

304.33-215 Obligation for unpaid premiums.

- (1) An agent, broker, premium finance company, or any other person, other than the insured, responsible for collection and payment of premium shall be obligated to pay any collected unpaid premium, whether earned or unearned, less any commissions on the earned portion of the premiums, due to the insurer at the time policies are terminated pursuant to KRS 304.33-210, except as expressly provided in KRS 304.33-240(6). Credits, setoffs, or both shall not be allowed to an agent, broker, or premium finance company for any amounts advanced to the insurer by the agent, broker, or premium finance company on behalf of, but in the absence of payment by, the insured.
- (2) An insured shall be obligated to pay any unpaid earned premiums due to the insurer at the time his policy is terminated pursuant to KRS 304.33-210, subject further to any additional earned premium payable in the future which may be calculated by the liquidator representing unbilled audit premiums, experience rated premium adjustments, or any other similar deferred premium adjustments provided for under the terms of the insured's policy and which premiums have been apportioned and billed by the liquidator.

Effective: July 13, 1990

History: Amended 1990 Ky. Acts ch. 422, sec. 22, effective July 13, 1990.