



**Kentucky Department of Financial Institutions  
Division of Nondepository Institutions  
Mayo-Underwood Building  
500 Mero Street, 2 SW 19  
Frankfort, Kentucky 40601  
Website: [www.kfi.ky.gov](http://www.kfi.ky.gov)  
Tel (800) 223-2579**

**ESCROW AGREEMENT FOR CHECK CASHER LICENSE OR LIMITED CHECK  
CASHER LICENSE**

THIS ESCROW AGREEMENT is made and entered into on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ (“Applicant”) and \_\_\_\_\_ (“Escrow Agent”), and the commissioner of the Kentucky Department of Financial Institutions (“Department”).

**WITNESSETH**

WHEREAS, Applicant desires to obtain a Check Casher License or Limited Check Casher License pursuant to Kentucky Revised Statutes (KRS) Chapter 286, Subtitle 9; and

WHEREAS, KRS 286.9-040(1)(c) and (d) permits the use of a deposit account or savings certificate with a federally insured financial institution in Kentucky as a deposit that is payable to the commissioner of the Department of Financial Institutions; and

WHEREAS, Applicant desires to meet the deposit requirements of KRS Chapter 286, Subtitle 9, through a deposit account or savings certificate with a federally insured financial institution in Kentucky in the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) and deposits such with the Department, which sum is hereby acknowledged by the Department to be sufficient and acceptable for the License; and

WHEREAS, the deposit account or savings certificate shall be placed in the safe custody of the Escrow Agent and the Escrow Agent is hereby directed to hold same, which shall be designated and held as follows:

INVESTMENT NO.      DATE OF ISSUANCE      PRINCIPAL AMOUNT

NOW, THEREFORE, in consideration of the conditions set forth herein, the parties hereto mutually agree as follows:

1.      The Escrow Agent hereby acknowledges receipt of the Investment above listed, to be safely and securely kept by it for the stated purposes of this Escrow Agreement and subject to the terms and conditions herein, and hereby binds itself to perform completely under the terms of this Escrow Agreement and to dispose of the Investment or the proceeds therefrom only as provided herein. The Escrow Agent further agrees to exercise due care in the safekeeping and delivery of the Investment;
2.      Upon the Department's written notice to the Escrow Agent of the Department's certification of the release in whole or in part, the Applicant may direct the Escrow Agent to return the principal amount so released to the Applicant by Cashier's Check or other similar instrument with accrued interest;
3.      The Escrow Agent may rely upon the instructions of the Department executed by the commissioner of the Department, his designee, or his successor or the successor agency as provided by law. The Escrow Agent need not verify the apparent authority of an agent of the Department in carrying out the Department's instructions. Nothing herein shall prevent the Commonwealth from designating a person authorized to act for it in any other lawful manner;
4.      That for value received the Applicant does hereby assign, transfer, and set over to the Commonwealth of Kentucky all right, title, and interest that the Applicant may have in the Investment. The parties agree that the Investment is being held solely for the benefit of the Commonwealth of Kentucky and that the Applicant has relinquished all right, title, and interest to the Investment as provided herein. The Applicant may not pledge or encumber in any manner the Investment. Interest earned accrues to the Applicant;
5.      The Escrow Agent shall be the Department's agent for holding the Investment for the purpose of perfecting the Department's security interest in the Investment under KRS Chapter 286.9.
6.      This Escrow Agreement shall be binding upon the successors and assigns of the respective parties;
7.      In accordance with KRS 286.9-040(4), the Investment shall be available for the recovery of expenses, fines, and fees levied by the commissioner of the Department and for losses or damages that are determined by the commissioner of the Department to have been incurred by any customer as a result of the Applicant's failure to comply with KRS Chapter 286.9 and the regulations thereunder;
8.      The Department shall not release the Investment for a period of three (3) years from the date the Applicant's license is suspended, revoked, surrendered, or not renewed; and

9. Upon receipt by the Escrow Agent of written notification by the Department of the release of the Investment herein, and disbursement pursuant to this Escrow Agreement by the Escrow Agent of the Investment or the proceeds therefrom and any interest accrued thereon, the Escrow Agent shall be discharged of any and all duties and liabilities arising out of or as a result of the Escrow Agreement.

WITNESS THE SIGNATURES OF THE PARTIES, the day and date first above written.

**APPLICANT:** \_\_\_\_\_

**BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**ESCROW AGENT:** \_\_\_\_\_

**BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**COMMISSIONER, KENTUCKY DEPARTMENT OF FINANCIAL INSTITUTIONS**

**BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_