11 NCAC 04 .0433 REFUND OF AUTO INSURANCE PREMIUM ON NEW BUSINESS

If an insured asks an insurer to cancel a newly issued motor vehicle insurance policy on or before the premium billing due date, the unearned premium refund made by the insurer shall be made on a pro rata rather than a short rate basis, and the refund shall be based on the premium initially quoted by the insurer if both of the following conditions are met:

(1) The insured provided the insurer with accurate and complete rating information.

(2) The insurer subsequently calculated the premium to be greater than the premium initially quoted.

History Note: Authority G.S. 58-2-40; 58-36-85; 58-63-65;
Eff. April 1, 1995;
Readopted Eff. December 1, 2021.