

304.33-260 Duties of agents.

- (1) Written notice. Every person who receives notice in the form prescribed in KRS 304.33-250 that an insurer for which he has acted as agent is the subject of a liquidation order shall as soon as practicable give notice of the liquidation order. The notice shall be sent by first-class mail to the last address contained in the agent's records to each policyholder or other person named in any policy issued through the agent by the company, if he has a record of the address of the policyholder or other person. A policy shall be deemed issued through an agent if the agent has a property interest in the expiration of the policy; or if the agent has had in his possession a copy of the declarations of the policy at any time during the life of the policy, except where the ownership of the expiration of the policy has been transferred to another. The written notice shall include the name and address of the insurer, the name and address of the agent, identification of the policy impaired, and the nature of the impairment under KRS 304.33-210. Notice by a general agent shall satisfy the notice requirement for any agents under contract to him.
- (2) Oral notice. So far as practicable, every insurance agent subject to subsection (1) of this section shall give immediate oral notice, by telephone or otherwise, of the liquidation order to the same persons to whom he is obligated to give written notice. The oral notice shall include substantially the same information as the written notice.
- (3) The liquidator may waive the duties imposed by this section if he determines that other notice to the policyholders of the insurer under liquidation is adequate.
- (4) Transfer of assets. Every agent subject to subsection (1) of this section shall, immediately upon receiving notice pursuant to KRS 304.33-250, and not later than thirty (30) days thereafter, except as otherwise expressly provided under KRS 304.33-240(6), transfer all assets of the insurer in possession of the agent as of the date of liquidation or any time thereafter to the liquidator. If there is any dispute as to whether assets which an agent is holding are assets of the insurer, the agent shall petition the court for an order determining the ownership thereof.

Effective: July 13, 1990

History: Amended 1990 Ky. Acts ch. 422, sec. 18, effective July 13, 1990. -- Created 1970 Ky. Acts ch. 301, subtit. 33, sec. 26, effective June 18, 1970.