

Part 6 Miscellaneous Provisions

31A-5-601 Duties of officers, directors, agents, and employees.

- (1) Any officer, director, agent, attorney, or employee upon whom legal process is properly served or who receives notice of any legal action that may affect or involve the property or business of the insurer, shall promptly communicate the service or notice and detailed information about it to facilitate informed response to persons in the insurer's organization who have authority to take responsive action or to instigate responsive action by those in authority.
- (2) A director of an insurer is assumed to have enough knowledge of its affairs to determine whether any act, proceeding, or omission of its directors is a violation of any provision of this chapter. If a director is present at a meeting of directors at which a violation of any provision of this chapter occurs, he is considered as concurring in the violation unless at the meeting he requires his dissent to be entered on the minutes. If a director is absent from the meeting, he is considered as concurring in any violation if the facts of violation appear on the minutes of the meeting and he remains a director for six months after the violation without requiring that his dissent from the violation be entered upon the record or the minutes.

Enacted by Chapter 242, 1985 General Session

31A-5-602 Doing business in other states.

- (1) Subject to Subsection (2), no domestic insurer may do an insurance business in any state in which it does not have a certificate of authority. It may not knowingly solicit in those states in any manner. Advertisements through printed media, radio, or television do not violate this subsection if they originate outside the state where there is no authority to do business, are not specifically directed to citizens of that state, and have a majority of their audience in states in which the insurer does have a certificate of authority.
- (2) A domestic insurer may do a surplus lines business in a state in which it is not authorized, only if it complies with the surplus lines law of that state.

Enacted by Chapter 242, 1985 General Session