

360.030 Premiums on insurance to secure loan not considered as interest.

Where an insurance company, as a condition for a secured loan, requires the borrower to insure his life or the life of another, or his property, with the company, and to assign the policy of insurance to the company as security for the loan and agree to pay the premiums thereon during the continuance of the loan, and the premiums charged do not exceed those charged for similar policies to persons who do not obtain loans, the premiums in any such case shall not be considered as interest on the loan, and the loan shall not be rendered usurious by reason of any such requirement.

Effective: October 1, 1942

History: Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 2219a.