

286.3-450 Examination -- Procedure -- Agreement to examine and supervise branches -- Joint examination and enforcement actions.

- (1) Every state bank, branch of an out-of-state state bank, or trust company doing business under the laws of this state shall be subject to inspection by the commissioner or by an examiner appointed by the commissioner. Examination shall be made of each institution at least once every twenty-four (24) months, unless other examinations are accepted as provided in subsections (3), (4), and (5) of this section, and not more than twice unless it appears from examination or from the reports of the institution that it has failed to comply with laws or regulations relating to banks or trust companies, or has engaged in unsafe or unsound banking practices.
- (2) The commissioner, deputy commissioner, and each examiner may compel the appearance of any person for the purpose of the examination, which shall be made in the presence of one (1) of the officers of the institution being examined.
- (3) Any bank that becomes a member of a Federal Reserve Bank shall be subject to the examination required by the Federal Reserve Act, (38 Stat. 251) as amended, and the commissioner may, in his discretion, accept examinations made by the Federal Reserve authorities in lieu of examinations made under state laws. The commissioner shall furnish to the Federal Reserve agent of the district in which the member bank is situated, copies of reports and examinations made of the member bank.
- (4) The commissioner may, in his discretion, accept examinations made by the Federal Deposit Insurance Corporation in lieu of examinations made under state laws.
- (5) The commissioner may, in his discretion, enter into cooperative, coordinating, and information-sharing agreements with any other bank supervisory agencies or any organization affiliated with or representing one (1) or more bank supervisory agencies with respect to the periodic examination or other supervision of any branch of an out- of- state state bank, any branch of a state bank in any host state, any trust office or trust representative office of an out-of-state trust company, or any trust office or trust representative office of a Kentucky state trust company in any host state. The commissioner may accept reports of examinations and reports of investigation from other bank supervisory agencies and home state regulators in lieu of examinations made under state law. The commissioner may enter into joint examinations or joint enforcement actions with other bank supervisory agencies having concurrent jurisdiction over any bank, bank holding company, branch of an out- of- state state bank, any branch of a state bank located in any host state, any trust office or trust representative office of an out-of-state trust company, or any trust office or trust representative office of a Kentucky state trust company in any host state. Information produced or provided under this section shall be considered confidential as provided in KRS 286.3-470.

Effective: June 8, 2011

History: Amended 2011 Ky. Acts ch. 67, sec. 5, effective June 8, 2011. -- Amended 2010 Ky. Acts ch. 24, sec. 639, effective July 15, 2010. -- Amended 2006 Ky. Acts ch. 183, sec. 11, effective July 12, 2006. -- Amended 1998 Ky. Acts ch. 196, sec. 16, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 338, sec. 17, effective July

15, 1996. -- Amended 1992 Ky. Acts ch. 77, sec. 4. effective July 14, 1992. -- Amended 1984 Ky. Acts ch. 324, sec. 30, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 251, sec. 14, effective April 1, 1982. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 165a-8.

Formerly codified as KRS 287.450.

Legislative Research Commission Note (7/12/2006). This section was amended in 2006 Ky. Acts ch. 183. In that same session, 2006 Ky. Acts ch. 247, sec. 38 required that all sections of KRS Chapters 287, 288, 290, 291, 294, 366, 366A, and 368 be renumbered as sections of a single KRS chapter entitled the "Kentucky Financial Services Code." Therefore, the Statute Reviser, acting under KRS 7.136(1), has changed the number of this section and codified it as a section of KRS Chapter 286. In addition, a KRS reference has been adjusted to conform with the renumbering.