, or elected as a trustee of a statutory trust or foreign statutory trust in accordance with the governing instrument or applicable law.

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