

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1764
95TH GENERAL ASSEMBLY

4419L.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 375.1175, RSMo, and to enact in lieu thereof one new section relating to the liquidation of certain domestic insurance companies.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 375.1175, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 375.1175, to read as follows:

375.1175. **1.** The director may petition the court for an order directing him to liquidate a domestic insurer or an alien insurer domiciled in this state on the basis:

(1) Of any ground for an order of rehabilitation as specified in section 375.1165, whether or not there has been a prior order directing the rehabilitation of the insurer;

(2) That the insurer is insolvent;

(3) That the insurer is in such condition that the further transaction of business would be hazardous, financially or otherwise, to its policyholders, its creditors or the public;

(4) That the insurer is found to be in such condition after examination that it could not meet the requirements for incorporation and authorization specified in the law under which it was incorporated or is doing business; or

(5) That the insurer has ceased to transact the business of insurance for a period of one year.

2. Notwithstanding any other provision of this chapter, a domestic insurer organized as a stock insurance company may voluntarily dissolve and liquidate as a corporation under sections 351.462 to 351.482, provided that:

(1) The director, in his or her sole discretion, approves the articles of dissolution prior to filing such articles with the secretary of state. In determining whether to approve

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 or disapprove the articles of dissolution, the director shall consider, among other factors,
19 whether:

20 (a) The insurer's annual financial statements filed with the director show no
21 written insurance premiums for five years; and

22 (b) The insurer has demonstrated that all policyholder claims have been satisfied
23 or have been transferred to another insurer in a transaction approved by the director; and

24 (c) An examination of the insurer pursuant to sections 374.202 to 374.207 has been
25 completed within the last five years; and

26 (2) The domestic insurer files with the secretary of state a copy of the director's
27 approval, certified by the director, along with articles of dissolution as provided in section
28 351.462 or 351.468.

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