

286.7-440 Investigation of applicant -- Approval of articles of incorporation and application.

- (1) Before delivering the articles of incorporation to the Secretary of State for recording, a copy of the articles shall be presented to the commissioner for approval. Upon receipt of such articles, the commissioner shall first determine whether or not the articles comply with the provisions of KRS 286.7-410 to 286.7-600 and, if the commissioner so finds, he or she shall promptly notify the industrial loan companies in the locality in which the proposed office or offices are to be located, specifying a time within which they may file objections. The commissioner shall then inquire into the advisability of approving the application by investigating:
 - (a) The moral character and financial responsibility of the incorporators and principals of the applicant.
 - (b) The public necessity for such association in the community to be served; and
 - (c) The reasonable probability of its usefulness and success. In so doing the commissioner shall determine whether or not the industrial loan company can be established without undue injury to properly conducted existing industrial loan companies, in connection with which the incorporators and principals shall furnish such information as they may desire and as the commissioner may require.
- (2) After allowing the specified time for the filing of objections, the commissioner shall approve the application if he or she finds that the moral character and financial responsibility of the incorporators and principals are sound and such as to justify public confidence and to insure the reasonable probability of the success of the corporation, that the incorporators and principals have complied with the provisions of KRS 286.7-410 to 286.7-600, that the incorporation is advisable and, after investigation, there is reason to believe that no undue injury to properly conducted existing industrial loan companies will result. Unless the application, after investigation, meets all of the above requirements, the commissioner shall disapprove it.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 751, effective July 15, 2010. --
Created 1962 Ky. Acts ch. 166, sec. 3.

Formerly codified as KRS 291.440.

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.