

§13. Retention of unpaid premium

Any insurance company, broker or agent may retain an amount equal to any undisputed unpaid premium due on the policy under which a claim is being presented, in connection with claims by and settled with an insured, as long as the unpaid premium remains unpaid 60 days after the effective date of that policy or the date of the original billing for the unpaid premium, whichever occurs later. The unpaid premium may not be retained as against any loss payee or mortgagee named in the policy up to the amount of the unpaid balance owed to that loss payee or mortgagee on the date the loss that gave rise to the claim occurred. This section does not apply to a health insurance policy. [PL 1993, c. 117, §1 (NEW).]

SECTION HISTORY

PL 1993, c. 117, §1 (NEW).

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