

286.5-171 Reserve fund -- Creation -- Charges -- Credits.

- (1) Every domestic association shall set aside at least one percent (1%) of the net income each year as a reserve fund to provide against contingent losses, until the total amount of the fund so set aside equals twelve percent (12%) of the assets of the association. The commissioner may require other specific reserves in his or her discretion.
- (2) Any losses from sale of real estate may be charged against this fund and in the event of any such charges then any profits from the sale of real estate shall, to the extent of losses charged, be credited to the said fund.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 688, effective July 15, 2010. -- Created 1964 Ky. Acts ch. 138, sec. 18, effective June 18, 1964.

Formerly codified as KRS 289.171.

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.