

Article 19.

Insurance Holding Company System Regulatory Act.

§ 58-19-1. Findings; purpose; legislative intent.

(a) The General Assembly finds that the public interest and the interests of policyholders are or may be adversely affected when any of the following occur:

- (1) Control of an insurer is sought by persons who would utilize such control adversely to the interests of policyholders.
- (2) Acquisition of control of an insurer would substantially lessen competition or create a monopoly in the insurance business in this State.
- (3) An insurer that is part of an insurance holding company system is caused to enter into transactions or relationships with affiliated companies on terms that are not fair and reasonable.
- (4) An insurer pays dividends to shareholders that jeopardize the financial condition of such insurer.

(b) The General Assembly declares that the policies and purposes of this Article are to promote the public interest by doing all of the following:

- (1) Requiring disclosure of pertinent information relating to changes in control of an insurer.
- (2) Requiring disclosure by an insurer of material transactions and relationships between the insurer and its affiliates, including certain dividends to shareholders paid by the insurer.
- (3) Providing standards governing material transactions between an insurer and its affiliates. (1989, c. 722, s. 1; 2015-146, s. 1.1; 2015-281, s. 13.)