11 NCAC 12 .0310 INDUSTRIAL INSURANCE

The following is departmental policy on industrial insurance.

With respect to industrial business in this state an agent shall not be permitted to accept any money in payment of the premiums which are in arrears on any industrial insurance policy that has lapsed and which the insured seeks to reinstate unless the insured is enabled thereby to reinstate the policy. In other words, the agent cannot accept payment of part of the arrears and hold the money in his hands until he can collect the balance.

Any advance premium which is paid by an industrial policyholder shall be recorded in the receipt book of the insured and the record book of the agent in exactly the same manner as current premiums are recorded. There shall be no such things as blind entries in either book and the policyholder's receipt book and the record book of the agent shall be in exact agreement at all times.

Violation of this Rule will result in the initiation of license revocation proceedings. Companies will be expected to report any violation of this Rule to the commissioner.

History Note: *Authority G.S. 58-9(1);*
Eff. February 1, 1976;
Readopted Eff. September 26, 1978.