

40-1605. Maintenance of unearned premiums and reserves; surplus funds; conditions. (a) At all times, each reciprocal shall maintain the same unearned premium and loss or claim reserves, in cash or securities authorized by the laws of the state in which the reciprocal is domiciled, as required for domestic stock and mutual companies writing the same classes of insurance.

(b) No reciprocal shall be licensed to transact the business of insurance in this state unless such reciprocal shall have and maintain a surplus equal to the capital and surplus required of a domestic stock insurance company transacting the same kinds of insurance.

(c) Each reciprocal shall have lawful securities on deposit, for the protection of all subscribers or creditors, or both, of the reciprocal, with the department of insurance of this or any other state in the United States in an amount equal to the minimum capital stock required of a domestic stock insurance company transacting the same kinds of insurance.

History: L. 1927, ch. 231, 40-1605; L. 1955, ch. 243, § 1; L. 1965, ch. 300, § 7; L. 1969, ch. 237, § 10; L. 1979, ch. 144, §1; L. 1984, ch. 169, § 10; L. 2000, ch. 170, § 21; July 1.