

2023 Kansas Statutes

40-4344. Same; dividends and distributions; limitations. (a) A special purpose insurance captive shall not declare or pay dividends or distributions in any form to its owners other than in accordance with the transaction agreements or plan of operation.

(b) Dividends and distributions may not decrease the capital of the special purpose insurance captive below the minimum capital requirements.

(c) All dividends and distributions shall be approved by the commissioner. After giving effect to the dividends, the assets of the special purpose insurance captive, including assets held in trust and letters of credit issued for the exclusive benefit of the special purpose insurance captive, must be sufficient to satisfy the commissioner so that it can meet its obligations, in order to be approved.

(d) Dividends and distributions may be declared by the management of the special purpose insurance captive, provided that the dividend amount or form does not violate the provisions of this section or jeopardize the fulfillment of the obligations of the special purpose insurance captive.

History: L. 2018, ch. 50, § 27; July 1.