

304.33-380 Special claims.

- (1) Claims contingent on judgments. The claim of a third party which is contingent only on his first obtaining a judgment against the insured shall be considered and allowed as if there were no such contingency.
- (2) Claims under terminated policies. Any claim that would have become absolute if there had been no termination of coverage under KRS 304.33-120, and which was not covered by insurance acquired to replace the terminated coverage, shall be allowed as if the coverage had remained in effect, unless at least ten (10) days before the insured event occurred either the claimant had actual notice of the termination or notice was mailed to him as prescribed by subsection (1) of KRS 304.33-250, or subsection (1) of KRS 304.33-260. If allowed, the claim shall share in distributions under subsection (9) of KRS 304.33-430.
- (3) Other contingent claims. A claim may be allowed even if contingent, if it is filed in accordance with subsection (2) of KRS 304.33-360. It may be allowed and may participate in all dividends declared after it is filed, to the extent that it does not prejudice the orderly administration of the liquidation.
- (4) Immature claims. Claims that are due except for the passage of time shall be treated as absolute claims are treated, except that where justice requires the court may order them discounted at the legal rate of interest.
- (5) (a) Nothing in this section or any other section in this subtitle shall be construed as authorizing the receiver, or any other entity, to compel payment from a reinsurer on the basis of estimated incurred but not reported losses or outstanding reserves.
(b) Notwithstanding the provisions of this section or any other section of this subtitle to the contrary, the liquidator may negotiate a voluntary commutation and release of all obligations arising from reinsurance contracts or other agreements.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 125, sec. 4, effective July 13, 2004. -- Amended 2000 Ky. Acts ch. 255, sec. 6, effective July 14, 2000. -- Created 1970 Ky. Acts ch. 301, subtit. 33, sec. 38, effective June 18, 1970.