

31A-14-216 Release from regulation.

- (1) A foreign insurer authorized under this chapter is subject to regulation under the applicable provisions of the Insurance Code, unless it is released from regulation under this section.
- (2) A foreign insurer may apply for release from regulation by filing with the commissioner:
 - (a) its certificate of authority;
 - (b) a schedule of its outstanding liabilities from policies issued in this state to residents of Utah or on risks located in Utah, and from other business transactions in Utah;
 - (c) a plan for securing the discharge of those outstanding liabilities; and
 - (d) any other information as reasonably required by the commissioner.
- (3) The commissioner shall promptly release the insurer from regulation if he finds all the following:
 - (a) The insurer has stopped doing any new business in Utah.
 - (b) The discharge of existing liabilities to creditors in Utah is sufficiently secured.
 - (c) The release would not otherwise be prejudicial to the interests of insureds or creditors in Utah or, if the insurer is an alien insurer and Utah is the state of entry into the United States, of all insureds and creditors in the United States.
- (4) Before deciding on the release, the commissioner may require the insurer to notify, at its own expense, all agents or other classes of potentially interested persons in a manner the commissioner prescribes, including publication of its withdrawal from Utah. The notice shall advise affected persons to communicate to the commissioner any objections they may have to the insurer's release from regulation.
- (5) As a prerequisite for releasing the insurer, the commissioner may require a deposit under Section 31A-2-206, a bond issued by a surety authorized in Utah, or other appropriate security or reinsurance in a sufficient amount to secure the proper discharge of the insurer's remaining liabilities in Utah. The commissioner may also require the insurer to sign an agreement to remain subject to the jurisdiction of the commissioner and the courts of Utah with respect to any matter arising out of business done in Utah prior to the release.

Enacted by Chapter 242, 1985 General Session