

9-1903. Undercapitalized and insolvent banks and trust companies; commissioner to take charge, when. If it shall appear upon the examination of any bank or trust company or from any report made to the commissioner that any bank or trust company is:

(a) Critically undercapitalized, the commissioner may:

(1) Enter an informal memorandum pursuant to K.S.A. 2016 Supp. 9-1810, and amendments thereto, to notify the bank or trust company of the unsafe and unsound condition and require the bank or trust company to correct the condition within the time prescribed by the commissioner; or

(2) take charge of such bank or trust company and all of its property and assets. In taking charge of a critically undercapitalized bank or trust company, the commissioner may:

(A) Appoint a special deputy commissioner to take charge temporarily of the affairs of the bank or trust company; or

(B) appoint a receiver if it shall appear at any time that the bank or trust company cannot sufficiently recapitalize, resume business or liquidate the bank's or trust company's indebtedness to the satisfaction of the depositors and creditors of such bank or trust company.

(b) Insolvent, the commissioner shall take charge of the bank or trust company and all property and assets of such bank or trust company. In taking charge of an insolvent bank or trust company, the commissioner shall:

(1) Appoint a special deputy commissioner to take charge temporarily of the affairs of the bank or trust company; or

(2) appoint a receiver if it shall appear at any time that the bank or trust company cannot sufficiently recapitalize, resume business or liquidate its indebtedness to the satisfaction of the depositors and creditors of such bank or trust company.

History: L. 1947, ch. 102, § 111; L. 1993, ch. 7, § 3; L. 2015, ch. 38, § 119; July 1.