

31A-22-1309 Return of unearned premium upon cancellation of errors and omissions insurance.

- (1) As used in this section, "unearned premium" means the amount of the premium that is collected by the insurer in excess of premium earned as of the date of the cancellation of the errors and omissions insurance policy.
- (2) For an errors and omissions policy issued on or after May 14, 2013:
 - (a) the policyholder may cancel the errors and omissions insurance policy before its expiration or renewal date according to the procedure for cancellation set forth in the errors and omissions policy; and
 - (b) an insurer may not issue an errors and omissions policy that has fully earned premium upon issuance of the errors and omissions policy.
- (3) If the errors and omissions insurance policy is cancelled as provided in Subsection (2), the insurer shall refund the unearned premium to the policyholder minus any charge imposed by the insurer.

Enacted by Chapter 205, 2013 General Session