

**386B.12-080 Duty and liability of directed trustee. (Effective July 15, 2026)**

- (1) Subject to subsection (2) of this section, a directed trustee shall take reasonable action to comply with a trust director's exercise or nonexercise of a power of direction or further power under KRS 386B.12-050(2)(a), and the trustee is not liable for the action.
- (2) A directed trustee shall not comply with a trust director's exercise or nonexercise of a power of direction or further power under KRS 386B.12-050 to the extent that by complying, the trustee would engage in willful misconduct.
- (3) An exercise of a power of direction under which a trust director may release a trustee or another trust director from liability for breach of trust is not effective if:
  - (a) The breach involved the trustee's or other director's willful misconduct;
  - (b) The release was induced by improper conduct of the trustee or other director in procuring the release; or
  - (c) At the time of the release, the director did not know the material facts relating to the breach.
- (4) A directed trustee that has reasonable doubt about its duty under this section may petition a court with jurisdiction under Subchapter 2 of KRS Chapter 386B for instructions.
- (5) The terms of a trust may impose a duty or liability on a directed trustee in addition to the duties and liabilities under this section.

**Effective:** July 15, 2026

**History:** Created 2026 Ky. Acts ch. 134, sec. 77, effective July 15, 2026.