

2021 Kansas Statutes

9-2305. Capitalization requirements. (a) For purposes of this section, "capital" means the total of the aggregate par value of a fiduciary financial institution's outstanding membership units, its surplus and its undivided profits.

(b) (1) The required capital for fiduciary financial institutions shall at all times be \$250,000 when:

(A) The fiduciary financial institution does not accept deposits, other than alternative asset custody accounts;

(B) the fiduciary financial institution maintains no third-party debt except debts owed to the members of the fiduciary financial institution or affiliates of the fiduciary financial institution; and

(C) the fiduciary financial institution has secured an agreement from its members whereby such members agree to contribute additional capital to the fiduciary financial institution if needed to ensure the safety and soundness of the fiduciary financial institution. A fiduciary financial institution that fails to satisfy the foregoing requirements shall be subject to the capitalization requirements of K.S.A. 9-901a, and amendments thereto, applicable to trust companies.

(2) The capital of a fiduciary financial institution shall be divided, with 60% of the amount as the aggregate par value of outstanding membership units, 30% as surplus and 10% as undivided profits.

History: L. 2021, ch. 80, § 5; July 1.