

304.15-705 Commissioner's authority to examine -- Retention and inspection of records.

- (1) The commissioner may, when the commissioner deems it reasonably necessary to protect the interests of the public, examine the business and affairs of any licensee or applicant for a license. The commissioner shall have the authority to order information reasonably necessary to ascertain whether the licensee or applicant is acting or has acted in violation of the law or otherwise contrary to the interest of the public. The reasonable expenses incurred in conducting any examination shall be paid by the licensee or applicant.
- (2) Records of all transactions of life settlement contracts shall be subject to the following:
 - (a) The following records of all transactions of life settlement contracts shall be maintained by the licensee for five (5) years after the death of the owner, and shall be available to the commissioner for inspection during reasonable business hours:
 1. Proposed, offered, or executed settlement contracts, underwriting documents, policy forms, and applications from the date of the proposal, offer, or execution of the settlement contract, whichever is later; and
 2. All checks, drafts, or other evidence and documentation related to the payment, transfer, deposit, or release of funds from the date of the transaction.
 - (b) All other business records shall be kept for a period of five (5) years following creation of records, or the completion of the purpose for which records were created, whichever shall occur last.
 - (c) This section shall not relieve a licensed settlement provider of the obligation to produce these documents to the commissioner after the retention period has expired if the settlement provider has retained the documents.
 - (d) Records required to be retained by this section shall be legible and complete and may be retained in paper, photograph, microprocess, magnetic, mechanical, or electronic media, or by any process that accurately reproduces or forms a durable medium for the reproduction of the record.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1191, effective July 15, 2010. -- Amended 2008 Ky. Acts ch. 32, sec. 21, effective July 15, 2008. -- Amended 2005 Ky. Acts ch. 58, sec. 8, effective June 20, 2005. -- Amended 2000 Ky. Acts ch. 472, sec. 3, effective July 14, 2000. -- Created 1998 Ky. Acts ch. 403, sec. 3, effective July 15, 1998.

Legislative Research Commission Note (7/15/2008). 2008 Ky. Acts ch. 32 intended to change all existing references in the KRS from "viator" to "owner." One reference to "viator" in this section was overlooked during the bill drafting process. The Reviser of Statutes has made this change upon the authority of KRS 7.136(1)(h).