

11 NCAC 11C .0605 COMPLIANCE: FINANCIAL GUARANTY BOND

(a) When G.S. 58-7-162(6) applies under 11 NCAC 11C .0602, the premiums collected by the person or the person and its affiliates and not remitted to the insurer may be secured by a financial guaranty bond acceptable to the Department, payable to the insurer, so that those premiums will qualify as allowable or admitted assets.

(b) The amount of the financial guaranty bond shall at all times equal or exceed 125 percent of the liability of the person or the person and its affiliates to the insurer for the premiums collected.

(c) The financial guaranty bond must be issued within 30 days after the end of the month in which the insurer becomes subject to G.S. 58-7-162(6) under 11 NCAC 11C .0602. A certified copy of the executed financial guaranty bond shall be provided to the Commissioner.

History Note: Authority G.S. 58-2-40; 58-7-162;

Eff. April 1, 1993;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 20, 2015.