

40-1504. Assessments; adjustment and payment of losses; losses paid when adjusted, when.

The directors of every such company on the first day of August of each year, or as soon thereafter as practicable, shall meet and review all adjustments and determine the rate of assessment necessary to pay all losses and expenses in full, and to maintain the reserve fund hereinafter required, and shall levy such assessment at once. All assessments shall be due at the home office of the company not later than thirty days after the date such assessment is made. All losses shall be adjusted by the company promptly upon receipt of notice thereof, in compliance with the provisions of such policy, and all adjusted losses shall be paid prior to December 1. Any company may pay its losses as soon as adjusted if such company shall have submitted its plan for payment of such losses together with all of its reinsurance contracts and a current financial statement to the commissioner of insurance, and shall have secured the written approval of such plan. The commissioner shall not approve any plan unless it is clearly indicated that the company will be able to meet all of its obligations when due.

History: L. 1927, ch. 231, 40-1504; L. 1953, ch. 232, § 1; L. 1959, ch. 215, §1; June 30.