



Ohio Revised Code

Section 1112.05 Family trust company acting as fiduciary of a trust.

Effective: September 14, 2016

Legislation: House Bill 229 - 131st General Assembly

(A) Notwithstanding any other provision of law to the contrary, while acting as the fiduciary of a trust, a family trust company may do all of the following:

(1) Invest in a security of an investment company or investment trust for which the family trust company or a family affiliate provides services in a capacity other than as a fiduciary;

(2) Place a security transaction using a broker that is a family affiliate;

(3) Invest in an investment contract that is purchased from an insurance company or carrier owned by or affiliated with the family trust company or a family affiliate;

(4) Enter into an agreement with a beneficiary or grantor of a trust relative to the appointment or compensation of the fiduciary or a family affiliate;

(5) Transact with another trust, estate, guardianship, or conservatorship for which the family trust company is a fiduciary or in which a beneficiary has an interest;

(6) Make an equity investment in a nonpublicly traded entity that may or may not be marketable and that is owned or controlled, either directly or indirectly, by one or more beneficiaries, family members, or family affiliates;

(7) Deposit trust money in a financial institution that is owned or operated by a family affiliate;

(8) Delegate the authority to conduct any transaction or action under this section to an agent of the family trust company or a family affiliate;

(9) Purchase, sell, hold, own, or invest in any security, bond, real or personal property, stock, or other asset of a family affiliate;



(10) Loan money to or borrow money from a family member or the family member's legal representative, another trust managed by the family trust company, or a family affiliate;

(11) Act as proxy in voting any shares of stock that are assets of the trust;

(12) Exercise any powers of control with respect to any interest in a business entity that is an asset of the trust, including, without limitation, the appointment of officers or directors who are family members;

(13) Receive reasonable compensation for its services.

(B) After full disclosure to the governing body of the family trust company is provided, nothing in this section prohibits a family trust company from entering into a transaction with or investing in any asset of any of the following:

(1) A trust, estate, guardianship, or conservatorship for which the family trust company is a fiduciary;

(2) A family affiliate;

(3) Any other business entity, agent, or person for which a conflict of interest may exist.