

304.30-090 Maximum service charge.

- (1) A premium finance company shall not charge, contract for, receive, or collect a service charge other than as permitted by the subtitle.
- (2) The service charge is to be computed on the balance of the premiums due (after subtracting the down payment made by the insured in accordance with the premium finance agreement) from the effective date of the insurance coverage, for which the premiums are being advanced, to and including the date when the final installment of the premium finance agreement is payable.
- (3) The service charge shall be a maximum of twelve dollars (\$12) per one hundred dollars (\$100) per year plus an additional charge of fifteen dollars (\$15) per premium finance contract which need not be refunded upon cancellation or prepayment.

Effective: July 15, 1986

History: Amended 1986 Ky. Acts ch. 71, sec. 1, effective July 15, 1986. -- Created 1970 Ky. Acts ch. 301, subtit. 30, sec. 9, effective June 18, 1970.