

286.3-340 Preferred stock.

- (1) Any bank or trust company organized under the laws of this state may issue preferred capital stock, of one or more classes. Preferred capital stock may be considered as part of the minimum capital stock, and in the case of existing corporations shall be issued in the manner provided for increasing capital stock. Unless expressly provided otherwise in this subtitle, the manner in which preferred stock shall be issued and the rights and preferences of holders thereof shall be governed by KRS Chapter 271B.
- (2) No issue of preferred stock shall be valid until the stated value of all stock so issued has been paid in.
- (3) If any part of the capital stock of a bank or trust company consists of preferred stock, the determination of whether or not the capital of such corporation is impaired, and the amount of such impairment shall be based upon the stated value of its stock even though the amount that holders of preferred stock are entitled to receive in the event of retirement or liquidation is in excess of the stated value of the preferred stock.

Effective: April 1, 1982

Formerly codified as KRS 287.340.

History: Amended 1982 Ky. Acts ch. 251, sec. 10, effective April 1, 1982. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 595.

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, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.

Legislative Research Commission Note. As of January 1, 1989, KRS Ch. 271A becomes KRS Ch. 271B. Therefore, the reference in subsection (1) of this section to KRS Ch. 271A has been changed to KRS Ch. 271B.