

369.137 Disclosures by hardware wallet provider -- Penalties -- Administrative regulations.

- (1) As used in this section, "hardware wallet provider" or "provider" means a person that offers or provides a hardware wallet.
- (2) (a) A hardware wallet provider shall provide the following disclosures to customers for all hardware wallets sold in Kentucky:
 1. All information that a customer should retain, maintain, and store in order to:
 - a. Access the contents of a wallet; and
 - b. Backup and restore a wallet; and
 2. If applicable:
 - a. The provider does not retain, maintain, or store the information that a customer needs to:
 - i. Access the contents of a wallet; or
 - ii. Backup and restore a wallet; and
 - b. The customer's loss of the information referenced in subparagraph 1. of this paragraph will likely result in a total loss of the contents of a wallet.
- (b) The disclosures required under paragraph (a) of this subsection shall be:
 1. Displayed during wallet setup;
 2. Contained in product packaging;
 3. On the provider's website;
 4. Furnished together in a clear and coherent manner;
 5. In the same color, font, and size as the other language primarily used for the wallet setup, in the product packaging, or on the provider's website, as applicable; and
 6. Available in a format that can be easily downloaded, printed, or otherwise retained by the customer.
- (3) A violation of this section shall be deemed unlawful as provided in KRS 367.356.
- (4) (a) The remedies and penalties prescribed in this section shall be cumulative.
(b) This section shall not be construed to limit or restrict the powers, duties, remedies, or penalties available to the Attorney General, the Commonwealth, or any other person under any other statutory or common law.
- (5) The Attorney General may promulgate administrative regulations in accordance with KRS Chapter 13A necessary to effectuate, or as an aid to the effectuation of, the proper enforcement of this section.

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