

365.420 Application for license -- Bond.

Any person proposing to conduct any sale governed by KRS 365.410 to 365.480 and 365.992 shall file an application in writing and under oath with the county clerk setting out the following facts and information regarding the proposed sale:

- (1) The name and address of the applicant for the license, who shall be the owner of the goods to be sold. If the applicant is a partnership, corporation, firm, or association, the name, position, and address of all partners or officers, the address of the principal office within the state, the date and place of incorporation or organization, and whether controlling interest in the firm or business was transferred within the twelve (12) months prior to the date of the filing of the application.
- (2) The name and style in which the sale is to be conducted, and the address of the premises where the sale is to be conducted.
- (3) The dates and period of time during which the sale is to be conducted.
- (4) The name and address of the person who will be in charge and responsible for the conduct of the sale.
- (5) The nature of the occupancy where the sale is to be held, whether by lease or otherwise, and the effective date of termination of the occupancy.
- (6) A full explanation with regard to the condition or necessity which is the occasion for the sale, including a statement of the descriptive name of the sale and the reasons why the name is truthfully descriptive of the sale. If the application is for a license to conduct a removal sale, it shall also contain a statement setting forth the location of the premises to which the business is to be moved. If the application is for a license to conduct a fire sale, it shall contain a statement as to the time, location and cause of the damage.
- (7) A full, detailed and complete inventory of the goods that are to be sold, which inventory shall:
 - (a) Itemize the goods to be sold and contain sufficient information concerning each item or class of items, to clearly identify them. That information shall include, but not be limited to, the quantity, make, brand name, model, and manufacturer's number, if applicable. The itemization shall be set out in forms prescribed by the Attorney General pursuant to administrative regulation. The Attorney General may design a particularized form to be used for businesses that because of their nature or the type of merchandise offered or sold are better suited to the use of a specialized form.
 - (b) List separately any goods which were purchased during a ninety (90) day period immediately prior to the date of making application for the license.
 - (c) Show the cost of each item or class of items of goods and the total retail value of the inventory, together with the name and address of the seller or supplier of the items to the applicant, the date of the purchase, and the date of the delivery of each item to the applicant. The cost listed shall conform with the costs listed on the inventory used for the applicant's most recent federal income tax return adjusted for sales and purchases; and
- (8) Provide a good and sufficient bond, payable to the Commonwealth of Kentucky in

the penal sum of one thousand dollars (\$1,000), with sureties approved by the court judge, conditioned on compliance with KRS 365.410 to 365.480 and 365.992 and, attached to the bond, a verified statement by the owner or his duly authorized agent:

- (a) That the sale is for the purpose designated in the advertising of the sale;
- (b) That the inventory contains no goods on consignment or not purchased in the usual course of business for resale, on bona fide orders without cancellation or return privileges;
- (c) That no goods will be added to the inventory after the application is made or during the sale;
- (d) That the applicant or any person with whom the applicant is or has been associated in the business has not conducted a going out of business sale at the same location within two (2) years prior to the date of filing of the application;
- (e) That no means have been established by the applicant for continuation of the business at the same location upon termination of the sale in the case of a going out of business sale; and the business described in such going out of business sale is to be discontinued upon termination of the sale and is not to be continued by the same person, directly or indirectly, by partnership, corporation, or otherwise, under the same name or under a different name at the same location for which the inventory for the sale was filed;
- (f) That no goods listed in the inventory have been the subject of a licensed sale conducted within one (1) year prior to the date of the application, unless they were damaged by fire, smoke, or water while in the possession of the applicant.

Effective: July 15, 1994

History: Amended 1994 Ky. Acts ch. 305, sec. 1, effective July 15, 1994. -- Amended 1978 Ky. Acts ch. 384, sec. 494, effective June 17, 1978. -- Created 1966 Ky. Acts ch. 60, sec. 3.