

191—113.11(521J) Additional deposit requirement.

113.11(1) Whenever the commissioner deems that the financial condition of a captive company warrants additional security, the commissioner may require the captive company to deposit, in trust for the captive company, cash, securities approved by the commissioner, or an irrevocable letter of credit issued by a bank chartered by the state of Iowa or a member bank of the Federal Reserve System with the commissioner.

113.11(2) The commissioner shall return the deposit or letter of credit of a captive company if the captive company ceases to do any business only after being satisfied that all obligations of the captive company have been discharged.

113.11(3) A captive company may receive interest or dividends from the deposit or exchange the deposits for others of equal value with the approval of the commissioner.

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