

**304.49-050 Payment of dividends -- Commissioner's approval required --
Limitations -- Rescinding approval.**

No captive insurer may pay a dividend out of, or other distribution with respect to, capital or surplus, in excess of the limitations set forth in KRS 304.24-320 and 304.24-330 without the prior approval of the commissioner. Approval of an ongoing plan for the payment of dividends or other distributions shall be conditioned upon the retention, at the time of each payment, of capital or surplus in excess of amounts specified by, or determined in accordance with formulas approved by, the commissioner. The commissioner may rescind approval of all or part of the dividend and may require repayment of all or part of the dividend amount if a dividend is paid without approval, made in excess of the approved amount, made in excess of the approved amount, or made in violation of the terms of the approval.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1609, effective July 15, 2010; and ch. 91, sec. 3, effective July 15, 2010. -- Created 2000 Ky. Acts ch. 434, sec. 5, effective July 14, 2000.

Legislative Research Commission Note (7/15/2010). A reference to the "executive director" of insurance in this section, as amended by 2010 Ky. Acts ch. 91, sec. 3, has been changed in codification to the "commissioner" of insurance to reflect the reorganization of certain parts of the Executive Branch, as set forth in Executive Order 2009-535 and confirmed by the General Assembly in 2010 Ky. Acts ch. 24. This change was made by the Reviser of Statutes pursuant to 2010 Ky. Acts ch. 24, sec. 1938.

Legislative Research Commission Note (7/15/2010). This section was amended by 2010 Ky. Acts chs. 24 and 91, which do not appear to be in conflict and have been codified together.