

386.740 Power of fiduciary to use assets to prevent or remedy environmental violations -- Limitation of personal liability of fiduciary.

- (1) As used in this section, unless the context requires otherwise:
 - (a) "Beneficiary" means any beneficiary, heir, ward, or other represented person or any other party interested in the estate, trust, or other property managed by a fiduciary.
 - (b) "Fiduciary" means any trustee, guardian, executor, administrator, conservator, or other individual or corporation holding funds or property or otherwise acting in a fiduciary capacity.
 - (c) A thing is done "in good faith" when it is in fact done honestly.
- (2) A fiduciary shall have the power to use assets of an estate or trust to perform any action which does not violate KRS Chapter 146, 149, 151, 223, 224, or 350 and the administrative regulations adopted pursuant thereto, or any other law, and which the fiduciary in good faith deems necessary to prevent, abate, clean up, remedy, or otherwise respond to violations or potential violations of KRS Chapter 146, 149, 151, 223, 224, or 350 and the administrative regulations adopted pursuant thereto, arising out of, relating to, or affecting any real or personal property in the estate or trust. Actions may be taken prior to the initiation of enforcement actions by a federal, state, or local agency.
- (3) A fiduciary shall not be personally liable to any beneficiary for any claim, including any claim for diminution in the value of the estate or trust, based upon any action authorized by subsection (2) of this section.

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History: Created 1992 Ky. Acts ch. 285, sec. 2, effective July 14, 1992.