

286.5-401 Accounts of fiduciaries -- Voting powers -- Payments to beneficiaries.

- (1) Any association or federal savings and loan association may accept savings accounts in the name of any administrator, executor, custodian, guardian, trustee, or other fiduciary for a named beneficiary or beneficiaries. Any such fiduciary shall have power to vote as a member as if the membership were held absolutely, to open and to make additions to and to withdraw any such account in whole or in part.
- (2) The withdrawal value of any such account, and dividends thereon, or other rights relating thereto may be paid or delivered, in whole or in part, to such fiduciary without regard to any notice to the contrary as long as such fiduciary is living. The payment or delivery to any such fiduciary or a receipt or acquittance signed by any such fiduciary to whom any such payment or any such delivery of rights is made shall be a valid and sufficient release and discharge of an institution for the payment or delivery so made.
- (3) Whenever a person holding an account in a fiduciary capacity dies and no written notice of the revocation or termination of the fiduciary relationship shall have been given to an institution and the institution has no written notice of any other disposition of the beneficial estate, the withdrawal value of such account, and dividends thereon, or other rights relating thereto may, at the option of an institution, be paid or delivered, in whole or in part, to the beneficiary or beneficiaries.
- (4) Whenever an account shall be opened by any person, describing himself in opening such account as trustee for another and no other or further notice of the existence and terms of a legal and valid trust than such description shall have been given in writing to such association, in the event of the death of the person so described as trustee, the withdrawal value of such account or any part thereof, together with the dividends thereon, may be paid to the person for whom the account was thus stated to have been opened, and such account and all additions thereto shall be the property of such person. The payment or delivery to any such beneficiary, beneficiaries or designated person, or a receipt or acquittance signed by any such beneficiary, beneficiaries or designated person for any such payment or delivery shall be a valid and sufficient release and discharge of an institution for the payment or delivery so made.

Effective: June 18, 1964

History: Created 1964 Ky. Acts ch. 138, sec. 63 (6), effective June 18, 1964.

Formerly codified as KRS 289.401.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286.