

31A-5-208 Deposit of proceeds of subscriptions.

- (1) All funds, and the securities and documents representing interests in property, received by a stock corporation for stock subscriptions or by a mutual for applications for insurance policies or for mutual bond or contribution note subscriptions, shall be deposited in the name of the corporation with a custodian financial institution qualified under Subsection 31A-2-206(1). This deposit is subject to an escrow agreement approved by the commissioner under which withdrawals may be made only in accordance with conditions specified in the agreement, and with the commissioner's approval. Securities may be held as authorized in Subsection 31A-2-206(2) and are required to be approved by the commissioner.
- (2) This section does not apply to stock or mutual insurance corporations already in existence on July 1, 1986.

Amended by Chapter 297, 2011 General Session