

1434

2015-2016 Regular Sessions

I N S E N A T E

January 12, 2015

Introduced by Sen. SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to the redomestication of insurance companies

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. Section 7120 of the insurance law, as amended by chapter 48
2 of the laws of 2009, is amended to read as follows:
3 S 7120. Redomestication of [foreign] insurance companies. (a) Defi-
4 nitions. In this section:
5 (1) "Redomestication" means the transfer to this state of the corpo-
6 rate domicile of an authorized foreign company OR THE TRANSFER FROM THIS
7 STATE OF THE CORPORATE DOMICILE OF A DOMESTIC COMPANY, as provided for
8 in this section.
9 (2) "Transferring company" means any authorized [foreign] company
10 seeking redomestication.
11 (b) A transferring company TRANSFERRING TO THIS STATE shall:
12 (1) file with the superintendent a certificate in such form as
13 prescribed by the superintendent signed by the insurance supervisory
14 official of the state where such transferring company is domiciled
15 approving the proposed redomestication and confirming that upon redomes-
16 tication the transferring company shall no longer be subject as a domes-
17 tic company to the requirements of its current state of domicile;
18 (2) comply with the applicable requirements of this chapter regarding
19 the organization and licensing of a domestic company of the same type;
20 (3) demonstrate to the satisfaction of the superintendent that upon
21 redomestication, the transferring company will be in compliance with the
22 requirements of this chapter and any regulations promulgated thereunder
23 applicable to a domestic company of the same type;
24 (4) submit to the superintendent all documents and filings necessary
25 to comply with paragraphs two and three of this subsection; and

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [] is old law to be omitted.

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1 (5) submit new policy forms to the superintendent for use after redo-
2 mestication, if so ordered by the superintendent, or use existing policy
3 forms with appropriate endorsements if allowed by, and under such condi-
4 tions as approved by, the superintendent.

5 (c) A TRANSFERRING COMPANY TRANSFERRING FROM THIS STATE:

6 (1) UPON THE APPROVAL OF THE SUPERINTENDENT, TRANSFER ITS DOMICILE TO
7 ANY OTHER STATE IN WHICH IT IS ADMITTED TO TRANSACT THE BUSINESS OF
8 INSURANCE, AND UPON SUCH A TRANSFER IT SHALL CEASE TO BE A DOMESTIC
9 COMPANY, AND SHALL BE AUTHORIZED IN THIS STATE, IF QUALIFIED, AS A
10 FOREIGN INSURER. THE SUPERINTENDENT SHALL APPROVE THE TRANSFER UNLESS
11 HE OR SHE DETERMINES THE TRANSFER IS NOT IN THE INTEREST OF THE POLICY-
12 HOLDERS OF THIS STATE; AND

13 (2) MAY CONTINUE ISSUING POLICY FORMS APPROVED BEFORE REDOMESTICATION
14 PURSUANT TO SECTION THREE THOUSAND TWO HUNDRED ONE OF THIS CHAPTER WITH
15 SUCH ENDORSEMENT, IF ANY, AS THE SUPERINTENDENT DETERMINES IS NEEDED TO
16 REFLECT THE REDOMESTICATION.

17 (D) After the transferring company has complied with the provisions of
18 this section, the superintendent may, in accordance with section one
19 thousand one hundred two of this chapter issue a new license to the
20 transferring company to reflect the change in its state of corporate
21 domicile. The duration of its license shall be governed by section one
22 thousand one hundred three of this chapter. Upon issuance of such new
23 license the redomestication shall become effective and the transferring
24 company shall be a domestic company OR A FOREIGN COMPANY, AS
25 APPROPRIATE.

26 [(d)] (E) Simultaneous with the redomestication taking effect:

27 (1) all materials and documents that were submitted to the superinten-
28 dent by the transferring company pursuant to the requirements of this
29 section shall be filed in the office of the superintendent SUBJECT TO
30 SUBSECTION (H) OF THIS SECTION; and

31 (2) FOR A TRANSFERRING COMPANY TRANSFERRING TO THIS STATE, the super-
32 intendent shall, in accordance with section one thousand two hundred one
33 or other applicable provisions of this chapter issue to the company a
34 certified copy of its new declaration and charter and a certificate of
35 incorporation. The new charter of the company may provide for the
36 continuation of the corporate existence of the transferring company and
37 in such case the original date of incorporation of the transferring
38 company shall be the date of incorporation of the new domestic company.

39 [(e)] (F) All outstanding insurance policies and contracts shall
40 remain in full force and effect with no change and need not be endorsed
41 as to the new name of the company, if any, or its new location unless
42 ordered by the superintendent.

43 [(f)] (G) All agents' appointments and licenses, rates, and other
44 items that the superintendent allows, existing at the time of redomesti-
45 cation, shall continue in full force and effect in accordance with
46 applicable provisions of this chapter.

47 (H) THE SUPERINTENDENT SHALL KEEP THE CONTENTS OF ANY REPORT OR INFOR-
48 MATION THE SUPERINTENDENT REQUIRES PURSUANT TO THIS SECTION, AND THAT IS
49 NOT OTHERWISE REQUIRED TO BE SET FORTH IN A PUBLICLY AVAILABLE REPORT OR
50 FILING, CONFIDENTIAL IN ACCORDANCE WITH THE PROVISIONS OF SUBSECTION (C)
51 OF SECTION ONE THOUSAND FIVE HUNDRED FOUR OF THIS CHAPTER.

52 S 2. This act shall take effect immediately.