

523A.207 Audits by certified public accountants — penalty.

1. A purchase agreement shall not be sold or transferred, as part of the sale of a business or the assets of a business, until an audit has been performed by a certified public accountant and filed with the commissioner that expresses the auditor's opinion of the adequacy of funding related to the purchase agreements to be sold or transferred. If the buyer of a purchase agreement sold or transferred as part of the sale of a business or the assets of a business, fails to file such an audit, the commissioner shall suspend the preneed seller's license of the buyer and the preneed sales license of any sales agent in the employ of the buyer until the audit is filed. In addition, the commissioner shall assess a penalty against the buyer in an amount up to one hundred dollars for each day that the audit remains unfiled. The commissioner shall allow a thirty-day grace period after the date that a purchase agreement is sold or transferred before suspension of a license or assessment of a penalty for failure to file an audit pursuant to [this subsection](#).

2. All records maintained by the commissioner under [this section](#) shall be confidential pursuant to [section 22.7, subsection 58](#), and shall not be made available for inspection or copying except upon approval of the commissioner or the attorney general, or except when sought by the preneed seller to whom the records relate. Such records shall be privileged and confidential in any judicial or administrative proceeding except any of the following:

- a. An action commenced by the commissioner.
- b. An administrative proceeding brought by the insurance division.
- c. An action or proceeding which arises out of the criminal provisions of the laws of this state or of the United States.
- d. An action brought by the insurance division or the attorney general to recover moneys for embezzlement, misappropriation, or misuse of trust funds.

[2007 Acts, ch 175, §13; 2010 Acts, ch 1067, §2; 2015 Acts, ch 128, §32, 50, 51; 2016 Acts, ch 1073, §158](#)

Referred to in [§22.7, §523A.807](#)