

**386B.4-020 Requirements for creation.**

- (1) A trust is created only if:
  - (a) The settlor has capacity to create a trust;
  - (b) The settlor indicates an intention to create the trust;
  - (c) The trust has a definite beneficiary or is:
    1. A charitable trust;
    2. A trust for the care of an animal under KRS 386B.4-080; or
    3. A trust for a noncharitable purpose under KRS 386B.4-090;
  - (d) The trustee has duties to perform; and
  - (e) The same person is not the sole trustee and sole beneficiary.
- (2) A power in a trustee to select a beneficiary from an indefinite class is valid. If the power is not exercised within a reasonable time, the power fails and the property subject to the power passes to the persons who would have taken the property had the power not been conferred.

**Effective:** July 15, 2014

**History:** Created 2014 Ky. Acts ch. 25, sec. 24, effective July 15, 2014.