

303.150 Appointment of receiver -- Dissolution of association.

- (1) If, upon examination of a burial association by the commissioner or any person designated by him to make the examination, it appears that the liabilities of the association exceed its resources, and it cannot in a reasonable time, not more than three (3) months from the date of the original default, pay its accrued indebtedness in full, he shall report the facts to the Attorney General. The Attorney General shall, upon the commissioner's report, apply to the Judge of the Franklin Circuit Court or to the Judge of the Circuit Court of the county wherein the association is located for an order closing the business of the association, and appointing a receiver for the distribution of its assets among creditors. No final order shall be made until the association has had ten (10) days' notice of the application and an opportunity to be heard. Upon hearing the matter, the court may make any order which the interest of the association and the public may require.
- (2) When any burial association discontinues business, or when for any cause a dissolution is decreed, or when for sixty (60) days any judgment remains unsatisfied, the Circuit Judge in any county in which the association has transacted business may appoint a receiver to distribute its assets among its policyholders for any persons having claims against the association. The assets shall be applied first, on accrued or natural claims or policies; second, on claims of any other kind or character; third, in payment to policyholders of all dues paid in by them; and, if a balance remains after payment of the above named claims, then that sum shall be returned to the burial association.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 907, effective July 15, 2010. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 199a-13, 199a-17.