

40-5201. Assumption reinsurance agreement act; applicability; waiver of requirements, when allowed; exceptions. (a) (1) This act applies to any insurer authorized in this state which either assumes or transfers the obligations or risks, or both, on contracts of insurance pursuant to an assumption reinsurance agreement.

(2) At the commissioner's discretion, the commissioner may waive any requirement of this act when the transfer of obligations or risks, or both, results from the discontinuance of business pursuant to K.S.A. 40-248, and amendments thereto, by the transferring insurer.

(b) This act does not apply to: (1) Any reinsurance agreement or transaction in which the ceding insurer continues to remain directly liable for its insurance obligations or risks, or both, under the contracts of insurance subject to the reinsurance agreement;

(2) the substitution of one insurer for another upon the expiration of insurance coverage pursuant to statutory or contractual requirements and the issuance of a new contract of insurance by another insurer;

(3) the transfer of contracts of insurance pursuant to mergers or consolidations of two or more insurers to the extent that those transactions are regulated by statute;

(4) any insurer subject to a judicial order of liquidation or rehabilitation;

(5) any reinsurance agreement or transaction to which a state insurance guaranty association is a party, provided that policyholders do not lose any rights or claims afforded under their original policies pursuant to K.S.A. 40-2901 et seq., and amendments thereto, or K.S.A. 40-3001 et seq., and amendments thereto; or

(6) the transfer of liabilities from one insurer to another under a single group policy upon the request of the group policyholder.

History: L. 2004, ch. 128, § 6; L. 2008, ch. 83, § 1; July 1.