

### **330.110 License suspension, revocation, and other penalties -- Grounds.**

The board may suspend for a period up to five (5) years or revoke the license of any licensee, or levy fines not to exceed two thousand dollars (\$2,000), with a maximum fine of five thousand dollars (\$5,000) per year arising from any single incident or complaint, against any licensee, or place any licensee on probation for a period of up to five (5) years, or require successful passage of any examination administered by the board, or require successful completion of any course of auction study or auction seminars designated by the board, or issue a formal reprimand, or order any combination of the above, for violation by any licensee of any of the provisions of this chapter, or for any of the following causes:

- (1) Obtaining a license through false or fraudulent representation;
- (2) Making any substantial misrepresentation;
- (3) Pursuing a continued and flagrant course of misrepresentation or intentionally making false promises or disseminating misleading information through agents or advertising or otherwise;
- (4) Accepting valuable consideration as an apprentice auctioneer for the performance of any of the acts specified in this chapter, from any person, except his or her principal auctioneer;
- (5) Failing to account for or remit, within a reasonable time, any money belonging to others that comes into the licensee's possession, commingling funds of others with the licensee's own funds, or failing to keep the funds of others in an escrow or trustee account;
- (6) Paying valuable consideration to any person for services performed in violation of this chapter, or procuring, permitting, aiding, or abetting any unlicensed person acting in violation of any of the provisions of this chapter;
- (7) Entering a plea of guilty, an Alford plea, a plea of no contest to, or being convicted of, any felony, and the time for appeal has passed or the judgment of conviction has been finally affirmed on appeal;
- (8) Violation of any provision of this chapter or any administrative regulation promulgated by the board;
- (9) Failure to furnish voluntarily at the time of execution, copies of all written instruments prepared by any licensee to each signatory of the written instrument;
- (10) Any conduct of a licensee which demonstrates bad faith, dishonesty, incompetence, or untruthfulness;
- (11) Any other conduct that constitutes improper, fraudulent, dishonest, or negligent dealings;
- (12) Failure to enter into a binding written auction listing contract with the seller or with the seller's duly authorized agent prior to advertising, promoting, or offering any real or personal property by or at auction;
- (13) Failure to provide a receipt to all persons consigning personal property with any licensee for auction;
- (14) Failure to establish and maintain, for a minimum of five (5) years from final

settlement, complete and correct written or electronic records and accounts of all auction transactions, including:

- (a) Listing contracts, including the name and address of the seller;
  - (b) Written purchase contracts;
  - (c) Descriptive inventory and final bid amounts of all items or lots offered;
  - (d) Buyer registration records; and
  - (e) Settlement records, including all moneys received and disbursed and escrow account activity;
- (15) Failure of any licensee to present any auction-related information, including but not limited to advertisements, listing contracts, purchase contracts, clerking records, buyer registration records, settlement records, escrow account information, license, or any other auction-related information, subsequent to a request by the board's executive director, a board compliance officer, or board counsel; or
- (16) Failure of a principal auctioneer to provide supervision to his or her apprentice auctioneers.

**Effective:** June 24, 2015

**History:** Amended 2015 Ky. Acts ch. 14, sec. 6, effective June 24, 2015. -- Amended 2009 Ky. Acts ch. 70, sec. 11, effective June 25, 2009. -- Amended 1998 Ky. Acts ch. 285, sec. 7, effective July 15, 1998. -- Amended 1992 Ky. Acts ch. 344, sec. 10, effective July 14, 1992. -- Amended 1990 Ky. Acts ch. 170, sec. 9, effective July 13, 1990. -- Amended 1984 Ky. Acts ch. 407, sec. 6, effective July 13, 1984. -- Created 1962 Ky. Acts ch. 251, sec. 11.