

155.090 Distribution among members of loan call -- Interest rate.

- (1) Each call made by the corporation shall be prorated among the members of the corporation in substantially the same proportion that the adjusted loan limit of each member bears to the aggregate of the adjusted loan limits of all members. The adjusted loan limit of a member shall be the amount of such member's loan limit, reduced by the balance of outstanding loans made by such member to the corporation, other than short term loans, and the investment in capital stock of the corporation held by such member at the time of such call.
- (2) All loans to the corporation by members, other than short term loans, shall be evidenced by bonds, debentures, notes, or other evidence of indebtedness of the corporation, which shall be freely transferable at all times, and which shall bear interest at a rate of not less than one-quarter of one percent (0.25%) in excess of the rate of interest as determined by the prime rate prevailing on unsecured commercial loans among the majority of the New York City clearing house member banks on the first day of the month in which the loan is made to the corporation.

History: Amended 1966 Ky. Acts ch. 212, sec. 3 -- Created 1960 Ky. Acts ch. 73, sec. 9.