

REQUIRING REPORTS FROM INSURANCE COMPANIES
Act of Jul. 31, 1968, P.L. 941, No. 288
AN ACT

Cl. 40

Providing for reporting to the Insurance Commissioner by domestic insurance companies, associations, or exchanges, of certain conveyances of interests in the assets of such companies, associations, or exchanges.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. As used in this act, the term--

- (1) "Assets" includes all the property and rights of every kind of a domestic insurance company, association or exchange.
- (2) "Total assets" means the dollar amount of the company's total assets as reported in its most recent convention statement.
- (3) "Disposal" includes any sale, transfer, exchange, assignment, alienation or other conveyance of an interest in assets, but does not include a ceding of policies pursuant to a reinsurance contract.

Section 2. Any domestic insurance company, association, or exchange that, within any period of thirty days, by one or more transactions, disposes of any of its assets which, in the aggregate, amount to more than ten percent of its total assets, shall send written notification thereof to the Insurance Commissioner. Such notification shall be given within ten business days prior to the making of such disposal, and shall specify the nature and amount thereof, and identify all of the parties thereto.

Section 3. Any domestic insurance company, association or exchange except a domestic life insurance company, which, during any period of twelve consecutive months, by any contract or contracts of reinsurance, cedes an amount of its insurance on which the total gross reinsurance premiums are more than fifty percent of the unearned premiums on the net amount of its insurance in force at the beginning of such period, shall give written notification thereof to the Insurance Commissioner. Any domestic life insurance company which reinsures its whole risk on any individual life or joint lives or reinsures policies which, during any period of twelve consecutive months, in the aggregate, amount to more than fifty percent of its insurance in force shall give written notification thereof to the Insurance Commissioner. The notification required hereunder shall be given at least ten business days before the date such reinsurance takes effect, and shall specify the nature and amount thereof, and identify the parties thereto. The requirements of this section shall not apply to reinsurance made in the ordinary course of business covering reinsurance of specified individual risks under agreements relating to current business and shall be in addition to the requirements contained in section 319 of the Act of May 17, 1921 (P.L.682), known as "The Insurance Company

Law of 1921."

Section 4. The Insurance Commissioner shall, by regulation, prescribe the rules necessary for the administration of this act.