

31A-14-207 Exclusive agency and management contracts.

- (1) No foreign insurer licensed under this chapter may enter into or be subject to a contract that grants or surrenders the control or management of the insurer, unless the commissioner gives express approval of the contract. If amended, a contract previously approved under this subsection must again receive the commissioner's express approval.
- (2) No nondomestic insurer may enter into any contract giving a person the exclusive or dominant right to produce the entire insurance business for the insurer in this state unless the contract is filed with and approved by the commissioner. The contract is considered approved unless disapproved by the commissioner within 30 days after the date of filing. The commissioner's disapproval shall be delivered to the insurer in writing, stating the grounds for the disapproval.
- (3) The commissioner may not approve an exclusive management or exclusive agency contract under Subsection (1) or (2) which:
 - (a) subjects the insurer to excessive charges for expenses;
 - (b) vests in a person any control over the general affairs of the insurer to the exclusion of its board of directors or officers;
 - (c) extends for an unreasonable length of time; or
 - (d) contains other inequitable provisions which may jeopardize the security of Utah policyholders.

Amended by Chapter 91, 1987 General Session