

§734. Minimum surplus regarding policyholders to assume property and casualty reinsurance

1. Prohibition. Notwithstanding section 731-B, subsection 1, paragraph B, a domestic property or domestic casualty insurer, other than mutual assessment insurers operating pursuant to chapter 51, possessing less than \$10,000,000 in surplus regarding policyholders may not, without the prior written approval of the superintendent, assume reinsurance on any risk that it is otherwise permitted to assume except when the reinsurance is:

A. Required by applicable law or rule; or [PL 1991, c. 828, §19 (NEW).]

B. Assumed pursuant to pooling arrangements among members of the same holding company system. [PL 1991, c. 828, §19 (NEW).]

[PL 1991, c. 828, §19 (NEW).]

2. Application. This section applies to contracts of reinsurance entered into or renewed after the effective date of this section.

[PL 1991, c. 828, §19 (NEW).]

3. Effect. The performance of an activity prohibited by this section does not invalidate any reinsurance contract between the parties to the contract.

[PL 1991, c. 828, §19 (NEW).]

SECTION HISTORY

PL 1991, c. 828, §19 (NEW).

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