

386B.1-030 Default and mandatory rules.

- (1) Except as otherwise provided in the terms of the trust, this chapter governs the duties and powers of a trustee, relations among trustees, and the rights and interests of a beneficiary.
- (2) The terms of a trust prevail over any provision of this chapter, except:
 - (a) The requirements for creating a trust;
 - (b) Subject to KRS 386B.12-080, 386B.12-100, and 386B.12-110, the duty of a trustee to act in good faith and in the interests of the beneficiaries;
 - (c) The requirement that a trust and its terms be for the benefit of its beneficiaries, and that the trust have a purpose that is lawful, not contrary to public policy, and possible to achieve;
 - (d) The power of the court to change or terminate a trust under Subchapter 4 of this chapter;
 - (e) The effect of a spendthrift provision and the rights of certain creditors and assignees to reach a trust as provided in Subchapter 5 of this chapter;
 - (f) The power of the court under KRS 386B.7-020 to require, dispense with, or modify or terminate a bond;
 - (g) The power of the court under KRS 386B.7-080(2) to adjust a trustee's compensation as specified in the terms of the trust which is unreasonably low or high;
 - (h) The duty to notify and report under KRS 386B.8-130(2);
 - (i) The effect of an exculpatory term under KRS 386B.10-080;
 - (j) The rights under KRS 386B.10-100, 386B.10-110, and 386B.10-120 of a person other than a trustee or beneficiary;
 - (k) Periods of limitation for commencing a judicial proceeding;
 - (l) The power of the court to take such action and exercise such jurisdiction as may be necessary in the interests of justice; and
 - (m) The subject-matter jurisdiction of the court and venue for commencing a proceeding as provided in KRS 386B.2-030 and 386B.2-040.

Effective: July 15, 2026

History: Amended 2026 Ky. Acts ch. 134, sec. 117, effective July 15, 2026. -- Created 2014 Ky. Acts ch. 25, sec. 3, effective July 15, 2014.