

304.33-250 Notice to creditors and others.

- (1) (a) Notice required; General requirements. The liquidator shall give notice of the liquidation order as soon as possible by first-class mail and either by telegram or telephone to the insurance commissioner of each jurisdiction in which the insurer is licensed to do business, by first-class mail and by telephone to the commissioner of the Department of Workers' Claims of this state if the insurer is or has been an insurer of workers' compensation, by first-class mail to all insurance agents having a duty under KRS 304.33-260, and by first-class mail at the last known address to all persons known or reasonably expected to have claims against the insurer, including all policyholders. He or she also shall publish a notice, under KRS Chapter 424, in a newspaper of general circulation in the county in which the liquidation is pending and in Franklin County, the last publication to be not less than three (3) months before the earliest deadline specified in the notice under subsection (2) of this section.
 - (b) Special requirements. Notice to agents shall inform them of their duties under KRS 304.33-260 and inform them what information they must communicate to insureds. Notice to policyholders shall include notice of impairment and termination of coverage under KRS 304.33-210. When it is applicable, notice to policyholders shall include:
 1. Notice of withdrawal of the insurer from the defense of any case in which the insured is interested; and
 2. Notice of the right to file a claim under subsection (2) of KRS 304.33-390.
 - (c) Notice under subsection (1)(a) of this section to agents of the insurer and to potential claimants who are policyholders or insureds shall include, where applicable, notice that guaranty association or foreign guaranty association coverage may be available for all or part of certain claims, and that policyholders or certificate holders may be entitled to continuation of coverage through the guaranty association. The notice shall also include as an insert a separate notice from any guaranty association or foreign guaranty association obligated to provide coverage, if the notice is made available to the liquidator on a timely basis.
 - (d) Reports and further notice. Within fifteen (15) days of the date of entry of the order, the liquidator shall report to the court what notice has been given. The court may order such additional notice as it deems appropriate.
- (2) Notice respecting claims filing. Except as otherwise established by the liquidator with approval of the court, notice to potential claimants under subsection (1) of this section shall require claimants to file with the liquidator their claims together with proper proofs thereof under KRS 304.33-370, on or before a date the liquidator specifies in the notice, which shall be not less than six (6) months nor more than a reasonable time specified in the court's order, except that the liquidator need not require persons claiming unearned premium and persons claiming cash surrender values or other investment values in life insurance and annuities to file a claim. The liquidator may specify different dates for the filing of different kinds of claims.

- (3) Notice conclusive. If notice is given in accordance with this section, all persons to whom this notice is directed shall be bound by the terms and provisions of the liquidation order and all further orders and notices similarly served on them, and the distribution of the assets of the insurer under this subtitle shall be conclusive with respect to all claimants, whether or not they received notice.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1447, effective July 15, 2010. -- Amended 1990 Ky. Acts ch. 422, sec. 17, effective July 13, 1990. -- Amended 1986 Ky. Acts ch. 437, sec. 23, effective July 15, 1986. -- Created 1970 Ky. Acts ch. 301, subtit. 33, sec. 25, effective June 18, 1970.