

521J.19 Delinquency.

1. Except as otherwise provided in [this section](#), [chapter 507C](#) shall apply to a protected cell captive company.

2. Upon any order of supervision, rehabilitation, or liquidation of a protected cell captive company, the receiver shall manage the assets and liabilities of the protected cell captive company pursuant to [this section](#).

3. Notwithstanding [chapter 507C](#) or any other provision of law to the contrary, in the conservation, rehabilitation, or liquidation of a protected cell captive company, all of the following requirements shall be met:

a. The assets and liabilities of a protected cell shall at all times be kept separate from, and shall not be commingled with, those of other protected cells and the protected cell captive company.

b. The assets of a protected cell shall not be used to pay any expenses or claims other than the expenses or claims attributable to the protected cell.

c. If the sponsor consents and the commissioner has granted prior written approval, the assets of the protected cell captive company's general account may be used to pay any expenses or claims attributable solely to a protected cell or protected cells of the protected cell captive company. Notwithstanding [section 521J.4](#), if the assets of the protected cell captive company's general account are used to pay expenses or claims attributed solely to a protected cell or protected cells of the protected cell captive company, the sponsor shall not be required to contribute additional capital and surplus to the protected cell captive company's general account.

d. A protected cell captive company's capital and surplus shall be available at all times to pay any expenses of, or claims against, the protected cell captive company.

4. Notwithstanding [chapter 507C](#) or any other provision of law to the contrary, in the event of an insolvency of a protected cell captive company where the commissioner determines that one or more protected cells remain solvent, the commissioner may separate such cells from the protected cell captive company and, on application of the sponsor, may allow for the conversion of such protected cells into one or more new or existing protected cell captive companies, or one or more other captive companies, pursuant to a plan of operation approved by the commissioner.

[2023 Acts, ch 107, §22](#); [2023 Acts, ch 119, §42](#)

NEW section