§ 618. Liquidation and conservation of assets; compromising debts and claims; deposit of moneys collected; preference; superintendent, as liquidator, authorized to borrow on and pledge assets of banks. 1. (a) The superintendent is authorized, upon taking possession of any banking organization, to liquidate the affairs thereof and to do all acts and to make such expenditures as in his or her judgment are necessary to conserve its assets and business. The superintendent shall proceed to collect the debts due. The superintendent may, upon an order of the supreme court (unless such order is not required pursuant to the provisions of paragraph (b), (c) or (d) of this subdivision), (i) sell, assign, compromise, or otherwise dispose of all bad or doubtful debts held by such banking organization, (ii) compromise claims against such banking organization, other than deposit claims, and (iii) sell or otherwise dispose of all or any of the real and personal property of such banking organization wherever situated. In case any of the real property so sold is located in a county in this state other than a county in which the application to the court for leave to sell is made, the superintendent shall cause a certified copy of such order to be filed in the office of the clerk of the county in which such real property is located.

(b) The superintendent may sell, assign, compromise or otherwise dispose of any bad or doubtful debt held by such banking organization the value of which does not exceed fifty thousand dollars upon such terms as he or she may deem for the best interests of such banking organization without obtaining the approval of the court. For purposes of this paragraph, the value of any such bad or doubtful debt shall be the current value thereof as determined by the superintendent in good faith.

(c) The superintendent may, when the amount proposed to be paid by the superintendent in compromise does not exceed fifty thousand dollars, compromise any claim against such banking organization, other than any deposit claim, upon such terms as he or she may deem for the best interests of such banking organization without obtaining the approval of the court.

(d) The superintendent may sell or otherwise dispose of any personal property of such banking organization (other than bad or doubtful debts subject to the provisions of paragraph (b) of this subdivision) the

value of which does not exceed fifty thousand dollars upon such terms as he or she may deem for the best interests of such banking organization without obtaining the approval of the court. For purposes of this paragraph, the value of any such personal property of such banking organization shall be (i) in the case of any single class of a security, or any commodity, or other property or claim that has a readily ascertainable market value, such market value, and (ii) in any other case, the current value thereof as determined by the superintendent in good faith.

2. The moneys collected by the superintendent shall be: (a) Deposited on demand, time or otherwise in one or more banks, savings banks or trust companies and, in case of the insolvency or voluntary or involuntary liquidation of the depositary, such deposits shall be entitled to priority of payment on an equality with any other priority given by this chapter;

(b) Deposited on demand, time or otherwise in one or more national banks with its principal office located in this state and with total assets exceeding five billion dollars; or

(c) Invested in obligations of the United States, or those for which the full faith and credit of the United States is pledged to provide for the payment of interest and principal.

3. Upon an order of the supreme court in and for the county in which the principal office of such banking organization is located, the superintendent is authorized to borrow money and to execute, acknowledge and deliver notes or other evidences of indebtedness therefor and to secure the repayment thereof by the mortgage, pledge, assignment in trust or hypothecation of any or all of the property whether real, personal or mixed of such banking organization. Money may be so borrowed for any one or more of the following purposes:

(a) Facilitating liquidation;

(b) Protecting or preserving the assets in his possession;

(c) Declaring and paying dividends to depositors and other creditors;

(d) Providing for the expenses of administration and liquidation;

(e) Aiding in the reopening or reorganization of such banking organization;

(f) Aiding in the merger or consolidation of any one or more of such banking organizations which are corporations;

(g) Aiding in the sale of all of the assets of any such banking organization.

The superintendent with the aforesaid order of the supreme court shall have power to take any and all other action necessary and proper to consummate any such loans and to provide for the repayment thereof.

The superintendent shall be under no obligation personally or in his official capacity to repay any loan made pursuant to this subdivision. The obligation for the repayment of any such loan shall be solely the obligation of the banking organization receiving the benefit of such loan.