

304.49-100 Duties of captive insurer -- Investment plan -- Prohibited and permitted limitations on investments -- Applicability of investment requirements and limitations of Subtitle 7.

- (1) A captive insurer shall establish, monitor, and control its investment strategy prudently, setting clear guidelines with regard to the exposure to different investment types, levels of investment grade, and exposure to individual investments. This investment plan and any material amendments shall be filed with the commissioner.
- (2) A captive insurer shall not be subject to any restrictions on allowable investments in this chapter, including those limitations contained in Subtitle 7 of this chapter.
- (3) The commissioner may prohibit or limit any investment that threatens the solvency or liquidity of any company.
- (4) An industrial insured captive insurer insuring the risks of an industrial insured group defined in KRS 304.49-010(9)(b) shall comply with the investment requirements contained in Subtitle 7 of this chapter. Notwithstanding any other provision of this chapter, the commissioner may approve the use of alternative reliable methods of valuation and rating.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1613, effective July 15, 2010; and ch. 91, sec. 6, effective July 15, 2010. -- Amended 2006 Ky. Acts ch. 252, Pt. XXXIV, sec. 10, effective April 25, 2006. -- Created 2000 Ky. Acts ch. 434, sec. 10, effective July 14, 2000.

Legislative Research Commission Note (7/15/2010). References to the "executive director" of insurance in subsections (1) and (3) of this section, as amended by 2010 Ky. Acts ch. 91, sec. 6, have been changed in codification to the "commissioner" of insurance to reflect the reorganization of certain parts of the Executive Branch, as set forth in Executive Order 2009-535 and confirmed by the General Assembly in 2010 Ky. Acts ch. 24. These changes were made by the Reviser of Statutes pursuant to 2010 Ky. Acts ch. 24, sec. 1938.

Legislative Research Commission Note (7/15/2010). This section was amended by 2010 Ky. Acts chs. 24 and 91. Where these Acts are not in conflict, they have been codified together. Where a conflict exists, Acts ch. 91, which was last enacted by the General Assembly, prevails under KRS 446.250.