

31A-11-107 Issuance of certificate of authority -- Reinsurance of excess services.

- (1) The commissioner shall issue a certificate applied for under Section 31A-11-106 if the commissioner finds that:
 - (a) the corporation is able to negotiate, execute, and carry out the motor club business in a sound, reliable, and ongoing manner;
 - (b) the reinsurance requirements of Subsection (2) are satisfied; and
 - (c) all other applicable requirements of law are satisfied.
- (2) If a motor club provides legal expense service other than that authorized in Subsection 31A-11-102(1)(b), or other trip reimbursement service than that authorized in Subsection 31A-11-102(1)(d), or bail service other than that authorized under Section 31A-11-112, it shall fully reinsure the excess service with an insurer authorized under Chapter 5, Domestic Stock and Mutual Insurance Corporations, or Chapter 14, Foreign Insurers. That insurer shall assume direct liability to the insured, and shall fully comply with Chapter 23a, Insurance Marketing - Licensing Producers, Consultants, and Reinsurance Intermediaries.

Amended by Chapter 297, 2011 General Session