

286.4-600 Licensee's records -- Retention -- Notice of cessation -- Custodian of records -- Request for destruction -- Withholding or altering records.

- (1) (a) To enable the commissioner to determine whether the licensee is complying with the provisions of this subtitle, and with the administrative regulations promulgated under it, each licensee shall keep and use in his or her business books, accounts, records, or card systems in accordance with sound accounting principles and practices.
- (b) Unless applicable state or federal law requires a longer retention period, the licensee shall, after making the final entry in them, preserve any books, accounts, records, or card systems:
 1. For at least two (2) years; or
 2. For at least three (3) years on loans secured by residential property.
- (2) (a) Any licensee that intends to cease operation of any office or offices licensed under this subtitle shall:
 1. Give the commissioner at least thirty (30) days' prior written notice of the cessation of operations, along with a plan for ceasing operations that is sufficient to safeguard the interest of the public; and
 2. Designate a custodian of records prior to the cessation of operations, who shall:
 - a. Agree in writing to serve in that capacity and to comply with the requirements of this section; and
 - b. Notify the commissioner of:
 - i. The designation of a custodian, including but not limited to the custodian's name, physical address, electronic mail address, and telephone number; and
 - ii. The physical location where the records required to be kept under this subtitle will be preserved.
- (b) This subsection shall not apply to changes of location authorized under KRS 286.4-460.
- (3) (a) Except as provided in paragraph (b) of this subsection, all records referenced in this section shall be made accessible to the commissioner or the commissioner's designated representative upon demand.
- (b) Records held by a designated custodian under subsection (2) of this section shall be made accessible upon five (5) business days' written notice.
- (4) If good cause is demonstrated, the commissioner may approve a written request for the destruction of records required to be preserved under this subtitle prior to the minimum retention period required under this section.
- (5) It shall be unlawful for any person to knowingly withhold, abstract, alter, remove, mutilate, destroy, or secrete any books, records, or other information required to be preserved under this subtitle for the purpose of obstructing a subpoena issued, or investigation or examination conducted, by the commissioner.

Effective: June 27, 2019

History: Amended 2019 Ky. Acts ch. 120, sec. 12, effective June 27, 2019. -- Amended 2010 Ky. Acts ch. 24, sec. 667, effective July 15, 2010. -- Amended 1998 Ky. Acts ch. 198, sec. 5, effective July 15, 1998. -- Created 1960 Ky. Acts ch. 204, sec. 20, effective June 16, 1960.

Formerly codified as KRS 288.600.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.