

806 KAR 30:010. License procedures.

RELATES TO: KRS 304.3-230, 304.30-030

STATUTORY AUTHORITY: KRS 304.30-070, 304.4-010

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.30-070 authorizes the commissioner to make reasonable administrative regulations to effectuate subtitle 30 of the Kentucky Insurance Code and to regulate the manner in which licensed insurance premium finance companies conduct their business. This administrative regulation sets forth license procedures.

Section 1. Application for Original or Renewal License. Each application for an original or renewal license as an insurance premium finance company shall be made on the Application for License as an Insurance Premium Finance Company form. It shall be accompanied by all required documents and the license fee provided by 806 KAR 4:010 which shall not be prorated. Each application for renewal of a license as an insurance premium finance company shall be made on or before May 1 of each year and shall be accompanied by the renewal fee provided by 806 KAR 4:010.

Section 2. Biographical Questionnaire.

(1) Each application for an original license as an insurance premium finance company shall be accompanied by biographical information for the persons specified in this section on the Biographical Questionnaire for Premium Finance Companies form. A separate form shall be completed and executed:

- (a) In the case of a sole proprietor, by the sole proprietor;
- (b) In the case of a partnership or limited partnership, by each partner or limited partner;
- (c) In the case of a corporation, by each officer, director, and owner of more than ten (10) percent, directly or indirectly, of the outstanding shares of stock; and
- (d) In the case of any other business organization, by each member or holder of record or beneficial interest therein.

(2) Biographical questionnaires shall be filed with an application for renewal of a license if changes have taken place in the business organization involving individuals who have not previously filed the questionnaire.

Section 3. Consent to Jurisdiction and Service of Process. Each applicant for a license and each person required to file the biographical questionnaire shall be deemed to have appointed the Secretary of State as its attorney to receive service of all legal process issued against it in this state upon causes of action arising within this state. Nothing contained herein shall preclude service by any other authorized method. Service upon the Secretary of State shall be made in the same manner as is provided under KRS 304.3-230 for service of process upon authorized foreign or alien insurers.

Section 4. Changes in Condition of Licensee.

(1) If any licensee or any person who is a partner, member, supervisory employee, officer, director, or ten (10) percent stockholder of a licensee is convicted, by final judgment of a court, of a felony involving moral turpitude, the licensee shall, within ten (10) days after such conviction, notify the commissioner of the facts in detail by letter.

(2) The licensee shall notify the commissioner immediately upon its discovery that it no longer meets the requirements of 806 KAR 30:080.

Section 5. Incorporation by Reference.

(1) The following material is incorporated by reference:

- (a) Form 106, "Application for License as an Insurance Premium Finance Company", (10/2020); and

(b) Form 503, "Biographical Questionnaire for Premium Finance Companies", (10/2020).

(2) This material may be inspected, copied, or obtained subject to applicable copyright law, at the Kentucky Department of Insurance, Mayo-Underwood Building, 500 Mero Street, Frankfort, KY 40601, Monday through Friday, 8 a.m. to 4:30 p.m.

(I-30.01; 1 Ky.R. 1086; eff. 7-2-75; Am. 9 Ky.R. 612; eff. 12-1-82; TAm eff. 8-9-2007; Crt eff. 2-26-2020; 47 Ky.R. 828, 1391; eff. 4-6-2021.)