

286.9-125 Emergency order suspending, conditioning, limiting, or restricting a license.

- (1) The commissioner may enter an emergency order suspending, conditioning, limiting, or restricting a license issued under this subtitle without notice or hearing if it appears upon grounds satisfactory to the commissioner that the licensee has engaged or is engaging in unsafe, unsound, or illegal practices that pose an imminent threat to the public interest.
- (2) One (1) or more of the following circumstances shall be considered sufficient grounds for an emergency order under this section if it appears on grounds satisfactory to the commissioner that:
 - (a) The licensee does not meet or has failed to comply with more than one (1) of the requirements of this subtitle and the violations appear to be willful;
 - (b) The licensee is in such financial condition that it cannot continue in business with safety to its customers;
 - (c) The licensee has been indicted, charged with, or found guilty of any act involving fraud, deception, theft, or breach of trust, or is the subject of an administrative cease-and-desist order or similar order, or of a permanent or temporary injunction currently in effect entered by any court or agency of competent jurisdiction;
 - (d) The licensee has made any misrepresentations or false statements to, or concealed any essential or material fact from, any person in the course of doing business, or has engaged in any course of business that has worked or tended to work a fraud or deceit upon any person or would so operate;
 - (e) The licensee has refused to permit an examination, or has refused or failed, within a reasonable time, to furnish any information or make any report that may have been requested or required by the commissioner in connection with an investigation or examination;
 - (f) The licensee has had any license, registration, or claim of exemption related to the financial services industry denied, suspended, or revoked under the laws of this state or any other state of the United States, or has surrendered or terminated any license, registration, or claim of exemption issued by this state or any other jurisdiction under threat of administrative action; or
 - (g) The deposit required under KRS 286.9-040(1) has terminated, expired, or otherwise no longer remains in effect.
- (3) An emergency order issued under this section becomes effective when signed by the commissioner. The emergency order shall be delivered by personal delivery or certified mail to the last known address of the person. The order shall be deemed served upon delivery or upon return of the order.
- (4) A party aggrieved by an emergency order issued by the commissioner under this section may request an emergency hearing. The request for hearing shall be filed with the commissioner within twenty (20) days of service of the emergency order.
- (5) Upon receipt of a written request for an emergency hearing, the commissioner

shall conduct an emergency hearing as required under KRS 13B.125, within ten (10) working days from the date of receipt of the request for hearing, unless the parties agree otherwise.

- (6) An emergency order issued under this section shall remain in effect until it is stayed, withdrawn, or superseded by an order of the commissioner or until it is terminated by a court order.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 816, effective July 15, 2010. --
Created 2009 Ky. Acts ch. 98, sec. 16, effective January 1, 2010.