

CHAPTER 59A

INSURANCE PREMIUM FINANCE COMPANIES

59A.10 Default charges.

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Subdivision 1. **Delinquencies.** A premium finance agreement may provide for payment by the insured of a delinquency charge. The delinquency charge may not exceed five percent of the delinquent installment. The delinquency charge may be imposed upon any installment which is in default for a period of ten days or more.

Subd. 2. **Cancellations and collections.** If the default results in the cancellation or subsequent reinstatement of any insurance contract listed in the agreement, the agreement may provide for payment by the insured of a cancellation charge of \$10. A premium finance agreement may also provide for the payment of statutory attorneys fees and statutory court costs if the agreement is referred for collection to an attorney not a salaried employee of the insurance premium finance company.

History: 1991 c 283 s 1