

**517.1 Reserve required.**

Every corporation, association, company, or reciprocal exchange writing any of the several classes of insurance authorized by paragraph "d" of subsection 5 of section 515.48 shall maintain reserves for outstanding losses under insurance against loss or damage from accident to or injuries suffered by an employee or other person and for which the insured is liable computed as follows:

1. For all liability suits being defended under policies written more than:
  - a. Ten years prior to the date as of which the statement is made, one thousand five hundred dollars for each suit.
  - b. Five and less than ten years prior to the date as of which the statement is made, one thousand dollars for each suit.
  - c. Three and less than five years prior to the date as of which the statement is made, eight hundred fifty dollars for each suit.
2. For all liability policies written during the three years immediately preceding the date as of which the statement is made, such reserve shall be sixty percent of the earned liability premiums of each of such three years less all loss and loss expense payments made under liability policies written in the corresponding years; but in any event, such reserve shall, for the first of such three years, be not less than seven hundred fifty dollars for each outstanding liability suit on said year's policies.
3. For all compensation claims under policies written more than three years prior to the date as of which the statement is made, the present values at four percent interest of the determined and the estimated future payments.
4. For all compensation claims under policies written in the three years immediately preceding the date as of which the statement is made, such reserve shall be sixty-five percent of the earned compensation premiums of each of such three years, less all loss and loss expense payments in connection with such claims under policies written in the corresponding years; but in any event, in the case of the first year of any of such three-year period such reserve shall be not less than the present value at four percent interest of the determined and the estimated unpaid compensation claims under policies written during such year.

[C24, 27, 31, 35, 39, §9025; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §517.1]