

11 NCAC 12 .0702 INSURER LIABILITY: PREMIUM ACCEPTED FROM INELIGIBLE DEBTOR

If any premium is received for Credit Life and Credit Accident and Health insurance on an insured debtor who is not eligible under the terms of the policy, or for excess insurance not covered by the policy, the liability of the insurer may be limited to a refund of the premium or excess premium to the creditor policyholder or the insured debtor. Such refund shall be promptly paid or credited to the person entitled thereto, and the insured debtor shall be notified of such refund and termination of such excess or ineligible insurance; provided, however, that the insurer shall be liable for any valid claims arising prior to such refund of premium and notification to the insured debtor.

History Note: Authority G.S. 58-2-40; 58-57-15;
Eff. May 1, 1989;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1, 2018.