

304.27-080 Power of attorney.

- (1) The rights and powers of attorney of a reciprocal insurer shall be as provided in the power of attorney given it by the subscribers.
- (2) The power of attorney must set forth:
 - (a) The powers, duties and compensation of the attorney;
 - (b) That the attorney is empowered to accept service of process on behalf of the insurer in actions against the insurer upon contracts exchanged;
 - (c) The general services to be performed by the attorney;
 - (d) The maximum amount to be deducted from advance premiums or deposits to be paid to the attorney and the general items of expense in addition to losses, to be paid by the insurer; and
 - (e) Except as to nonassessable policies, a provision for a contingent several liability of each subscriber in a specified amount which amount shall be not less than one (1) nor more than ten (10) times the premium or premium deposit stated in the policy.
- (3) The power of attorney may:
 - (a) Provide for the right of substitution of the attorney and revocation of the power of attorney and rights thereunder;
 - (b) Impose such restrictions upon the exercise of the power as are agreed upon by the subscribers;
 - (c) Provide for the exercise of any right reserved to the subscribers directly or through their advisory committee; and
 - (d) Contain other lawful provisions deemed advisable.
- (4) The terms of any power of attorney or agreement collateral thereto shall be reasonable and equitable, and no such power or agreement, or any amendment thereof, shall be used or be effective in this state until approved by the commissioner.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1376, effective July 15, 2010. --
Created 1970 Ky. Acts ch. 301, subtit. 27, sec. 8, effective June 18, 1970.