

304.27-160 Determining financial condition.

In determining the financial condition of a reciprocal insurer the commissioner shall apply the following rules:

- (1) The commissioner shall charge as liabilities the same reserves as are required of incorporated insurers issuing nonassessable policies on a reserve basis;
- (2) The surplus deposits of subscribers shall be allowed as assets, except that any premium deposit delinquent for ninety (90) days shall first be charged against such surplus deposit;
- (3) The surplus deposits of subscribers shall not be charged as a liability;
- (4) All premium deposits delinquent less than ninety (90) days shall be allowed as assets;
- (5) An assessment levied upon subscribers, and not collected shall be allowed as assets;
- (6) The contingent liability of subscribers shall not be allowed as an asset; and
- (7) The computation of reserves shall be based upon premium deposits other than membership fees and without any deduction for the compensation of the attorney.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1381, effective July 15, 2010. -- Created 1970 Ky. Acts ch. 301, subtit. 27, sec. 16, effective June 18, 1970.