

CHAPTER 45-03-09

ADMISSION OF FOREIGN INSURANCE COMPANIES

Section

45-03-09-01 Admission of Foreign Insurance Companies - Conditions

45-03-09-01. Admission of foreign insurance companies - Conditions.

In determining whether a foreign insurance company should be permitted to transact business in this state, and specifically in applying North Dakota Century Code section 26.1-02-02 and subsection 2 of section 26.1-11-01, the commissioner of insurance may require any foreign insurance company applying for a certificate of authority to provide the commissioner of insurance with a business plan for this state and an operational history of the company; last examination report; insurance regulatory information system reports; future business plans; operational history; loss experience; the kinds and nature of risks insured and to be insured; the financial condition and credit history of the company and its ownership; biographicals of its officers and board of directors; its proposed method of operation and its affiliations; its investments; any contracts leading to contingent liability or agreements in respect to guarantee and surety other than insurance; and the ratio of total annual premium and net investment income to the following: commission expenses, general insurance expenses, policy benefits paid and required, and policy reserve increases. If after reviewing information supplied by the insurance company and the commissioner is satisfied that the company is in a condition such that the expanded operation of the company in this state or its operations outside this state will not create a condition which might be hazardous to its policyholders, creditors, or the general public and all other legal requirements are met, the commissioner shall issue the company a certificate of authority to transact business in this state of the kind or kinds of business to be specified. As part of this review process, the commissioner may require that a foreign company seeking admission to do business in this state demonstrate that it has actively operated satisfactorily and according to the law of the state where it is domiciled for a period of at least one year.

History: Effective March 1, 1988.

General Authority: NDCC 28-32-02

Law Implemented: NDCC 26.1-02-02, 26.1-11-01