

§3476. Acquisition of controlling stock

1. Any person proposing to acquire the controlling capital stock or guaranty capital shares of any domestic stock insurer and thereby to change the control of the insurer, other than through merger or consolidation or affiliation as provided for in this chapter, shall first apply to the superintendent in writing for approval of such proposed change of control. The application shall state the names and addresses of the proposed new owners of the controlling stock or shares and contain such additional information as the superintendent may reasonably require.

[PL 1969, c. 132, §1 (NEW); PL 1973, c. 585, §12 (AMD).]

2. The superintendent may not approve the proposed change of control if the superintendent finds:

A. That the proposed new owners are not qualified by character, experience and financial responsibility to control and operate the insurer, or cause the insurer to be operated, in a lawful and proper manner; [RR 2021, c. 2, Pt. A, §76 (COR).]

B. That as a result of the proposed change of control the insurer may not be qualified for a certificate of authority under section 407; [RR 2021, c. 2, Pt. A, §77 (COR).]

C. That the interests of the insurer or other stockholders of the insurer or policyholder would be impaired through the proposed change of control; or [PL 1969, c. 132, §1 (NEW).]

D. That the proposed change of control would tend materially to lessen competition, or to create any monopoly, in a business of insurance in this State or elsewhere. [PL 1969, c. 132, §1 (NEW).]
[RR 2021, c. 2, Pt. A, §§76, 77 (COR).]

3. If the superintendent does not by affirmative action approve or disapprove the proposed change of control within 30 days after the date such application was so filed with the superintendent, the proposed change may be made without such approval. Except that if the superintendent gives notice to the parties of a hearing to be held by the superintendent with respect to the proposed change of control, and the hearing is held within such 30 days or on a date mutually acceptable to the superintendent and the parties, the superintendent shall have 30 days after the conclusion of the hearing within which to so approve or disapprove the proposed change; and if not so approved or disapproved, the change may thereafter be made without the superintendent's approval.

[PL 1989, c. 269, §15 (AMD).]

4. If the superintendent disapproves the proposed change, the superintendent shall give written notice thereof to the parties, setting forth in detail the reasons for disapproval.

[RR 2021, c. 1, Pt. B, §285 (COR).]

5. The superintendent shall file a complaint with the District Court seeking to suspend or revoke the certificate of authority held by any insurer, the control of which has been changed in violation of this section.

[PL 1977, c. 694, §428 (RPR); PL 1999, c. 547, Pt. B, §78 (AMD); PL 1999, c. 547, Pt. B, §80 (AFF).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1973, c. 585, §12 (AMD). PL 1977, c. 694, §428 (AMD). PL 1989, c. 269, §15 (AMD). PL 1999, c. 547, §B78 (AMD). PL 1999, c. 547, §B80 (AFF). RR 2021, c. 1, Pt. B, §§284, 285 (COR). RR 2021, c. 2, Pt. A, §§76, 77 (COR).

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