

806 KAR 9:110. Agent's rights after contract termination.

RELATES TO: KRS 304.9-290

STATUTORY AUTHORITY: KRS 304.2-110

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110 authorizes the Commissioner of Insurance to promulgate administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code. This administrative regulation sets forth the rights of a property or casualty agent who is an independent contractor after termination of an agency contract.

Section 1. Prohibitions. Except as provided in Section 2 of this administrative regulation, no agency contract with a property or casualty agent who is an independent agent independent contractor compensated on a commission basis shall:

- (1) Infringe upon the right of the agent, while licensed, to service runoff business after termination of the agency contract; or
- (2) Contain any provision which prevents the agent from being licensed with another insurer in order to avoid policy lapses which would otherwise occur after termination.

Section 2. Permitted Provisions. An agency contract with a property or casualty agent who is an independent contractor compensated on a commission basis may provide that the following are the property of the company and shall be returned to the company upon cancellation or termination of the contract:

- (1) Renewals;
- (2) Records;
- (3) Manuals;
- (4) Documents; and
- (5) Right of renewals.

(I-9.15; 1 Ky.R. 862; eff. 5-14-75; TAm eff. 8-9-2007; 46 Ky.R. 978, 1869; eff. 1-3-2020.)