

286.3-872 Order of payment of claims.

- (1) All claims against the bank's estate, approved by a court of competent jurisdiction, shall be paid in the following order:
 - (a) The actual and necessary administration expenses of the liquidation;
 - (b) Claims given priority under other provisions of state or federal law;
 - (c) General liabilities;
 - (d) Debt subordinated to the claims of depositors and general creditors; and
 - (e) Equity capital securities.
- (2) No interest on any claim shall be paid until all claimants within the above-named classes have received the full principal amount of their claims.
- (3) All accepted or approved claims within the same class shall be paid pro rata and without preference. Each secured creditor shall be entitled to prove for, and receive dividends upon, his claim to the extent that such claim exceeds the value of the property securing it.

Effective: July 13, 1984

History: Created 1984 Ky. Acts ch. 324, sec. 52, effective July 13, 1984.

Formerly codified as KRS 287.872.

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.