

304.3-500 Definitions for KRS 304.3-500 to 304.3-570.

As used in KRS 304.3-500 to 304.3-570, unless the context requires otherwise:

- (1) "Actuary" means a person who is a member in good standing of the American Academy of Actuaries;
- (2) "Insurer" means any person duly authorized as an insurer by the commissioner;
- (3) "Controlling agent" means any person who negotiates and binds ceding reinsurance contracts on behalf of an insurer or manages all or part of the insurance business of an insurer, including the management of a separate division, department, or underwriting office, and acts as an agent for the insurer whether known as a controlling agent or other name, who, with or without the authority, either separately or together with affiliates, produces, directly or indirectly, and underwrites an amount of gross direct written premium equal to more than five percent (5%) of the policyholder surplus as reported in the last annual statement of the insurer in any one (1) quarter or year, and who also adjusts or pays claims in excess of an amount determined by the commissioner, or negotiates reinsurance on behalf of the insurer. The following persons shall not be considered controlling agents:
 - (a) An employee of the insurer;
 - (b) A United States manager of the United States branch of an alien insurer;
 - (c) An underwriting manager which, pursuant to contract, manages all the insurance operations of the insurer, is under common control with the insurer, subject to Subtitle 37 of this chapter, and whose compensation is not based on the volume of premiums written; and
 - (d) The attorney-in-fact authorized by and acting for the subscribers of a reciprocal insurer, Lloyd's plan insurer, or interinsurance exchange under powers of attorney; and
- (4) "Underwrite" means the authority to accept or reject risks on behalf of the insurer.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 981, effective July 15, 2010. -- Created 1992 Ky. Acts ch. 139, sec. 1, effective July 14, 1992.