

286.13-065 Change of control -- Notice -- Approval of commissioner -- Application by person seeking to acquire control -- Notice of termination or resignation of responsible individual or agent -- Application to add or replace responsible individual or agent. (Effective April 30, 2027)

- (1) A person shall not take any action that results in a change of control of a licensee without:
 - (a) Providing the notice required under subsection (2) of this section; and
 - (b) Obtaining the prior written approval of the commissioner in accordance with subsection (3) of this section, except this paragraph shall not apply to:
 1. A person that acts as a proxy for the sole purpose of voting at a designated meeting of the security holders or holders of voting interests of a licensee or person in control of a licensee;
 2. A person that acquires control of a licensee by devise or descent;
 3. A person that acquires control as a personal representative, custodian, guardian, conservator, or trustee, or as an officer appointed by a court of competent jurisdiction or by operation of law;
 4. A public offering of securities under the laws of the United States; or
 5.
 - a. Any other person or circumstance that the commissioner determines is exempted from compliance with this paragraph in an administrative regulation promulgated in accordance with KRS Chapter 13A.
 - b. The commissioner may promulgate an administrative regulation to exempt a person or circumstance from compliance with this paragraph if the commissioner determines that the exemption is necessary to serve the public interest.
- (2)
 - (a) A licensee shall file a complete notice of a:
 1. Change of control of the licensee under subsection (1)(b)1. to 5. of this section with the commissioner within fifteen (15) days of learning of the change of control; and
 2. Proposed change of control of the licensee, other than a change of control under subsection (1)(b)1. to 5. of this section, with the commissioner:
 - a. Within fifteen (15) days of learning of the proposed change of control; and
 - b. At least thirty (30) days prior to the proposed change of control.
 - (b) A notice of a change of control, or a proposed change of control, of a licensee shall not be complete unless it:
 1. Is made in writing, under oath or affirmation;
 2. Is in a format required by the commissioner; and
 3. Contains the information that the commissioner determines is necessary to provide reasonable notice of the licensee's change of control or proposed change of control.

- (3) (a) Except as provided in subsection (1) of this section, a person seeking to acquire control of a licensee shall file a complete application for approval of the change of control with the commissioner at least thirty (30) days prior to the proposed change of control.
- (b) An application for approval of a change of control shall not be complete unless it:
 - 1. Is made in writing, under oath or affirmation;
 - 2. Is in the format required by the commissioner;
 - 3. Contains, and is accompanied by, any or all of the information, documentation, and evidence required or permitted for an applicant under KRS 286.13-040 that the commissioner determines is necessary and appropriate for the purpose of making the determination under paragraph (c) of this subsection; and
 - 4. Is accompanied by a nonrefundable investigation fee of one hundred dollars (\$100).
- (c) Upon receipt of a complete application for approval of a change of control and subject to KRS 286.13-125, the commissioner shall:
 - 1. Approve the application if the commissioner determines that the person satisfies the requirements of this subtitle for obtaining a license; or
 - 2.
 - a. Issue a notice of intent to deny the application if the commissioner determines that the person does not satisfy the requirements of this subtitle for obtaining a license.
 - b. A notice of intent to deny an application for approval of a change of control shall specify the requirements of this subtitle that the person does not satisfy.
- (4) (a) The commissioner may determine whether any set of facts or a proposed transaction constitutes, or would constitute, control for purposes of this section.
- (b) Any of the following may make a request to the commissioner for a determination under paragraph (a) of this subsection:
 - 1. A licensee; or
 - 2. A person that seeks to enter a proposed transaction with a licensee.
- (5) (a) A licensee shall file a complete notice of the termination or resignation of a responsible individual or agent with the commissioner within fifteen (15) days of the termination or resignation.
- (b) A notice of termination or resignation of a licensee's responsible individual or agent shall not be complete unless it:
 - 1. Is made in writing, under oath or affirmation;
 - 2. Is in a format required by the commissioner; and
 - 3. Contains the information that the commissioner determines is necessary to provide reasonable notice of the licensee's change in responsible individual or agent.

- (6) (a) A licensee shall obtain the prior written approval of the commissioner in accordance with this subsection prior to adding or replacing a responsible individual.
- (b) A licensee shall file a complete application for approval of the addition or replacement of a responsible individual with the commissioner.
- (c) An application for approval of the addition or replacement of a responsible individual shall not be complete unless it:
1. Is made in writing, under oath or affirmation;
 2. Is in the format required by the commissioner; and
 3. Contains, and is accompanied by, any or all of the information, documentation, and evidence required or permitted under KRS 286.13-040 that the commissioner determines is necessary and appropriate for the purpose of making the determination under paragraph (d) of this subsection.
- (d) Upon receipt of a complete application for approval of the addition or replacement of a responsible individual and subject to KRS 286.13-125, the commissioner shall:
1. Approve the application if the commissioner determines that the licensee will continue to satisfy the requirements of this subtitle for maintaining a license after the addition or replacement; or
 2. a. Issue a notice of intent to deny the application if the commissioner determines that the addition or replacement will cause the licensee to no longer satisfy the requirements of this subtitle for maintaining a license.
b. A notice of intent to deny an application for approval of the addition or replacement of a responsible individual shall specify the requirements of this subtitle that the licensee will not satisfy if the addition or replacement is made.

Effective: April 30, 2027

History: Created 2026 Ky. Acts ch. 126, sec. 12, effective April 30, 2027.