

286.3-854 Closing of bank by commissioner -- Written statement of grounds -- Appointment of receiver.

- (1) The commissioner may take possession and close a bank for purposes of liquidation in any case in which the commissioner finds that the bank:
 - (a) Is insolvent;
 - (b) Has permitted capital to become impaired to a level which does not permit the bank to operate in a safe and sound manner;
 - (c) Has had insurance of depositors' accounts terminated by the FDIC; or
 - (d) Has requested through its board of directors that the commissioner take possession for the benefit of depositors, other creditors and shareholders.
- (2) If the commissioner has taken possession of and closed a bank for purpose of liquidation, the commissioner shall forthwith issue a written finding of one (1) or more of the grounds for closing provided in this section and shall appoint a receiver for the bank. The commissioner shall immediately thereafter apply to the receivership court for confirmation of the appointment of a receiver. The court shall act upon the application forthwith and may proceed without notice to any person.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 648, effective July 15, 2010. -- Created 1984 Ky. Acts ch. 324, sec. 43, effective July 13, 1984.

Formerly codified as KRS 287.854.

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.