

**386.025 Restrictions on investment in own stock by bank or trust company acting as fiduciary.**

No bank or trust company empowered to act as a fiduciary under the laws of this state, shall purchase shares of its own capital stock or shares of the capital stock of an affiliated institution as an investment for any estate or trust under its management, unless expressly authorized so to do by the instrument creating the estate or trust, or unless acquired through the exercise of rights issued in respect to stock originally received; provided however, if shares of its own capital stock or shares of the capital stock of an affiliated institution are received by any such bank or trust company direct from the testator or donor, as an original investment in an estate or trust, the fact that they are shares in the fiduciary institution, or an affiliate thereof, shall not, of itself, be sufficient to cause them to be considered improper investments, regardless of the number of said shares or value thereof, but said shares together with any additional shares subsequently acquired through the exercise of rights issued in respect thereto shall be regarded as proper trust investments in the hands of such fiduciary bank or trust company, if they would be so regarded if held by an individual acting in such fiduciary capacity.

**History:** Created 1944 Ky. Acts ch. 13, sec. 1.