

31A-37a-303 Disposition of assets -- Investments.

- (1) A special purpose financial captive insurance company or a person on its behalf shall preserve and administer an asset of the special purpose financial captive insurance company to satisfy the liabilities and obligations of the special purpose financial captive insurance company incident to:
 - (a) the reinsurance contract;
 - (b) an insurance securitization; and
 - (c) an agreement related to Subsection (1)(a) or (b).
- (2) In a special purpose financial captive insurance company insurance securitization, a security offering memorandum or other document issued to a prospective investor regarding the offer and sale of a surplus note or other security shall include a disclosure that all or part of the proceeds of the insurance securitization will be used to fund the special purpose financial captive insurance company's obligations to the ceding insurer.
- (3) A special purpose financial captive insurance company is not subject to a restriction on investments other than the following:
 - (a) A special purpose financial captive insurance company may not make a loan to a person other than:
 - (i) as permitted under its plan of operation; or
 - (ii) as otherwise approved in advance of the loan by the commissioner.
 - (b) The commissioner may prohibit or limit an investment that threatens the solvency or liquidity of a special purpose financial captive insurance company unless the investment is otherwise approved in:
 - (i) the special purpose financial captive insurance company's plan of operation; or
 - (ii) an order issued to the special purpose financial captive insurance company pursuant to Section 31A-37a-201.

Enacted by Chapter 302, 2008 General Session