

304.9-330 Consultant to file proof of liability insurance -- Consultant's deposit of cash or bond.

- (1) To the extent the Gramm-Leach-Bliley Act, 15 U.S.C. sec. 6751(f), provides that evidence of financial responsibility may be required for licensing, every applicant for license as a consultant shall file with the commissioner with his or her application for license, and shall maintain in effect while so licensed:
 - (a) The certificate of an insurer authorized to write legal liability insurance in this state, that the insurer has and will keep in effect on behalf of the consultant a policy of insurance covering the legal liability of the consultant as the result of erroneous acts or failure to act in his or her capacity as an insurance consultant, and inuring to the benefit of any aggrieved party as the result of any single occurrence in the sum of not less than twenty thousand dollars (\$20,000) and one hundred thousand dollars (\$100,000) in the aggregate for all occurrences within one (1) year, and that the policy shall not be terminated unless at least thirty (30) days prior written notice will have been given to the commissioner; or
 - (b) A deposit with the commissioner of cash, or a cash surety bond executed by an insurer authorized to write this business in this Commonwealth, in the sum of twenty thousand dollars (\$20,000) which shall be subject to lawful levy of execution by any party to whom the consultant has been found to be legally liable as the result of erroneous acts or failure to act in his or her capacity as a consultant.
- (2) The bond shall indemnify any person damaged by any fraudulent or unlawful act or conduct of the licensee in transactions under the license, and shall likewise be conditioned upon faithful accounting and application of all moneys coming into the licensee's possession in connection with his or her activities as the licensee.
- (3) The bond shall remain in force until released by the commissioner, or until canceled by the surety. Without prejudice to any liability previously incurred thereunder, the surety may cancel the bond upon thirty (30) days advance written notice to the licensee and the commissioner.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1068, effective July 15, 2010. -- Amended 2002 Ky. Acts ch. 273, sec. 28, effective July 15, 2002. -- Amended 1982 Ky. Acts ch. 171, sec. 3, effective July 15, 1982. -- Created 1970 Ky. Acts ch. 301, subtit. 9, sec. 33, effective June 18, 1970.