

31A-20-106 Variable contracts.

- (1)
 - (a) An insurer may not deliver or issue for delivery within this state an insurance policy that provides a life or annuity benefit in a variable amount until the insurer:
 - (i) is licensed to do a life insurance or annuity business in this state; and
 - (ii) satisfies the commissioner that the insurer's condition and methods of operation in connection with those types of insurance policies do not render the insurer's operation hazardous to the public or its policyholders in this state.
 - (b) Notwithstanding any other provision of law, the commissioner has sole authority to:
 - (i) regulate the issuance and sale of a variable contract; and
 - (ii) make rules necessary and appropriate to carry out this chapter in relation to a variable contract.
- (2) In determining the qualification of an insurer requesting authority to deliver an insurance policy described in Subsection (1) in this state, the commissioner shall consider:
 - (a) the history and financial condition of the insurer;
 - (b) the character, responsibility, and general fitness of the insurer's officers and directors; and
 - (c) in the case of a foreign insurer, whether the regulation provided by the state of its domicile or the jurisdiction in which its head office is located provides protection to policyholders and the public substantially equal to that provided by this title and the rules issued under this title.
- (3) If an insurer is a subsidiary of an admitted life insurer, or affiliated with an admitted life insurer through common management or ownership, the commissioner may consider the insurer to have met the requirements of this section if:
 - (a) the insurer meets the requirements of this section; or
 - (b) the parent or the affiliated insurer meets the requirements of this section.
- (4) This title applies to a separate account or a contract relating to the separate account, except:
 - (a) Sections 31A-22-402, 31A-22-407, and 31A-22-409, in the case of a variable annuity policy;
 - (b) Sections 31A-22-402, 31A-22-407, and 31A-22-408, in the case of a variable life insurance policy; and
 - (c) as otherwise provided in this title.

Amended by Chapter 10, 2010 General Session