

§6711. Reinsurance

1. Reinsurance. A captive insurance company may provide reinsurance on risks ceded by any other insurer to the extent permitted by section 6702.

[PL 2009, c. 335, §17 (AMD).]

2. Credit for reserves. A captive insurance company may take credit for the reinsurance of risks or portions of risks ceded to a reinsurer in accordance with this Title. A captive insurance company may not cede risks or take credit for the reinsurance of risks or portions of risk without the approval of the superintendent, except for business written outside the United States by an alien captive insurance company.

[PL 2009, c. 335, §18 (AMD).]

3. Credit for reserves on risks; adequate security. In addition to reinsurers complying with chapter 9, subchapter III, a captive insurance company may take credit for reserves on risks or portions of risks ceded to a pool, exchange or association acting as a reinsurer that has been authorized by the superintendent. The superintendent may require any other documents, financial information or other evidence that such a pool, exchange or association is able to provide adequate security for its financial obligations. The superintendent may deny authorization or impose any limitations on the activities of a reinsurance pool, exchange or association that, in the superintendent's judgment are necessary and proper to provide adequate security for the ceding captive insurance company and for the protection and benefit of the public.

[PL 1997, c. 435, §1 (NEW).]

4. Reinsurance of workers' compensation risks. A captive insurance company may, with the approval of the superintendent, reinsure workers' compensation risks of its parent and affiliated companies under a statutory workers' compensation policy issued by a licensed insurer or under a qualified self-insured plan. The superintendent may require that all or part of any assumed self-insured risk be retroceded to an insurance company that meets the standards for acceptance of reinsurance of workers' compensation self-insurance.

[PL 2009, c. 335, §19 (AMD).]

SECTION HISTORY

PL 1997, c. 435, §1 (NEW). PL 2009, c. 335, §§17-19 (AMD).

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