

40-210. Foreign companies outside United States; permission to transact business; assets; condition. To determine whether any insurance company organized under the laws of any government or state, other than one of the United States, may be permitted to transact the business of insurance, indemnity or suretyship in this state, the commissioner of insurance shall observe and be governed by the following rule: Such company shall be credited with all assets, at their actual value, which it may have deposited for the security of its policyholders within the United States in the insurance departments or with the chief financial officers of the several states of the United States, and with all assets it may have deposited for like purpose with and in the name of trustees appointed by such company, residents of the United States, approved by the chief officer of the insurance department of the state where such trustees reside or the commissioner of insurance of this state: Provided, That the plainly expressed terms and conditions of the deed or instrument under and by virtue of which such deposit is made and held by trustees are such that, until all liabilities secured by such deposit are canceled, there shall at all times be one or more acting trustees thereunder competent and authorized to hold, control and manage such trust to the full extent and for all the purposes for which it was created.

Any of the assets of the trust may be released therefrom upon substitution of other legally qualified assets of at least equivalent value. Assets in excess of the deposits required by law may be released from the trust upon the authority of the supervisory official designated in the trust agreement, which trust agreement shall have been approved by the chief officer of the insurance department of the state where such deed is filed or the commissioner of insurance of this state. A statement showing all assets deposited or released from the trust shall be furnished the commissioner of insurance of this state at such times as he, in his discretion may require, but not less than once each year. And provided further, That such company shall only have credit for such assets so deposited as are permitted under the laws of its domicile, but such assets shall be of a quality substantially as high as those permitted for investment by like domestic insurers.

History: L. 1927, ch. 231, 40-210; L. 1951, ch. 292, § 1; June 30.