

**393A.330 Payment or delivery of property to administrator.**

- (1) Except as otherwise provided in this section, on filing a report under KRS 393A.220, the holder shall pay or deliver to the administrator the property described in the report.
- (2) If property in a report under KRS 393A.220 is an automatically renewable deposit and a penalty or forfeiture in the payment of interest would result from paying the deposit to the administrator at the time of the report, the date for payment of the property to the administrator is extended until a penalty or forfeiture no longer would result from payment, if the holder informs the administrator of the extended date.
- (3) Tangible property in a safe-deposit box shall not be delivered to the administrator until one hundred twenty (120) days after filing the report under KRS 393A.220.
- (4) If property reported to the administrator under KRS 393A.220 is a security, the administrator may:
  - (a) Make an endorsement, instruction, or entitlement order on behalf of the apparent owner to invoke the duty of the issuer, its transfer agent, or the securities intermediary to transfer the security; or
  - (b) Dispose of the security under KRS 393A.410.
- (5) If the holder of property reported to the administrator under KRS 393A.220 is the issuer of a certificated security, the administrator may obtain a replacement certificate in physical or book-entry form under KRS 355.8-405. An indemnity bond shall not be required.
- (6) The administrator shall establish procedures for the registration, issuance, method of delivery, transfer, and maintenance of securities delivered to the administrator by a holder.
- (7) An issuer, holder, and transfer agent or other person acting under this section under instructions of and on behalf of the issuer or holder shall not be liable to the apparent owner for, and shall be indemnified by the state against, a claim arising with respect to property after the property has been delivered to the administrator.
- (8) A holder shall not be required to deliver to the administrator a security identified by the holder as a non-freely transferable security. If the administrator or holder determines that a security is no longer a non-freely transferable security, the holder shall deliver the security on the next regular date prescribed for delivery of securities under this chapter. The holder shall make a determination annually whether a security identified in a report filed under KRS 393A.220 as a non-freely transferable security is no longer a non-freely transferable security.
- (9)
  - (a) If property reported to the administrator is virtual currency, the holder shall liquidate the virtual currency and remit the proceeds to the administrator.
  - (b) The liquidation shall occur anytime within ninety (90) days prior to the filing of the report under KRS 393A.220.
  - (c) The owner shall not have recourse against the holder or the administrator to recover any gain in value that occurs after the liquidation of the virtual

currency under this subsection.

**Effective:** June 27, 2019

**History:** Amended 2019 Ky. Acts ch. 125, sec. 4, effective June 27, 2019. -- Created 2018 Ky. Acts ch. 163, sec. 33, effective July 14, 2018.