

40-3636. Claims; proof of claims, form and filing; late filings. (a) Proof of all claims shall be filed with the liquidator in the form required by K.S.A. 40-3637 on or before the last day for filing specified by the court, except that proof of claims for cash surrender values or other investment values in life insurance and annuities need not be filed unless the liquidator expressly so requires.

(b) The liquidator may permit a claimant making a late filing to share in distributions, whether past or future, as if the claimant were not late, to the extent that any such payment will not prejudice the orderly administration of the liquidation, under the following circumstances:

(1) The existence of the claim was not known to the claimant and that the claim was filed as promptly as reasonably possible after learning of such claim;

(2) a transfer to a creditor was avoided under K.S.A. 40-3629 through 40-3631, or was voluntarily surrendered under K.S.A. 40-3632, and that the filing satisfies the conditions of K.S.A. 40-3632; or

(3) the valuation under K.S.A. 40-3640, of security held by a secured creditor shows a deficiency, which is filed, within 30 days after the valuation.

(c) The liquidator shall permit late filing claims to share in distributions, whether past or future, as if they were not late, if such claims are claims of a guaranty association or foreign guaranty association for reimbursement of covered claims paid or expenses incurred, or both, subsequent to the last day for filing where such payments were made and expenses incurred as provided by law.

(d) The liquidator may consider any claim filed late which is not covered by subsection (b), and permit it to receive distributions which are subsequently declared on any claims of the same or lower priority if the payment does not prejudice the orderly administration of the liquidation. The late-filing claimant shall receive, at each distribution, the same percentage of the amount allowed on such claim as is then being paid to claimants of any lower priority. This shall continue until the claim has been paid in full.

History: L. 1991, ch. 125, § 32; July 1.