

2761.0500 REFUNDS OF PREMIUM.

A. The refund of an unearned amount paid by or charged to the debtor for credit involuntary unemployment insurance on which the charges to the debtor are payable by other than a single advance premium shall not be less than the pro rata gross unearned amount charged.

B. The refund of an unearned amount paid by or charged to the debtor for credit involuntary unemployment insurance on which the insurance charges to the debtor are paid in a single advance premium shall not be less than the amount computed by the mean of the "sum of the digits" (rule of 78ths) method and the pro rata method.

C. A premium refund or credit need not be made if the amount is less than \$5.

D. A refund of premium upon termination for any reason must be made for any portion of premium covering a period beyond any one of the following:

- (1) the date on which termination became effective;
- (2) in the case of monthly installment, the installment due date nearest the date of termination;
- (3) the date based on the procedure in law used for determining any unearned interest on the loan or advance of credit; or
- (4) the date based on any other procedure filed by the insurer and approved by the commissioner.

Statutory Authority: *MS s 45.023; 62B.12*

History: *20 SR 1925*

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