

286.1-440 Appointment of examiners -- Oath -- Restrictions on debt and stock ownership -- Contracts for services of agency's examiners.

- (1) The commissioner shall appoint a sufficient number of examiners and assistant examiners to examine all institutions coming under the supervision of the department. A salary schedule for examiners and assistant examiners shall be prepared by the commissioner and presented to the secretary of the Finance and Administration Cabinet for approval. In the event an advisory state banking board is established by law, the appointment and compensation of examiners and assistant examiners shall be with the advice of such board.
- (2) The commissioner, the deputy commissioner, and each examiner shall take the constitutional oath of office.
- (3) Neither the commissioner, nor the deputy commissioner, nor any examiner or assistant examiner shall be indebted directly or indirectly either as borrower, indorser, surety, or guarantor, to any bank or trust company under his supervision or subject to his examination, nor shall he or she be a director, officer or employee in such bank or trust company, nor engage or become interested in the sale of securities as a business or in the negotiation of loans for others.
- (4) No person shall be assigned to examine the affairs of any bank or trust company in a county in which he holds stock in either a state or national bank or trust company.
- (5) The commissioner may enter into contracts with any bank supervisory agency that has concurrent jurisdiction over a state bank or the branch of an out-of-state state bank operating in this state to engage the services of the agency's examiners at a reasonable rate of compensation, or to provide the services of the commissioner's examiners to the agency at a reasonable rate of compensation. Any contract entered into pursuant to this subsection shall be deemed a sole source contract under the provisions of KRS 45A.095.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 612, effective July 15, 2010. -- Amended 1996 Ky. Acts ch. 338, sec. 16, effective July 15, 1996. -- Amended 1984 Ky. Acts ch. 324, sec. 29, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 251, sec. 13, effective April 1, 1982. -- Amended 1968 Ky. Acts ch. 104, sec. 1. -- Amended 1946 Ky. Acts ch. 27, sec. 8; and ch. 191, sec. 8. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 165a-6, 165a-7.

Formerly codified as KRS 287.440.

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.