

304.15-280 Prohibited provisions.

- (1) No life insurance policy, other than industrial life insurance, shall be delivered or issued for delivery in this state, if it contains any of the following provisions:
 - (a) A provision by which the policy purports to be issued or to take effect more than one (1) year before the original application for the insurance was made.
 - (b) A provision for any mode of settlement at maturity of the policy of less value than the amount insured under the policy, plus dividend additions, if any, less any indebtedness to the insurer on or secured by the policy and less any premium that may by the terms of the policy be deducted.
 - (c) A provision to the effect that the agent soliciting the insurance is the agent of the person insured under the policy, or making the acts or representations of such agents binding upon the person so insured under the policy.
- (2) No industrial life insurance policy shall be delivered or issued for delivery in this state if it contains any of the following provisions:
 - (a) A provision by which the insurer may deny liability under the policy for the reason that the insured has previously obtained other insurance from the same insurer.
 - (b) A provision giving the insurer the right to declare the policy void because the insured has had any disease or ailment, whether specified or not, or because the insured has received institutional, hospital, medical or surgical treatment or attention, except a provision which gives the insurer the right to declare the policy void, either before or after claim, if before the date of issue of the policy the insured had any one (1) or more of such serious diseases or ailments as is specified in such provision, or if the insured has, within two (2) years prior to the issuance of the policy, received institutional, hospital, medical or surgical treatment or attention and if the insured or claimant under the policy fails to show, by the clear preponderance of the evidence, that the specified disease or ailment, or the condition occasioning such treatment or attention, was not material to the risk.
 - (c) A provision giving the insurer the right to declare the policy void because the insured has been rejected for insurance, unless such right be conditioned upon a showing by the insurer that knowledge of such rejection would have led to a refusal by the insurer to make such contract.
- (3) No insurer shall provide in any policy, certificate, contract or agreement of life insurance for the payment of any insurance, indemnity or benefit in services, goods, wares or merchandise of any kind.

Effective: June 18, 1970

History: Created 1970 Ky. Acts ch. 301, subtit. 15, sec. 28, effective June 18, 1970.