

**304.19-060 Term of insurance.**

- (1) The term of any credit life insurance or credit health insurance shall, subject to acceptance by the insurer, commence on the date when the debtor becomes obligated to the creditor; except, that where a group policy provides coverage with respect to existing obligations, the insurance on a debtor with respect to such indebtedness shall commence on the effective date of the policy.
- (2) Where evidence of insurability is required and such evidence is furnished more than thirty (30) days after the date when the debtor becomes obligated to the creditor, the term of the insurance may commence on the date on which the insurer determines the evidence to be satisfactory, and in such event there shall be an appropriate refund or adjustment of any charge to the debtor for insurance.
- (3) The term of such insurance shall not extend more than fifteen (15) days beyond the original or revised scheduled maturity date of the indebtedness except when extended without additional cost to the debtor.
- (4) If the indebtedness is discharged due to renewal or refinancing prior to the scheduled maturity date, the insurance in force shall be terminated before any new insurance may be issued in connection with the renewed or refinanced indebtedness. In all cases of termination prior to scheduled maturity, a refund shall be paid or credited as provided in KRS 304.19-090.

**Effective:** June 18, 1970

**History:** Created 1970 Ky. Acts ch. 301, subtit. 19, sec. 6, effective June 18, 1970.