

304.12-150 Notice of free choice of agent or insurer.

Every debtor, borrower, or purchaser of property with respect to which insurance of any kind is required in connection with a debt or loan on the property shall be informed by the creditor or lender of his or her right of free choice in the selection of the agent and insurer through or by which such insurance is to be placed. There shall be no interference either directly or indirectly with the borrower's, debtor's, or purchaser's free choice of an agent and of an insurer, the creditor or lender shall not collect a separate charge for the handling of insurance required in connection with a loan or extension of credit based on the consumer's choice of agent or insurer, and the creditor or lender shall not refuse an adequate policy so tendered by the borrower, debtor, or purchaser. Upon notice of any refusal of an adequate policy, the commissioner shall order the creditor or lender to accept the tendered policy, if he or she determines that such refusal is not in accordance with the requirements set out in subsection (2) of KRS 304.12-140. Failure to comply with the order of the commissioner shall be deemed a violation of this section.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1111, effective July 15, 2010. -- Amended 2002 Ky. Acts ch. 273, sec. 46, effective July 15, 2002. -- Created 1970 Ky. Acts ch. 301, subtit. 12, sec. 15, effective June 18, 1970.