

304.21-050 Corporate bonds satisfy legal requirements.

- (1) Whenever a bond, undertaking, recognizance, guaranty or other obligation is required, permitted, authorized or allowed, or whenever the performance of any act, duty or obligation, or forbearance is required, permitted, authorized or allowed to be secured or guaranteed, such bond, undertaking, recognizance or other obligation, or such security or guaranty, may be executed by an insurer authorized in this state to transact surety insurance, and such insurers are authorized and empowered to execute all such instruments.
- (2) In case two (2) or more of such insurers execute any such instrument, each of such insurers is hereby authorized and empowered to limit its liability therein to an amount less than the aggregate penalty of such instrument and also to limit its liability to a pro rata part of any and all losses under such instrument.
- (3) The execution by any such insurer of such bond, undertaking, recognizance, guaranty or other obligation by an officer, attorney-in-fact or other authorized representative shall be sufficient and be accepted as and be a full compliance with every law or other requirement now in force or that may, hereafter be enacted or made, that such bond, undertaking, recognizance, guaranty or like obligation be required or permitted to be executed by a surety or sureties, or that such surety or sureties be residents, householders or freeholders, or possess any other qualifications.
- (4) An insurer may be released from its liability on the same terms and conditions as are by law prescribed for the release of individuals.
- (5) It is the true intent and meaning of this section to enable corporations for that purpose to become surety on bonds required by law, subject to all the rights and liabilities of private individuals.

Effective: June 18, 1970

History: Created 1970 Ky. Acts ch. 301, subtit. 21, sec. 5, effective June 18, 1970.