

2012 Kansas Statutes

40-448. Transfer of domicile of domestic company; approval of commissioner; admittance as foreign insurer; deposit of securities; certificate of secretary of state; continuation of existing authority and policies; nonrecognition of transfer for certain purposes. (a) Any life insurance company that was originally incorporated under the laws of this state on March 28, 1907, may, with the approval of the commissioner of insurance, transfer its domicile to any other state in which it is admitted to transact the business of insurance. Every such transferring insurer shall notify the commissioner of insurance of the details of the proposed transfer and shall file promptly any resulting amendments to its articles of incorporation or bylaws. The commissioner of insurance may require additional information, hold hearings, and take such other action as may be necessary to evaluate the proposed transfer. The commissioner of insurance shall approve any such proposed transfer and issue written evidence thereof in the form required by the state to which the transfer shall be made, unless it is determined that such transfer is not in the interest of the policyholders of this state. Upon such transfer the company shall cease to be a domestic insurer and shall be admitted to transact the business of insurance in this state if qualified as a foreign insurer. Upon such transfer the transferring company shall no longer be required to deposit securities pursuant to K.S.A. 40-401, 40-404 or any other provision of chapter 40 of the Kansas Statutes Annotated and amendments thereto; however, the commissioner of insurance shall retain an amount of securities equal to the legal reserves on all policies owned by residents of this state in force at the time of such transfer, and the transferring company shall periodically deposit with the commissioner of insurance additional securities so that at all times the amount on deposit is at least equal to the legal reserves of such policies.

(b) Upon approving any such transfer, the commissioner of insurance shall file with the secretary of state, in accordance with subsections (c) and (d) of K.S.A. 17-6003 and amendments thereto a certificate stating that the commissioner of insurance has approved transfer of the company's domicile to another state and the state to which the company will transfer its domicile. One hundred and eighty days after the filing of such certificate, or on such earlier date as may be communicated in writing by the president and secretary of the transferring company to the secretary of state, the secretary of state shall issue a certificate that the company has transferred its domicile to the state designated by the commissioner of insurance, and thereupon the existence of the corporation as a domestic corporation shall terminate, if the certificate of the secretary of state shall be recorded in the office of the register of deeds of the county in which the corporation maintained its registered office in this state in compliance with the requirements of subsection (d) of K.S.A. 17-6003 and amendments thereto.

(c) At the discretion of the commissioner of insurance, the certificate of authority, agents' appointments and certificates, rates, forms and other documents required as a precedent to the holding of a Kansas certificate of authority, which are in existence at the time any insurer transfers its domicile to any other state pursuant to subsections (a) and (b), shall continue in full force and effect upon such transfer if such insurer remains duly qualified to transact the business of insurance in this state. All in force policies of any transferring insurer shall remain in full force and effect and shall be endorsed as necessary to display the new name and location of the company.

(d) The transferring company shall not be treated as discontinuing its business for purposes of K.S.A. 40-248 or any other provision of chapter 40 of the Kansas Statutes Annotated and amendments thereto. The transferring company shall not be treated as uniting, merging or consolidating with any other company for purposes of K.S.A. 40-309 or any other provision of chapter 40 of the Kansas Statutes Annotated and amendments thereto. The transfer shall not be treated as a merger or acquisition of control for purposes of K.S.A. 40-3304 or any other provision of chapter 40 of the Kansas Statutes Annotated and amendments thereto.

(e) The commissioner of insurance of this state may promulgate rules and regulations to carry out the purposes of this act.

History: L. 1990, ch. 155, § 1; July 1.