

304.24-250 Nonassessable policies -- Mutual insurers.

- (1) A domestic mutual insurer while maintaining unimpaired surplus funds not less in amount than the minimum paid-in capital stock and surplus required to be maintained by a domestic stock insurer, formed under this code, for authority to transact the same kinds or kind of insurance, may, upon receipt of the commissioner's order so authorizing, extinguish the contingent liability to assessment of its members as to all its policies in force and may omit provisions imposing contingent liability in all policies currently issued.
- (2) The commissioner shall not authorize a domestic insurer to extinguish the contingent liability of any of its members or in any of its policies to be issued, unless it qualifies to and does extinguish such liability of all its members and in all such policies for all kinds of insurance transacted by it.
- (3) A foreign or alien mutual insurer may issue nonassessable policies to its members in this state pursuant to its charter and the laws of its domicile.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1335, effective July 15, 2010. -- Created 1970 Ky. Acts ch. 301, subtit. 24, sec. 25, effective June 18, 1970.