

286.3-900 Definitions of terms used in this section and KRS 286.3-905 -- Acquisition of in-state banks -- Limitations -- In-county merger or consolidation.

- (1) As used in this section and KRS 286.3-905:
 - (a) "Bank" means:
 1. Any institution organized under this subtitle, the banking laws of another state, or the National Bank Act, as amended, to do a banking business; or
 2. A bank as defined in 12 U.S.C. sec. 1841, as amended;
 - (b) "Bank holding company" has the same meaning as in 12 U.S.C. sec. 1841, as in effect on July 15, 2024, or as amended;
 - (c) "Company" means:
 1. Any corporation, partnership, business trust, association, or similar organization, or any other trust unless by its terms it must terminate within twenty-five (25) years or not later than twenty-one (21) years and ten (10) months after the death of individuals living on the effective date of the trust, but shall not include:
 - a. Any corporation the majority of the shares of which are owned by the United States or by any state; or
 - b. A qualified family partnership; or
 2. A company as defined in 12 U.S.C. sec. 1841, as amended;
 - (d) "Control":
 1. Has the same meaning as in 12 U.S.C. sec. 1841(a)(2) and (3), as in effect on July 15, 2024, or as amended; and
 2. May be acquired by acquisition of voting securities, by purchase of assets, by merger or consolidation, by contract, or otherwise;
 - (e) "Deposit":
 1. Except as provided in subparagraph 2. of this paragraph, has the same meaning as in 12 U.S.C. sec. 1813, as in effect on July 15, 2024, or as amended; and
 2. Does not include interbank deposits and deposits in foreign branches and international banking facilities, as shown in the reports made by federally insured depository institutions to their respective supervisory authorities; and
 - (f) "Individual":
 1. Means a natural person, partnership, association, business trust, voting trust, or similar organization; and
 2. Does not include a corporation.
- (2) Except as provided in subsections (3) and (4) of this section, no individual or bank holding company, wherever located, may acquire control of any bank or bank holding company if, upon the acquisition, the individual or bank holding company would control banks in this state holding more than fifteen percent (15%) of the

total deposits and member accounts in the offices of all federally insured depository institutions in this state as reported in the most recent June 30 quarterly report made by the institutions to their respective supervisory authorities that are available at the time of the acquisition.

- (3) (a) The limitations set forth in this section or any other provision of this subtitle or any administrative regulation promulgated thereunder shall not apply to the acquisition of a bank if:
1. An emergency exists; and
 2. The acquisition is appropriate in order to prevent the probable failure of the bank which is closed or is in danger of closing.
- (b) The determinations referenced in paragraph (a) of this subsection shall be made by the:
1. Commissioner, in his or her discretion, if the bank is organized under the laws of this state; or
 2. Comptroller of the currency, in his or her discretion, if the bank is a national bank.
- (4) The provisions of this section shall not apply to the following, if the commissioner determines that the public convenience and necessity will be served by the merger, consolidation, or sale:
- (a) The merger or consolidation of banks or bank holding companies having their principal places of business in the same county and the operation by the merged or consolidated corporation of the banks; or
 - (b) The sale of any bank or bank holding company to, and the purchase thereof by, any other bank or bank holding company with its principal place of business in the same county and the operation of the bank as a branch.

Effective: July 15, 2024

History: Amended 2024 Ky. Acts ch. 152, sec. 31, effective July 15, 2024. -- Amended 2010 Ky. Acts ch. 24, sec. 651, effective July 15, 2010. -- Amended 2001 Ky. Acts ch. 112, sec. 2, effective June 21, 2001. -- Amended 2000 Ky. Acts ch. 135, sec. 3, effective July 14, 2000; and ch. 279, sec. 6, effective July 14, 2000. -- Amended 1996 Ky. Acts ch. 338, sec. 19, effective July 15, 1996, retroactive in part to September 29, 1995. -- Amended 1992 Ky. Acts ch. 226, sec. 2, effective July 14, 1992. -- Amended 1986 Ky. Acts ch. 444, sec. 12, effective July 15, 1986. -- Created 1984 Ky. Acts ch. 130, sec. 1, effective July 13, 1984.

Formerly codified as KRS 287.900.

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 (7/14/2000). This section was amended by 2000 Ky. Acts chs. 135 and 279. Where these Acts are not in conflict, they have been codified together. Where a conflict exists, Acts ch. 279, which was last enacted by the General Assembly, prevails under KRS 446.250.

Legislative Research Commission Note (7/15/96). This statute, as amended by 1996 Ky. Acts ch. 338, sec. 19, is retroactive to September 29, 1995. See 1996 Ky. Acts ch. 338, sec. 22.