

155.030 Powers of corporation.

In furtherance of the purposes set forth in KRS 155.020 above and in addition to the powers conferred on business corporations by the provisions of KRS Chapter 271B, the corporation shall, subject to the restrictions and limitations herein contained, have the following powers:

- (1) To elect, appoint and employ officers, agents and employees; to make contracts and incur liabilities for any of the purposes of the corporation; provided, that the corporation shall not incur any secondary liability by way of guaranty or indorsement of the obligations of any person, firm, corporation, joint-stock company, association, or trust, or in any other manner;
- (2) To borrow money from any source including the United States government, or any instrumentality thereof, including the small business administration and similar agencies, for any of the purposes of the corporation; to issue therefor its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, and to secure the same by mortgage, pledge, deed of trust or other lien on its property, franchises, rights and privileges of every kind and nature or any part thereof or interest therein, without stockholder or member approval; provided, that no loan to the corporation shall be secured in any manner unless all outstanding loans to the corporation are secured equally and ratably in proportion to the unpaid balance of such loans and in the same manner;
- (3) To make loans to any person, firm, corporation, joint-stock company, association or trust, and to establish and regulate the terms and conditions with respect to any such loans and the charges for interest and service connected therewith; provided, however, that the corporation shall not approve any application for a loan unless and until the person applying for said loan shall show that he has applied for the loan through ordinary banking channels and that the application has been refused by at least one (1) bank or other financial institution. The corporation may charge interest on such loans at rates of interest not to exceed whichever is the higher of the two (2) following rates: (a) the rate mentioned in KRS 360.010; (b) two percent (2%) in excess of the prime rate prevailing on unsecured commercial loans among the majority of the New York City clearinghouse member banks on the first day of the month in which the loan is made;
- (4) To purchase, receive, hold, lease, or otherwise acquire, and to sell, convey, transfer, lease or otherwise dispose of real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not restricted to, any real or personal property acquired by the corporation from time to time in the satisfaction of debts or enforcement of obligations;
- (5) To acquire the good will, business, rights, real and personal property, and other assets, or any part thereof, or interest therein, of any persons, firms, corporations, joint-stock companies, associations, or trusts, and to assume, undertake, or pay the obligations, debts, and liabilities of any such person, firm, corporation, joint-stock company, association or trust; to acquire improved or unimproved real estate for the purpose of constructing industrial plants or other business establishments thereon or

for the purpose of disposing of such real estate to others for the construction of industrial plants or other business establishments; and to acquire, construct or reconstruct, alter, repair, maintain, operate, sell, convey, transfer, lease, or otherwise dispose of industrial plants or business establishments;

- (6) To acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the stock, shares, bonds, debentures, notes or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint-stock company, association or trust, and while the owner or holder thereof to exercise all the rights, powers, and privileges of ownership, including the right to vote thereon; and to acquire stock or stock options in the corporation or organization to which it makes loans;
- (7) To mortgage, pledge, or otherwise encumber any property, right or thing of value, acquired pursuant to the powers contained in subsections (4), (5), or (6), as security for the payment of any part of the purchase price thereof;
- (8) To cooperate with and avail itself of the facilities of the Cabinet for Economic Development and the Industrial Development Finance Authority and any similar governmental or private agencies; and to cooperate with and assist, and otherwise encourage organizations in the various communities of the Commonwealth in the promotion, assistance, and development of the business prosperity and economic welfare of such communities or of this Commonwealth or of any part thereof;
- (9) To do all acts and things necessary or convenient to carry out the powers granted in this chapter.

Effective: July 15, 1982

History: Amended 1982 Ky. Acts ch. 396, sec. 37, effective July 15, 1982. -- Amended 1980 Ky. Acts ch. 188, sec. 115, effective July 15, 1980. -- Created 1960 Ky. Acts ch. 73, sec. 4, effective March 21, 1960.

Legislative Research Commission Note (10/29/96). Under KRS 7.136(2), a reference to the Department of [i.e., for] Existing Business and Industry in subsection (8) of this statute has been changed to the Cabinet for Economic Development. This department was eliminated by the repeal of KRS 154.12-209 by 1994 Ky. Acts ch. 499, sec. 28, and the duties and functions of the department were reassigned to the cabinet, see 1994 Ky. Acts ch. 499, secs. 13, 14, and 15.