

304.49-070 Annual report of financial condition.

- (1) Captive insurance companies shall not be required to make any annual report except as provided in KRS 304.49-010 to 304.49-230.
- (2)
 - (a) On or before March 1 of each year, each captive insurer shall submit to the commissioner a report of its financial condition, verified by oath of two (2) of its executive officers.
 - (b) Each captive insurer shall report using generally accepted accounting principles, unless the commissioner approves the use of statutory accounting principles or international accounting standards. The approved accounting method may contain any appropriate or necessary modifications or adaptations thereof required or approved or accepted by the commissioner for the type of insurance and kinds of insurers to be reported upon, and as supplemented by additional information required by the commissioner. Any captive insurer whose use of statutory accounting principles is approved by the commissioner may make modifications and adaptations as are necessary to record as admitted the full value of all investments by the captive insurer permitted under this subtitle and, subject to the commissioner's approval, to make its reports under this section consistent with the purposes of this subtitle.
 - (c) Except as otherwise provided, all captive insurers, with the exception of those formed as a risk retention group, shall file reports on a form prescribed by the commissioner. An actuarial opinion summary shall not be required to be filed when a certification of loss and loss expense reserves and opinion of reserve adequacy is filed with the department by a captive insurer, unless otherwise requested by the commissioner.
 - (d) A captive insurer formed as a risk retention group shall file reports pursuant to KRS 304.2-205 and an actuarial opinion summary pursuant to KRS 304.3-242, with additional information or modification as the commissioner may prescribe.
 - (e) The commissioner shall by administrative regulation propose the forms in which captive insurers shall report.
- (3) Any captive insurer may make written application for filing the required report on a fiscal year end. If an alternative reporting date is granted, the annual report is due sixty (60) days after the fiscal year end.
- (4) Sixty (60) days after the fiscal year end, a branch captive insurer shall file with the commissioner a copy of all reports and statements required to be filed under the laws of the jurisdiction in which the foreign captive insurer is formed, verified by oath of two (2) of its executive officers. If the commissioner is satisfied that the annual report filed by the foreign captive insurer in its domiciliary jurisdiction provides adequate information concerning the financial condition of the foreign captive insurer, the commissioner may waive the requirement for completion of the captive annual statement for business written in the foreign jurisdiction.

Effective: July 12, 2012

History: Amended 2012 Ky. Acts ch. 74, sec. 20, effective July 12, 2012. -- Amended

2010 Ky. Acts ch. 24, sec. 1611, effective July 15, 2010; and ch. 91, sec. 5, effective July 15, 2010. -- Amended 2006 Ky. Acts ch. 252, Pt. XXXIV, sec. 9, effective April 25, 2006. -- Created 2000 Ky. Acts ch. 434, sec. 7, effective July 14, 2000.

Legislative Research Commission Note (7/15/2010). Under the authority of KRS 7.136(1)(e) and (h), a reference to "KRS 304.3-242(4)(a) and (d)" in subsection (2) of this statute, as amended by 2010 Ky. Acts ch. 91, sec. 5, has been changed in codification to "KRS 304.3-242(7)(a) and (d)" to reflect the insertion and deletion of various subsections in KRS 304.3-242 by 2010 Ky. Acts ch. 25, sec. 4, and the renumbering of the existing subsection (4) as subsection (7).