

304.3-080 General eligibility for certificate of authority -- Ownership -- Management.

- (1) No certificate of authority or license to transact any kind of insurance business in this state shall be issued, renewed or continued in effect to any domestic, foreign, or alien insurance company or other insurance entity which is owned, or financially controlled in whole or in part by any state of the United States, or by a foreign government or by any political subdivision of either, or which is an agency of such state, government or political subdivision, unless such company or entity was so owned, controlled or constituted prior to January 1, 1957, and was authorized to do business in this state on or prior to January 1, 1957.
- (2) The commissioner shall not grant or continue authority to transact insurance in this state to any insurer or proposed insurer after a hearing held thereon, if it appears that:
 - (a) Any director, officer or other individual materially part of the management is found by the commissioner after investigation or upon reliable information to be incompetent, or dishonest, or untrustworthy, or of unfavorable business repute; or
 - (b) The managers are so lacking in insurance company managerial experience in operations of the kind proposed in this state as to make such operation, currently or prospectively, hazardous to or contrary to the best interests of the insurance-buying or investing public of this state; or
 - (c) The commissioner has good reason to believe it is affiliated directly or indirectly through ownership, control, management, reinsurance transactions or other business relations with any person or persons of unfavorable business repute; or
 - (d) Its business operations are or have been marked, to the injury of insurers, stockholders, policyholders, creditors or the public, by illegality, or by manipulation of assets, or of accounts, or of reinsurance, or by bad faith.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 959, effective July 15, 2010. -- Created 1970 Ky. Acts ch. 301, subtit. 3, sec. 8, effective June 18, 1970.