

9-1906. Receiver to take charge of assets; order of payment. (a) A receiver appointed pursuant to K.S.A. 9-1905, and amendments thereto, under the direction of the commissioner, shall take charge of any insolvent or critically undercapitalized bank or trust company and all of its assets and property, and liquidate the affairs and business thereof for the benefit of its depositors, creditors and stockholders. The receiver may sell or compound all bad and doubtful debts and sell all the property of the bank or trust company upon such terms as the district court of the county where the bank or trust company is located shall approve. The receiver shall pay over all moneys received to the creditors and depositors of such bank or trust company as ordered by the commissioner.

(b) In distributing assets of the insolvent or critically undercapitalized bank or trust company in payment of its liabilities, the order of payment, in the event its assets are insufficient to pay in full all of its liabilities, shall be by category as follows:

- (1) The costs and expenses of the receivership and real and personal property taxes assessed against the bank pursuant to applicable law;
- (2) claims which are secured or given priority by applicable law;
- (3) claims of unsecured depositors;
- (4) all other claims exclusive of claims on capital notes and debentures;
- (5) claims on capital notes and debentures.

Should the assets be insufficient for the payment in full of all claims within a category, such claims shall be paid in the order provided by other applicable law or, in the absence of such applicable law, pro rata.

History: L. 1947, ch. 102, § 114; L. 1985, ch. 59, § 1; L. 1988, ch. 63, § 1; L. 1993, ch. 7, § 6; March 18.