

304.24-130 Formation of mutual -- Trust deposit of premiums.

- (1) All sums collected by a domestic mutual corporation as premiums or fees on qualifying applications for insurance therein shall be deposited in trust in a bank or trust company in this state under a written trust agreement consistent with this section and with paragraph (c) of subsection (3) of KRS 304.24-120 and 304.24-140. The corporation shall file an executed copy of such trust agreement with the commissioner.
- (2) Upon issuance to the corporation of a certificate of authority as an insurer for the kind of insurance for which such applications were solicited, all funds so held in trust shall become the funds of the insurer, and the insurer shall thereafter in due course issue and deliver its policies for which premiums had been paid and accepted. The insurance provided by such policies shall be effective as of the date of the certificate of authority or thereafter as provided by the respective policies.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1329, effective July 15, 2010. -- Created 1970 Ky. Acts ch. 301, subtit. 24, sec. 13, effective June 18, 1970.