

than a transferee domicile may treat a redomesticating or redomesticated insurer or any affiliate thereof any differently than an insurer operating in that State that is not a redomesticating or redomesticated insurer.

**(c) Laws prohibiting operations**

If any licensed State fails to issue, delays the issuance of, or seeks to revoke an original or renewal certificate of authority of a redomesticated insurer promptly following redomestication, except on grounds and in a manner consistent with its past practices regarding the issuance of certificates of authority to foreign insurers that are not redomesticating, then the redomesticating insurer shall be exempt from any State law of the licensed State to the extent that such State law or the operation of such State law would make unlawful, or regulate, directly or indirectly, the operation of the redomesticated insurer, except that such licensed State may require the redomesticated insurer to—

(1) comply with the unfair claim settlement practices law of the licensed State;

(2) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on licensed insurers or policyholders under the laws of the licensed State;

(3) register with and designate the State insurance regulator as its agent solely for the purpose of receiving service of legal documents or process;

(4) submit to an examination by the State insurance regulator in any licensed State in which the redomesticated insurer is doing business to determine the insurer's financial condition, if—

(A) the State insurance regulator of the transferee domicile has not begun an examination of the redomesticated insurer and has not scheduled such an examination to begin before the end of the 1-year period beginning on the date of the redomestication; and

(B) any such examination is coordinated to avoid unjustified duplication and repetition;

(5) comply with a lawful order issued in—

(A) a delinquency proceeding commenced by the State insurance regulator of any licensed State if there has been a judicial finding of financial impairment under paragraph (7); or

(B) a voluntary dissolution proceeding;

(6) comply with any State law regarding deceptive, false, or fraudulent acts or practices, except that if the licensed State seeks an injunction regarding the conduct described in this paragraph, such injunction must be obtained from a court of competent jurisdiction as provided in section 6734(a) of this title;

(7) comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance regulator alleging that the redomesticating insurer is in hazardous financial condition or is financially impaired;

(8) participate in any insurance insolvency guaranty association on the same basis as any other insurer licensed in the licensed State; and

(9) require a person acting, or offering to act, as an insurance licensee for a redomesticated insurer in the licensed State to obtain a license from that State, except that such State may not impose any qualification or requirement that discriminates against a non-resident insurance licensee.

(Pub. L. 106-102, title III, § 313, Nov. 12, 1999, 113 Stat. 1419.)

**§ 6734. Other provisions**

**(a) Judicial review**

The appropriate United States district court shall have exclusive jurisdiction over litigation arising under this section<sup>1</sup> involving any redomesticating or redomesticated insurer.

**(b) Severability**

If any provision of this section,<sup>1</sup> or the application thereof to any person or circumstances, is held invalid, the remainder of the section,<sup>1</sup> and the application of such provision to other persons or circumstances, shall not be affected thereby.

(Pub. L. 106-102, title III, § 314, Nov. 12, 1999, 113 Stat. 1420.)

**Editorial Notes**

REFERENCES IN TEXT

This section, referred to in text, probably should be a reference to this subtitle, meaning subtitle B (§§ 311-316) of title III of Pub. L. 106-102, which is classified generally to this subchapter.

**§ 6735. Definitions**

For purposes of this subchapter, the following definitions shall apply:

**(1) Court of competent jurisdiction**

The term “court of competent jurisdiction” means a court authorized pursuant to section 6734(a) of this title to adjudicate litigation arising under this subchapter.

**(2) Domicile**

The term “domicile” means the State in which an insurer is incorporated, chartered, or organized.

**(3) Insurance licensee**

The term “insurance licensee” means any person holding a license under State law to act as insurance agent, subagent, broker, or consultant.

**(4) Institution**

The term “institution” means a corporation, joint stock company, limited liability company, limited liability partnership, association, trust, partnership, or any similar entity.

**(5) Licensed State**

The term “licensed State” means any State, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands in which the redomesticating

<sup>1</sup> See References in Text note below.