

286.3-020 Approval of application for charter -- Prerequisites to financial institution doing business under its charter. (Effective until July 15, 2024)

- (1) The commissioner shall approve an application for a bank or trust company charter upon a finding that the public convenience and advantage will be served by opening of the proposed institution. To determine whether public convenience and advantage will be served, the commissioner shall consider the following factors:
 - (a) Whether conditions in the community indicate reasonable assurance of successful operation for the proposed institution;
 - (b) Whether the organizational and capital structure and amount of capitalization is adequate for the business plan; and
 - (c) Whether the officers and directors have sufficient experience, ability, standing, and reputation to provide reasonable assurance of successful operation and of compliance with the law.
- (2) Before any institution shall commence business, it shall obtain from the commissioner a charter authorizing it to commence doing business and shall comply with the following requirements:
 - (a) The oaths of all directors have been taken;
 - (b) The commissioner has received satisfactory proof that the accounts of the banking institution's depositors will be insured by the Federal Deposit Insurance Corporation; and
 - (c) The commissioner has received satisfactory proof that the institution has subscribed and paid in the required capital and has otherwise fully complied with all pertinent laws and administrative regulations.

Effective: July 15, 2010

History: Created 2010 Ky. Acts ch. 28, sec. 2, effective July 15, 2010.

Legislative Research Commission Note (7/15/2010). References to the "executive director" of financial institutions in this section, as created by 2010 Ky. Acts ch. 28, sec. 2, have been changed in codification to the "commissioner" of financial institutions to reflect the reorganization of certain parts of the Executive Branch, as set forth in Executive Orders 2009-535 and 2009-1086 and confirmed by the General Assembly in 2010 Ky. Acts ch. 24. These changes were made by the Reviser of Statutes pursuant to 2010 Ky. Acts ch. 24, sec. 1938.